FAMILY FIRMS, FROM FAMILY VALUES TO INSTITUTIONALIZATION

AN ANTHROPOLOGICAL RESEARCH

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ABSTRACT

The period after 1975, which was mostly identified as the "globalization" period with reference to the world economy, brought along the functional need for world metropolises. Globalization forces changes in scales and complexity, creating a new type of an urban life as we see in metropolises. Relations, which were previously based mainly on production, are now more service, business, insurance, finance, merchandising, artificial intelligence related. Following modernization of Turkey, urbanization, as a parameter of globalization, has gained a great momentum in the past 30 years. Istanbul, as being called a gamma world city and with changing urban life, is a hitting example for Turkey.

The local power and institutions fortify the concept of global cities together with global strategic networking, which drops into mind the local family firms and their institutionalization in conjunction with economic, social, cultural and demographic interrelations. Therefore, by considering kinship and other relationships under the perspective of social – cultural anthropology will help to make linking from family values, relationships in the vicinity of family business to local institutional culture and global business culture. Explaining with a stronger expressions, "Anthropological investigation of Family Firm Organizations, their relationships, succession through risk elimination, family virtues and values and principles, commercial integration and institutionalism, their social capital, perceptions and the behaviors of founders or managing family members, where firm owners originally migrated to a big urban, global city, Istanbul", and they claimed by

obeying and deploying of family values, which mostly corresponded with world widely accepted virtues, by focusing their main branch or sector, it can be created a global brand, publicly honored company and satisfied stakeholders.

Having very limited number of researches among family firms and their adoption towards institutionalism, side effects of fellow citizenship to kinship in a big city atmosphere, power transmission on the way of trading and cultural integration in line with the global flow – at least to some extent- have triggered to make a new anthropologic research. During research, one of the special family business models to eliminate the risk of breakage, i.e. nepotism, in the long run sustainability of the family business, emotional ownership will be tried to be analyzed through the selected sample implementation. During research it is for sure that, trust is foreseen as the number one player in the transmission of values, virtues together with the founder's culture, whereas the stewardship personality and behaviors, being visionary are the assistants to create the trust. Trust is estimated as the main creator or result of the founder's and or family firm's social capital which enlarges the whole relationships and acceptability by his-her stakeholders.

Also, there will be seeking new approaches to the basic questions of how to intersect the global and local forces, in which way the institutionalization of family firms and family relationship, their values, adoption of family values to the business, if exists, their pains being lived through environmental economical changes and through institutionalization.

Key words: family, family firms, kinship, nepotism, values, virtues, trust, institutionalism, globalization forces

OZET

Dünya genelinde 1975 yıllardan itibaren özellikle ekonomik anlamda oluşmaya başlayan akım, değişik isimler verilmesine karşın "küreselleşme" olarak adlandırabileceğimiz bu akım, şehirleşme stili bir yaşama olan gereksinimi de artırmaya başlamıştır. Daha önceki dönemlerde daha çok üretim bazlı ilişkiler, bu şehirleşme, kentlileşme yaklaşımı beraberinde, finans, servis hizmetleri, ticaret, sigortacılık, yazılım, teknoloji odaklı olmayı da beraberinde getirmekte ve büyük şehirlere, metropollere doğru bir büyüme oluşmaktadır. Türkiye'de de benzeri bir şekilde gelişen yaşam, İstanbul'un yeniden "metropole" dönüşümüne araç olmuştur.

Metropollerin gelişimindeki lokal kuvvetlerin itici gücünün, temel kaynaklardan birinin, diğer bölgelerden de İstanbul'a taşınanlar da dahil olarak aile şirketleri olabileceği düşüncesini akla getirmektedir.

Küçük ölçeklerden büyük ölçeklere geçiş bu anlamda kültürel motifleri, değerleri, harmanlayarak, bunları da temel alarak kurumsal bir yapıyı da oluşturma yönünde beklentileri, uygulamaları da beraberinde taşımaktadır.

Ülke ekonomisinin işlerliğinin yaklaşık %95-98 aralığında yer alan aile şirketleri hakkında ülkemizde fazlaca bir araştırma olmaması, dünya ölçeğinde de zorluğu ve farklılıklar içermesi nedeniyle en çok %1'ler mertebesinde yapılmış antropolojik boyutlu araştırma bulunabilmesi; sürekli gelişen bir aile şirketi kurucusunun da bir aile şirketinde aile değerleri esas alınarak, adil olunarak, tüm paydaşların hakkı tam anlamı ile korunarak, en çok vergi veren olabilmeyi hedefleyerek, büyük bir marka yaratılabileceği ve paydaş memnuniyetlerinin üst seviyelere taşınabileceği iddiası ile birleştirilmiş ve "Aile Şirketlerinde Değerlerden Kurumsallaşmaya Antropolojik bir Araştırma" başlığı temel alınmıştır.

İlk anda geniş bir başlık gibi görünen bu konuda, bu başlık içerisinde, araştırılmasına gereksinim görülen, aile, akrabalık, sonraki kuşaklara geçiş risklerini anlama, değerler, dünya ölçeğinde kabul görmüş değerler olan erdemler, aile değerlerinin aile ve iş değeri olarak entegrasyonu, kurumsallaşma, aile şirketlerinin temel saiklerinden olan güven ve kurucunun davranış stilleri, aile üyelerini kayırmacılık olan nepotizme bakış ve uygulamaları ve nihai olarak ekonomik büyümenin, küresel pazarlara açılmanın da kısmen tetiklediği kurumsallaşma yolculuğu hem literatür hem de uzun süreli bir saha araştırması ile anlaşılmaya çalışılmıştır.

Anahtar Kelimeler: Aile, aile şirketi, akrabalık, nepotizm, değerler, erdemler, küreselleşme, kurumsallaşma, güven

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ABBREVIATIONS

FHC	Family Holding Company
CEO	Chief Executive Officer
MDL	Multi-Dimensional / Situational Leadership
DWL	Double Winged Leadership
EBIDTA	Earnings Before Interest Taxes Depr. and Amortization
RCC	Readymade Clothing Company
GDP	Gross Domestic Product
HRAF	Human Relations Area Files
IMD	International Institute for Management Development
IKU	Istanbul Kultur University
OECD	Organization for Economic Co-operation
OHC	Original Holding Company
SMART	Specific, Measurable, Achievable, Relevant, Time bound
SME	Small – Medium Enterprise
TAYA	Turkey Family Structure Research
TKYD	Corporate Governance Association of Turkey
TUBITAK	The Scientific and Technological Research Council of Turkey
BOD	Board of Directors

1. INTRODUCTION

The main subject of the study is the journey from family values to institutionalism in family firms. And the main problematic is to be able to look at the validity of the assumptions of the claim that a success story can be created by strickly having and implementing the virtuals, by being fair and just, not bestowing a privilege on someone, sharing, respecting others, helping, paying taxes in the most sensitive manner and being honor-bound to pay, aiming at being/creating a worldwide brand and observing the transformation of this situation into institutional sustainability in an unbiased manner.

While making a journey towards family firm-values-institutionalization concept, at first it seems really impossible or too difficult to examine by disintegrating the economical parameters, the economic system -more precisely the global economy-, competition models, other social and economic institutions' economic directions and coercive conditions on family firms, financial model and reporting, the ability to conduct a study outside or in part of the management models, and family-firm systematic, which is already expected to be integrated in order to become successful. This difficulty is expressed in the literature, only 1% of the studies conducted provide evaluations from an anthropological point of view, and the studies are usually supported and evaluated by business administration institutions in an administrative and business-oriented manner.

Therefore, one of the main differences of this study is to be able to touch topics that are within the scope of anthropology such as kinship, family which is a special part of kinship and one of the most important institutions in sociology,

founder member of family that is representing the family; to look at the family institution prior to family firm; to approach its historicity from a Turkish family structure point of view; to observe kinship-local solidarity relationship in urbanization and migration fact and to reveal the effect of value and virtues, which is one the most important emotional conceptual areas of this relationship; to research the use of value and virtue; to assemble the related literature and make an unpretentious submission that has the capacity to be genuine.

Understanding the family structure as a social institution is thought and envisaged to be important in terms of understanding behavior, perspectives and lifestyles of the society and individuals and the institution, the firm and the organization and the individuals involved. In the journey from childhood to youth, youth to adulthood, to maturity and even to old age, the individual - the founder family member/members of the family business in the field of research- are of great importance. He/she establishes relations, behavior styles and values with other actors in different vital networks according to the family ties in its own nature. It would be interesting to talk about the concepts of kinship, family and migration which are very important in terms of anthropology and look in that perspective; investigate the "social capital", "relationship dimensions " and "trust" -as a result of parameters- by entering into and using the field of business anthropology through participatory observation approach internally rather than external statistical information generally interpreted with more economic point of view ; understand the power of trust especially in a family firm in order to understand the performance of family and family firm. The value, behavior model and preferences of the "founding member", who bears the characteristics of the family, were also included in the study as they were thought to be major factors. Nepotism, which means favoring and privileging

relatives, is especially common in family firm literature. Generally, it is foreseen as one of the unrecognized obstacles in the journey to institutionalization while providing benefit during the establishment phase. In this respect, observations on the existence of this obstacle and if there is any the methodology to overcome this obstacle on the way to institutionalization, can also provide a lateral awareness contribution to this less studied area.

In the "Introduction" part, the flow of "being a family firm", which goes parallel with "kinship", "family" and the economic order, will be analyzed and theories on family and family firm will be researched. Then the literature will be discussed along with the characteristics of the subject. The concepts of nepotism, value, virtue, social capital and trust, models related to founder and institution behavior and finally the institutionalization will be investigated with literature and field research. Institutionalization is generally considered as a concept of business administration and it is expressed as reaching the expected standard requirements. Handling this concept in terms of family firms will enable us to investigate the subject from an anthropological perspective by taking institutional management parameters which can also be recognized as values such as "fairness, transparency, accountability and responsibility" into account and interpreting the transformation of some applications and affinities into a behavior model with internalization.

In this sense, the idea of transforming family values - founder family member values into institutional values is an important and even "sustainable" fact that will be examined by field research. Examining family values, members of the family in the context of these values, formation of the founder family member, formation of behavior model that is shaped according to the preferences, experiences and behavior of the founder member into institutional values and work values, will

contribute to the literature gap at least to some extend, which is hard to fill because of the difficult content.

In the context of literature research, I believe that it will be meaningful to share the discourses of family members who are in the management of three well-known, reputable family companies -Ferragamo, Lombard, and Grant- as it will be in line with our main subject and will contribute to our study.

> *"The basic task for me today is to shape the future generations of our family according to our principles and values. The third generation of our family members, our grandchildren may or may not be employed in our family company. However, our principles and values will remain valid for them no matter where they are. This verse of principles and values that are successfully carried out by our second generation are loyalty, commitment, honesty, faith and ability to motivate the people around. Loyalty, our family's beliefs and ideals in family and business values are the most important and unforgettable things that will lead us to the future."*
>
> Wanda Ferragamo, Chairwoman, Salvatore Ferragamo SpA, Florence, Italy (Ward and Kenyon- Rouvinez, 2005: xiii-xiv)

> *"Our main mission is to protect our company, which is left to us by the generations prior to us, and to ensure that the company is brought to better conditions, developed and sustained. Secondly, I would like to say that our family firm has a human aspect, it is human-oriented and thus it is deeply connected to humanity. Having a human aspect, being human-oriented should truly be perceived in the correct manner. I strongly believe that family firms, unlike other organizations, carry and reflect the values of their founders and they become sustainable from generation to generation."*

Thierry Lombard, Sixth Generation of Lombard Odier Darier Hentsch & Cie Bankers in Geneva, Switzerland since 1796 (Ward and Kenyon- Rouvinez, 2005: xv-xvi).

"*There is no substitute for strong, interdependent, sustainable and self-aware family values and culture.*"

Grant Gordon, Fifth-generation family member of the Scottish Distiller, William Grant & Sons (Financial Times, June 2, 2009, www.imd.org/ 04.2018)

1.1. Family, Kinship and Family Economies

Kinship

Kinship, family, and marriage are amongst the basic concepts of sociology and anthropology and the concept of "lineage" is at the basis of anthropological research. The concepts of lineage (inter-generational relationships), kinship, patriarchal or matriarchal family structure have firstly been the basis of anthropological research and then the concepts were used in human science, social and cultural research.

Anthropology establishes a research area on kinship, a more complex, hierarchical and dynamic system, and family research, which is a subunit of kinship, is more in the scope of sociology (Özbay, 2014:2, TAYA 2011:44-45,60). Although not all human groups are formed based on kinship, people have more intimate relationships with their relatives than others and there is no other social organization to classify societies that are not economically prominent. These two basic reasons made the field of kinship a significant subject for researchers for a long time (Parkin, 2012:198-202,204).

Kinship systems are amongst the basic discipline of anthropology and they are in the form of terminologies such as; genetic terminological classifications (Kroeber, 1917:395), genealogical and egocentric relationships (Scheffler and Lounsbury, 1971:38), biological relations (Makarius, 1977:710, cited Read, 2007:1-3), biological relationship categories, relationship based on lineage and modeled through lineage, genetic parenthood relationship, social bonds and even "biological blood relation" (Holly:1996,& Goody, 1996), network solution of social union (Ökten, 2009:100-101), a culture that provides "social assignment" (Murdoch, 1949), the name given to lineage-human relationship as a result of marriage and blood relation (Marshall, 1999) or 4 dimensional network structure of cultural, social, psychology and biology based relationships (Parson, 1951), classification according to blood relation index and defining marriage lines. Benchmarking systematic was used by numerous anthropologists from Morgan (1871) to Murdock (1949) and Malinowski presented a functional approach to how life on the island of Trobriand was understood and experienced in culture, in terms of lineage and kinship (Malinowski, 2011). Morgan and Malinowski made the greatest contribution to information and module quality. Morgan used about 200 kinship terms in his systematic based on vertical columns and he cared much about the language used (Rubel &Rosman, 2003, p.3-20/269-281).

The emphasis in the discipline of kinship began to change in the 1970s. Until this time, analytical dimensions, which are positioned as an important field of study, have been used in the analysis of clan-type organizations, in order to reveal the role and relationship dimensions of social structure. After the 1970s, there has been a paradigm shift towards the social-cultural dimension (Holly, 1996). Concepts like kinship, lineage, marriage, family, domestic areas, ancestry and household began to

appear and discussed frequently in the literature, shared through different visions and theories, enrich the anthropological field and transform into culturally structured kinship systematic (Read, 2007). Kinship, lineage relation and indications consist of cultural symbols that are completely different from the biological flow or processes in the scientific sense and that they are related to cultural structure (Schneider, 1968, 1972, 1984; Goody, 1973; Barnes, 1973; Delaney, 1986; Weston, 1992& Weismantel, 1995). For the systematic of kinship, reference was made not only to biological flow but also to total social facts, which was envisaged by Marcel Mauss (Schneider, 1984:197; Rubel & Rosman, 2003/269-281).

For instance, the concept of children has 52 different names and the married women has 104 different names and there are also cultural kinships such as; blood brother, milk sibling, brotherhood of the hereafter, companionship, groomsmanship, henna mothership, godfather, kirve, etc. in Anatolia (Balaman, 1982).

Despite the fact that it is fully used in the analysis and research for the first societies, understanding the social networks in internal marriages, the need for defining conceptual definitions of kinship and marriages for cohesion networks, graphing large groups, coding and defining the social relationships in kinship and marriage, and connecting the social relations with real kinship are problem areas that needs to be emphasized. Most anthropologists working on these issues also stated that there were difficulties in verifying the relationship matrices (White, Batagelj& Marvar, 1999; Goody,1973, p.75-87).

Variables of kinship theory such as; transfer and sharing of ownership, meaning and function of the concept of family in cultural dimension, rules of marriage and kinship, meanings and roles attributed to genes, and the potential discretionary act of the kin affect “family firms”. Also, the humanist-cultural kinship

dimension, which was advocated by Geertz (1973) in a humanist framework, has begun to be discussed in family firm research recently in addition to biology, which can easily be interpreted in different manners. It is stated that defining family and household concepts in addition to kinship will be beneficial for social research. Since kinship is a social bond that is modeled by a network of genetic relationships and genetic parenthood, it is defined and signified by the culture of the society (Holly & Goody, 1996). And the concept of household is used for the nuclear and extended family and for groups using common food pots in the same location (Marshall, 1999). Although it is emphasized and known that studies related to cultural and social anthropology lineage-kinship theory and ethnography (in terms of participatory observation-based field research) enrich and contribute to the "family firm" studies (Steward, 2013), where these studies have been neglected since the 1960s (Jordan, 2010; Rosa & Caulkins, 2013; Sunderland & Denny, 2007; cited: Steward; 2013:1).

From an anthropological perspective, the *raison d'etre* of kinship systems is to distribute rights and duties according to the lineage theory that analyzes kinship, an organization that is fundamental to the regulation of social relations in stateless societies. And alliance theory deals with the emergence of ties between marriages, or to determine the rules of marriages that form kinship systems (Marshall, 1999). In other words, kinship systems define the relationship between mother, father, children, grandfather, grandmother, and grandchild; political relationships between generations; the way of addressing, behavior and heritage patterns; living places and prohibited - allowed marriage formations. Kinship institution areas may change due to living place, the number of spouses, the group of the spouse, authority relations and lineage-genealogy relations. In terms of living place, there are three types of

bonds. Matrilocal bond, which means man settling in woman's family; patrilocal bond, which means woman settling in man's family; and neo-local bond, which means separate settling from the families of both spouses. Starting a family is also related to the institution of marriage (Güneş, 2011:28-52).

There are some advantages of kinship for family firms in relation to some of the parameters that appear to be negative at the first moment such as; sensuality, nepotism, problematic in rational decision making, disagreement, individual preferences and looking different to non-relatives. When parameters such as; emotional and close mental support, group cohesion (Schweitzer, 2000), alignment of new generations in line with the social values (Goody, 1996), long-term approaches (Bruun, 1993; Harrel, 1993; Long, 1979& Song, 1999), the possibility of providing internal communication easily and especially by women (Lima, 2000; Johnson, 2000; Ram & Holliday, 1993), the ability to create a suitable environment for bot business leadership and family leadership (Belshaw, 1965; Geertz, 1967; Lomnitz & Perez-Lizaur, 1987& Wong, 1988), providing capital during start-up period (Benedict, 1968; Learned, 1995; Mattessich and Hill, 1976; Nafziger, 1969& Strathern, 1971), participation in initial expenditure in addition to first capital (Hart, 1975), the ability to be a pool source when needed (Harrell:1993&Hart, 1975), the ability to see short term risks and provide long term social support (Benedict, 1968; Goody, 1996; Greenhalgh, 1989; Mattessich & Hill,1976), establishing a wide mentoring network (Strathern, 1971), accessing new channels and markets via this network (Benedict, 1968& Goody, 1996), accessing information and knowledge (Lomnitz and Perez-Lizaur,1987; Schneider and Schneider, 1976& Watson, 1985), provide a motivation environment (Bloch, 1973), having a committed long term labor force (Blim, 1990& Greenhalgh, 1989), having members who internalized

values and act in accordance with values and employment availability of these members (Chiu, 1998; Oxfeld, 1993; Song, 1999& Dhaliwal, 1998) are used correctly it is seen to be important in terms of performance, establishment and long-term sustainability of family firms (Steward, 2003, p.3-10).

The institution of kinship has a content that has effective power on the social, cultural and economic lives of families with large social networks and it has become a "player" during the rapid urbanization that started after the 1960s in Turkey (Kasapoğlu, 2011:5,11). The institution of kinship is a kind of support and a safety valve in coping with the problems encountered and the source of capital in family firms, on the other hand it can be transformed into strict control mechanisms such as pressure, inspection and surveillance, and varies according to local cultures and meaning attributions. Even in the daily language we speak, we often use expressions such as close relatives and distant relatives. In many cases, different meaning attributions are evident because of local culture and settlement. The presence of extensive kinship relations, which has a long history in Turkey, continues to be an institutionalized systematic and this discourse is still valid in cities. Non-governmental organizations and institutionalized systems of law that exist in the Western world are replaced with concepts like kinship and local solidarity in our country.

The solidarity network created by men after internal migration is perceived as a kind of family, especially in metropolises such as Istanbul, to utilize public services through a network of relations. As the network grows, it becomes more effective. The concept of kinship became prominent in the 1950s, local solidarity in the 1970s, and faith groups in the 1990s. Although it seems that migration became easier, life has become harder for both the migrants and the urban people (Özbay et

al., 2001:22). However, depending on whether it is a distant or close relative, a "balanced reciprocity" is expected and existent as emphasized by Sahlins. The code between relatives is different than the code between non-relatives in terms of the effect of moral values on the relationship and altruism dimensions (Buden, 2012:86-93).

The employment policies at the stage of the establishment of family firms include the relations of local solidarity and neighborhood, as well as the concept of close or distant relatives. Especially local solidarity is an important parameter for recruiting or creating common platforms. The significance of local solidarity arises with increasing migration. Being from the same settlement, sharing the same cultural motifs, and having similar life experiences, help the development of relationships and trust among individuals in the place of migration. Where there is no migration, neighborhood transforms into local solidarity. The neighborhood is the kind of bond that is established by individuals and families who live in the same place or are born and raised in the same place (Özbay, 2014:57; TAYA 2011).

Family

According to anthropologists, the family is the first original economic unit on which all other economic organizations are based. Every member of the family undertakes activities such as providing food, keeping safety, and creating an impact and identity for the goodness, development, and sustainability of the family. Relationships, though not always true, are generally defined within the framework of trust, open ended reciprocity, and feelings of fairness. Patriarchal or matriarchal structure is formed with the aim of distributing responsibilities, resolving disputes if any, using the resources correctly and in place (Schulze & Gedajlovic, 2010) and in

addition, anthropology is a valuable approach source for the adaptation of individuals to family systems as well as being involved with family nature and structure. Although the similarity of family systems in some dimensions continues for a long time, it predicts a change, which depends on the culture, over a period (Fursman, Bryant, Claridge & Jensen, 2004:18-20).

Social institutions are social structures and mechanisms that are organized by human societies and which respond to the needs of human beings in a variety of ways (Barnes, 1973). On the other hand, it is hard to define the concept of "family", which is also another social institution, as it is a multivariate concept (Davidoff & Hall, 1987:31,216; Stafford, 2000). From an anthropological perspective, "family" is a subset, or a special type of "kinship" or "lineage" and it corresponds to the lineage-kin group of people, who has close cooperation and close solidarity in daily life (Harrell, 1997:5, cited Melin, Nordqvist & Sharma: 2013:68). Family is the smallest unit of society, which is based on marriage and blood relation and consists of relations between husband-wife and children, siblings (Türk Dil Kurumu, TDK, 2017), and likewise, according to the current dictionary of Turkish Language Association, the concept of family is defined as all the people who have the same lineage or have kinship relations between them and who agree on the same purpose and work together where this definition especially for agriculture-based societies seemed to be more valid.

In the vicinity of community perspective, family is a functional basic social structure that consists of parents and children as a result of generation relationship (Winch,1963,1971), a functional institution that holds and stabilizes adults and educates children (Parson, 1955), a social unit based on common residence, employment, economic cooperation and depicted by reproduction for the

continuation of the line and including adult individuals of two sexes (Murdock, 1948), a small group of individuals who raise and accommodate children (Reiss, 1987), a union consisting of two or more individuals residing in the same household, connected to each other by blood relation, marriage or adoption (Broderick, 1987; cited Settles & Steinmetz, 1999) and a clan that can keep up with all the changes and maintain its existence in all conditions (Gröz, 1982). According to Murdock, each social group is like an atom in the molecule, and the society has a structure that contains many molecules and atoms. Murdock used the term "nuclear family" for the first time to explain the concept of the family at the community level.

If we re-emphasize Parson from a functionalist perspective the family consists of two keystones; differentiation of expressive and instrumental roles and intergenerational hierarchy and two main functions; "primary socialization of children" and "ensuring the stability of adult personalities". The term household can also be used for family and women inequality must be prevented (Barrett, 1980, 1982; cited Chambers, 2012:29).

Family is a social unit, which provides an environment for the continuation of human species and the first socialization process because of biological relations; bounds the mutual relations to certain rules; conveys the synergy and richness in the society from generation to generation and has biological, psychological, economic, social, legal etc. aspects (Sayın, 1990). Family is an important social institution, which functions as a buffer institution in social change, prevent disconnection that may arise from structural changes by changing form and function, fulfill the security needs of individuals in different ways and to contribute to socialization and constitutes a basis for other institutions (Merter, 1990:1,3, 21-24), a dynamic institution, which both causes and deals with changes and able to apply problem

solving methods to protect itself and its members during the crisis or transformation processes while determining static aspects of individual life (Bozoğlu and Turgut,2014:4, TAYA-2006), a human community and social institution, which includes sincere, warm, and reassuring relationships and economic activities that is suitable for society (Ozankaya, 1986), and that is connected through marriage, blood relation and adoption bonds, establishes the relationship between individuals, who live in the same home, share the same income, according to certain roles (spouse, parent, child, sibling), and a community, which created its own customs and made these customs permanent for every generation (Şahinkaya, 1975:17-18). Family is the unit that has practical interests associated with cultural logic. Affective and material experience domains are shaped together (Diefendorf, 1987:661 et al. Özler, Özler &Gümüştekin, 2007:439, 440).

The fact that the family is a universal and basic institution has been realized on three points.

1. According to the results of Murdock's research on 250 different societies, the family is found in all known societies (Haralambos& Heald, 1985:19; Ecevit, 1999:9-10).
2. Needs for reproduction, nutrition, protection from natural and social hazards increased the need for the long-term care of the human baby.
3. The institutional realization of economic, sexual, production and educational functions - functionalist family approach- is found meaningful by a large group of anthropologists (Ecevit, 1999:10).

According to his research, Malinowski stated that family needs a place that is suitable for child responsibility and he emphasizes bonds and states that

raising a child is the cause of family existence and this rule is universal (Collier, Rosaldo, Yanagisako, 1982:6; Ecevit, 1999:10-11).

In addition, totemism's "marriage outside the clan" rule was the main protector of the family institution (Eröz, 1991:230, Aile Araştırma Kurumu; Aile Yazıları, eds.: Dikeçligül & Çiğdem,1991), also, each society associates the formation of the family with a variety of marital rules and topics such as spouse selection, settlement, and status (Ökten, 2009:101-104). According to Goody and Parson, despite their opposite opinions, the importance of industrialization, kinship, and large family groups are diminishing, and the importance of status becomes prominent (Bernardes, 1985). However, in almost all societies, the family is the first and most basic institution where the transfer of values, experiences to new generations is achieved, and it has social, economic, cultural and biological duties that are not accepted as an alternative for society, state, and individual. These duties can be listed as follows; the continuity of the generation, socializing children, not isolating people and protection of social presence from tensions, psychological and biological satisfaction, and culture transfer with participation of members or economic activities as a whole (Erkal, 1991:55).

Family is an important modeling tool for the individual. Children learn behavior patterns like motherhood, fatherhood, brother, and sisterhood or "womanhood" and "manhood" from the models they observe in the family (Yıldırım, 2005:2-3, 93-100). In terms of family firms, family and family modeling produces kinship, emotional bonding, and reciprocity while market norms highlight a pole with more focus on short-term indicators. When the property right is added to this equation, different formations and a more mixed pattern occur (Sahlin, 1972). In this sense, if there is a family firm, behavior patterns like "family management" and

institution management may also be added to Yıldırım's (2005:2-3) discourse. As given in the next section, different family type descriptions are present in the literature for instance mother, father, zadruga, patriarchal, matriarchal, small, extended, rural, shanty, burgh, town are all types of families.

Some researchers use family and marriage institutions as interchangeable, but these are two different concepts. Apart from some new practices in the postmodernist period, the family has gained its real identity because of the provision of social unity among the opposite sexes, and so new kinship ties are formed (Türkdoğan, 1992:41-43). According to lineage theory that analyzes kinship in anthropology, the reason of kinship systems is the distribution of rights and duties and alliance theory sees kinship systems as a system that determines the rules of marriages and thus the rules of family (Marshall, 1999).

Although there are opposite thesis and ideas, anthropologists' assumptions about the family concept and long-accepted assumptions can be summarized as follows; family is the natural and primary unit in a common living place, which consists of commensally living parents and their children, hosts domestic and sexual relations and socialization, provides a specific and unique relationship between members, includes a rooted and necessary dependence between mother and child especially in the early years of life, actualizes relationships different than relationships outside the family, includes a feeling of necessity and interdependence between members, has a incest taboo, intergenerational transport of property, status and positions (Ecevit, 1999). When the family is examined in terms of authority and responsibilities, there is also an implicit group of leaders who have various kind of authority from culture to culture and from the nuclear family to extended family. This begins with the authority of the parents and reaches a greater extent with

mother-in-law, grandfather, grandmother, neighbors, other relatives, nearby seniors and opinion leaders (Maden, 1993:141-143). In our opinion, these leaders play an important, more effective role in the decision-making processes of family firms.

Concept and Structure of Family in Turkey and Europe until the 20th Century

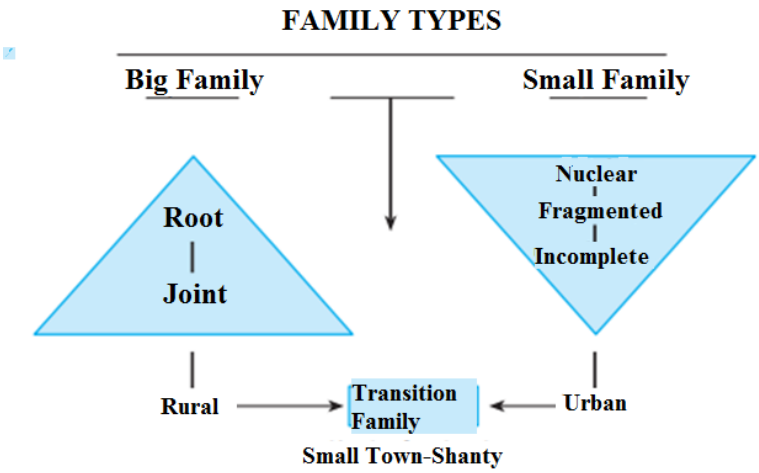
Although "*aile"* (family) and "*hane"* (house) words are not pure Turkish (Arabic and Persian) (Duben, 2012:5), family is very important in Turkish society. The family is the founding and socializing unit and the relationship between individual and society in Turkish culture (İçli, 2009; Doğan, 2009:129-133/204-205& Özpolat, 2010:10-16), literary school of community life (Türk Ans.,1968:228), an institution that has biological and psychological satisfaction functions, renewal of population, transfer of national culture, and socialization of children (Erkal, 1993:68), a financial and social unit that includes mother-father-children and their blood relatives (Gökçe, 1996:155). Turkish society is a society based on family organization and it supervises and regulates relationships in Turkish family structure by taking values such as patronage, obedience, and loyalty in front of social values (Doğan, 2009).

It is a social institution that acts as a buffer institution in social change, resolves the differences related to structural change by changing the form and function, and fulfills the security requirements of individuals as much as possible (Merter, 1990). Family is a human community, which creates and sustains values and culture of people who are married, connected with blood or adoption bonds, share income and affect each other with roles such as "father, mother, spouse, child,

sibling, etc." (Şahinkaya, 1975). The family has social, economic, cultural and biological tasks for society, state or individual which cannot be actualized by any other alternative (Erkal, 1992). The most important task of the family is to bring up generations with a physical and mental health and be the bridge between the new born child and the society. The family ensures love and biological socialization, and the basic needs are fulfilled in the family (Ulusan, 2010; Doğan and Doğan, 2007& Kongar, 2008). According to Binler (2007); the expression that defines family in universal dimension is a basic social unit, which includes kinship relations as a result of blood ties, marriage and other legal procedures, common settlement of individuals, an environment, where sexual, psychological, social, cultural and economic needs are met and regulations for appropriate participation in society (Binler, 2007). To determine and investigate the development of the Turkish family system in an anthropological sense, it is necessary to examine the *Proturk* period BC and the periods AC. As a striking fact, "*bişük*/*böşük*" was the name given by Gokturk's to family. This is important as the word is identified with the cradle of a child; the family consists of father-mother and their children and represents the first nucleus of society (Türkdoğan, 1992). It also emphasizes the monogamy in Proturk family structure and its sacredness. Also, the ancient Turkish social structure includes "*oguş*" (families from the same lineage), "*bod*" (tribes as a result of merging families), "*bodun*" (a cluster of tribes) and finally the roots of Turkish "*el, il*", which is the term used for province in Turkish language (Yayla, p. 21; Kafesoğlu, 1986). Although the nuclear family is included in the Ottoman society, there is also a culture of extended family, religious community and solidarity that also protects the elderly (Ortaylı, 2009:184). The family in Yakut Turks is matriarchal, but the dominating figure is the man. Marriages are performed outside

the clan and men are considered totem. In Kyrgyz Turks, the family is patriarchal, and kinship is based on the father. In Altay Turks, the man enters the family of the woman and he must give the woman a bride wealth in an equivalent way Doğan; 1996). Ziya Gökalp briefly divides the Turkish family into five family types for the period before the Turks accepted Islam; "tribe, clan, lineage, patriarchal and conjugal family" (Gökalp, 1976). There was no noticeable change in Turkish family structure after the 1850s and after 1950s affecting from changes and migrations. Most immigrants from rural areas became members of the nuclear family or in form of nuclear family when they come to the cities. However, extended family and kinship relations have always been important for all social classes (Buden, 2012). This situation directed family firm and initiative formations directly or indirectly and sustainability is greatly affected by these directions. Family configuration in Turkey is defined as shown in the figure.

Figure 1: Family Configuration in Turkey



Source: Gökçe, 2011:53

The extended family counts in mother-father-children and a married son, his wife and children, grandmother-grandfather and aunt. This type of family is generally emphasized as a traditional and rural family model. And a little family includes mother-father-children, divorced or estranged spouses, single spouse and children, which changes according to circumstances. In the urbanization process, a transition family from the extended family to the small family is also present. The transition family is a structure that preserves extended family characteristics but tries to internalize small family characteristics, shows a structure between village-city, and has effective kinship relations and solidarity (Gökçe, 2011). The family is one of the most basic social institutions in transferring the national culture and values to the younger generations. Another important function of the family is the existence and continuity of the generations since it constitutes the basic source of the population. The personality of the child is shaped in the family, and the child learns social norms and values in the family (Doğan, 1999). Family is a subset of kinship. The family is one of the important branches in which the discipline of kinship is valid and it is a special group created by close relatives in daily life (Harrell, 1997, al. Steward, 2003:3).

Along with these, Aldrich and Cliff (2003: 574-584, 590) argue that the concept of household is a more useful concept for researching family firms. The concept of household is defined not only as a kinship subsystem, but also as an "extended family", which includes serving groups based on place and function (Brettell, 2002).

Family history is one example of some theoretical deficiencies. Frederic La Play, who mentioned the journey from the extended medieval family to the nuclear family, stated that the concept of the family had been in certain stability for the last

four to five hundred years. For instance, a family in 1500s England includes mother, father, children and if any two servants/maids (Fursman et al., 2004:3). The transition to modern family are discussed and a contribution to literature is actualized in the works of several researchers; Roland Mousnier and Jean-Louis Flandrin mentioned that the rich class and some different groups do not comply with the nuclear family model, Philippe Aires studied the change of opinion of the modern family on children, and Edward Shorter's studies were triggered by "will of freedom", which is based on romantic love and maternal love. In the UK, which is the most studied country, there is no standard form of marriage in the 1600-1900s for family formation and average age of marriage was 28, 20% of the population did not marry and marriage was carried out for the continuation of generation and financial reasons rather than sensuality. The autonomous family became more prominent after the Enlightenment period.

Overall, when differences and diversity that are unique to Turkey are taken into consideration, the place of different family types in social structure could be explained in a more meaningful manner when a family problematic related to Turkey is produced (Poster, 1989, et al. Gürsoy, 1989:18, 24-27). "Turkish Family Structure Research" under the responsibility of Ministry of Family and Social Policies is decided to be conducted in 2006, 2011 and every 5 years and it gives statistical information and shows the differentiation of family structure between 1968 and 2011. The transformation from the patriarchy to the nuclear family is increasing and there is an expansion in scattered family structure. The ratio of the nuclear family is 71% in urban areas, 67% in rural areas (total average 70%) and the remaining 18% is scattered family and 12% is extended family (TAYA, 2011).

Three factors that trigger the transformation in family structure are as follows; the socio-economic change as a result of urbanization and emancipation of women, the rise of first marriage age, the limitation of the number of children, the rise of divorces and "mentality or intellectual change" that plays an important role in the transformation of structural factors and is a basic concept of the Developmental Idealism Theory (Koç, 2014; TAYA 2011).

Theories on Family

The main basic social theories on the family are generally considered as functionalism (Giddens, 2006), structural functionalism, symbolic interactionism, bio-evolutionism (Bates and Taylor, 2013, edited by Fine and Fincham, 2013). The theories on the family go towards to more macro-structural approaches like "functionalism" and "conflict" theories from micro approaches like "symbolic interactionism". And the area is even widened with recent feminist and postmodernist approaches.

Structural functionalism, which emerged from thoughts of Emile Durkheim, emphasizes the role of individuals in the social order and the functions of the social institutions involved in the construction of the social order. According to Radcliffe-Brown, culture in functionalism is an integrated and inductive approach in which each element has a specific function. Also, Radcliffe-Brown expressed that kinship and marriage are chains of social habits based on the admission of social aims of biological relations and it investigates the faith and ritual practices, rights, duties and habits related to roles. Structural functionalism receives society as a system where

interrelated parts work and it consists of protective, integrative, directing and implementing subsystems. In this context, family acts as an institution that provides the integrity of society and structure and functioning are of great importance (Parson, 1960).

While examining the family concept in terms of the nuclear family or all areas dimension, the continuity of family firms may predict the unity of sibling group, the unity of lineage group and the divergence of succeeding generations (Özbudun, 2007; Warms-McGee, 1996, p.182)

This definition is also evident in the evolution of the triple family cycle property dimension created by Davis and Gersick, (1997, 1999). Separation of successive generations is a function of culture transfer and socialization that requires discipline and control. Comfort (grandfather-grandchild), fusion and egalitarianism are re-formed in consecutive generations and there is a belief that grandchildren will replace grandparents in many communities (Özbudun, 2007, p.124). Edward Evans Pritchard (1964) emphasizes that the holistic structure of society consists of a few secondary structures or systems and that all these can be talked about in terms of kinship system, economic situation and beliefs. He states that social activities in these systems or structures are organized within the framework of institutions such as marriage, family, market and management bodies. The basic function of these institutions is their role in the sustainability of the structure (Özbudun, 2007, p.129).

Society is a system according to functionalism movement, elements of the society, work in favor of harmony and solidarity and they need to be treated while functioning. Functionalism refers to the importance of moral and consensual unity in the establishment of order and flow stabilization of society (Giddens, 2006, p.20-26 & Warms and McGee, 1996, p.154-183). According to functionalism, the family's

function is to contribute to the provision of the basic needs of the society to ensure and maintain the social order. Giddens describes Parson as functionalist and others as structural functionalist and Parson states that the basic duties of the family are early socialization, the first development and the formation of personality, and the creation of emotional dimension (Giddens, 2006, p. 238).

In a more descriptive manner, the functional approach takes the family as the foundation of society, where the changes in the family structure occur due to changes in society. For example, "nuclear family, mother-father, unmarried children" structure is seen in modern society and a more extended family structure is seen in preindustrial society (Parson, 1960). Since the family is responsible for labor intensive basic production in the preindustrial society, there is a need for large families and children are socialized by clan, tribe members. Nowadays, the division of labor is different and as a result, the nuclear family becomes more visible and children are prepared for the future by socializing in the nuclear family. The removal of pre-basic needs such as; economic production, socialization of children, patient and elderly care, fun, sexual control and the continuation of the generation, is valid for all societies. Family is universal as it contributes to prosperity and happiness (Kasapoğlu, 2011:5-8& Henslin, 2001:23). Similarly, the family is the main institution for the socialization of children and its primary function is biological, cultural reproduction, bringing children into the world and raising them.

Within the framework of a functional approach, the family undertakes different functions in different periods as one of the social institutions. For example, in the periods when agricultural production is predominant, the family has a function of production activity in addition to biological and social production, but in modern

industrial society, the production function turned into consumption function because of home and business separation (Bora, 2015).

According to the conflict approach, the family is the institution that is responsible for the reproduction of capitalism and the creation of labor. Especially the nuclear family is a necessity, a formation for modern society as it acts as a tension relief valve for workplace conflicts (Abbott, 2010). Feminist views on the family also emerged and opposed to the paternalist approach on subjects like duty distribution (men as a breadwinning element), unbalanced distribution of power and balance of supervision and care activities (Giddens,2006, p. 240; Fursman et al. 2004:27-30).

Considering family and business, it is possible to talk about the conflict environment, which can be defined as "binary oppositions" of the structuralist approach pioneered by Levi Strauss. However, the incorporation of ownership, individualism and environmental elements into the system later and the fact that the family business phenomenon exceeds the scope of binary oppositions weakens this argument. While the emphasis on the functionalist approach is more on the structure and its functioning, the focus on the "Symbolic Interactionist" approach is on the individual.

The "Symbolic Interaction Theory" was developed by George Herbert Mead in the early 1930s and later by his student Herbert Blumer (1969). This theory, which is related to determining the meaning of interaction and effects of meaning loaded facts on the behaviors of individuals, also makes comments and descriptions about the family. The theory defines the emergence of symbols in social phenomena in the interaction of individuals with the meanings attributed to these symbols. Unlike other theories, symbolic interactionism is based on the small-scale interaction

of individuals rather than the total interaction of the society (Internet Encyclopedia of Philosophy, 2014, Mead, G.H., The University of Tennessee; Giddens, 2006, p. 22, 164, 199 & Fursman et al., 2004, p.26)

Blumer (1962) stated that people interpret the behavior of other individuals without any action and he emphasizes that symbols and signs are important in the process of this interpretation and signification. Emotional satisfaction, symbol of love, the meaning of the child, the meaning of parenthood, legal changes, perception of options, marital roles are important family parameters that are loaded with meaning by symbols and signs. For example, parents have been charged with the meaning of raising the potential of the child to the highest level, rather than merely showing interest and compassion to the child (Henslin, 2001).

Families are social groups and individual identities are formed because of family communication and interaction, and values are predicted, monitored and approved. The meanings that the family imposes on the symbols, communication, and interaction series family affect the thoughts, feelings and behaviors of family members. The family is the first institution to play a role in the socialization of values and norms of the child. The reactions of family members to new cases are related to how they interpret these phenomena. These interpretations should be determined by observing the symbols used by the family and the meanings, interactions, and behaviors they impose on these symbols (LaRossa and Reitzes, 1993:135-163). For each member to communicate with each other and share their experiences in a family, there is a need for mutual transfer of a set of meanings that are integral with symbols (Peterson, 1999).

1.2. The Structure and Foundation of Family Firms

It is easier to define the concept of family in the nuclear and extended forms, but when the dimension of business is added, it is more difficult to define the "Family Firm". The researchers mentioned the importance of this issue in order to guide the research, but it has been found that it is really hard to make a full definition of the concept, and therefore, they have turned to more family firm and non-family firm segregation and have tried to identify problem areas. Even though there are some general definitions below, it seems that, these definitions are incomplete to cover all kind of family firms.

Family firms are the institutions that are formed by the individuals who are related with kinship to create services or goods, to provide the livelihood of the family and to prevent the distribution of the heritage (İyiişleroğlu, 2006:5). A family business is a workplace, in which there is a significant property interest of one or more of the family members who are devoted to the continuation of the work (www.wikipedia.com/ 06/15/2014). Among other things, there is a different institution type which has a definition similar as the family firm. If two or more people from the same family work in the organization, or one or a group of individuals from a family have the majority of shares this institution can be called as "family firm", the term "employer firm" is used when the ownership of a single person is present and other employees are not members of the family. It is appropriate to consider employer firm as a family firm when the institution passes to the second generation (Alayoğlu, 2003, p.14).

"What is a Family Company?", question asked in the first scientific journal (Family Business Review 1, p.1-8) in 1988, still seems to be a current issue in the

literature (Lansberg, Perrow & Rogolsky, 1988:1-8). Most of the definitions made include management, governance, ownership weight or control of the family, but it is observed that the definitions change according to the vastness of variables. As Chua, Chrisman, and Sharma, researchers who undertook serious research on family firms, have emphasized; there are a combination of firms such as family-owned and family-managed, family-owned but not family-managed, or family-managed but not family-owned (Chua, Chrisman& Sharma, 1999:20).

If we refer to some of the definitions in the literature in this order; in terms of firm ownership "firm managed by individuals of a family", "firms managed by the majority of the members of one or two families", and in terms of intergenerational transfer, "firm to be transferred to the next generation of the family for management and control purposes" and similar definitions exist. Similarly, there are different definitions in terms of "conditions" and "participation of the family in commercial activities". "Family Firms Approach from Different Parameters" table, which is written by different researchers and listed by Chua, Chrisman Sharma (1999: 21), is presented in Appendix as Table 1.

The most basic definition can be made as "a firm in which business and management is done by a nuclear family in a way that will lead the family to the future and where decisions are made and implemented according to family values and preferences". However, as the nuclear family and property management model differs, it really becomes difficult to make a definition. According to Sharma, Chua, and Chrisman (1993: 24), the family firm is characterized by separation from other company models and behavior dimensions. If a company demonstrates the family business formation, the behavior of management or stakeholders that include family members must serve for a purpose, and this purpose is to create a vision that aims to

move the family to the desired future in business life and to be able to shape and change this vision according to conditions and to control the company.

Thus, members of a family, members of family unions and family unions that have management or control can create a future for next generations and determine the vision in a purposeful manner and act in accordance with this vision within the framework of ownership, management, and business life (Sharma, 1997). As it is depicted in Figure 2 below; the vision is expected to give a depth that will allow for strategies, including business, environment, and space, consider the family factor, and provide a protocol that will include the range of behavior and rules in the workplace.

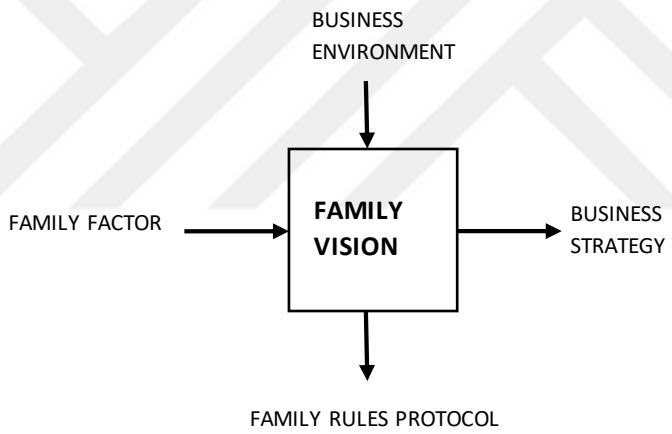


Figure 2. The Significance of Vision in Family Firms
Source: Sharma, 1997

Developing behavioral models when creating the vision, especially looking for backup and professionalism, will display a flow to institutionalization. The conditions of business life will also be challenging and precipitating while creating this vision.

According to the results of Sharma research; ownership, management, back-up and governance of family members that many researchers used to identify family firms are important parameters in determining whether companies are family firms, but Sharma does not draw a definite line between being a family firm or not being a family firm. Rather than that, she clarifies this distinction by shaping her approach to behavior by creating a vision, in which family values are also important. As Chua, Chrisman, and Sharma (1999) emphasize the ability to form, shape and develop a vision are important to be a family firm. This social result is also an important input for Sharma's research. In this sense, it is useful to investigate the values which are one of the main building blocks that constitute the vision, and additional factors like kinship, relationships, problems, local solidarity, behavior models in the context of urbanization and globalization and in a manner that will predict future generations of the family in an anthropological research that will investigate the path to institutionalization within the framework of vision, and therefore, subject definition and scope will be valid during the research.

Since it is difficult to make a full definition of family firms, there are many family firm definitions in the literature. Chua, Chrisman and Sharma (1999) have tried to identify the definitions of family in the literature in their research on family firm behavior as it is depicted in Table 2 "Definitions of Family Firms in The Literature".

In the final report written by the relevant commissions of the European Union on family firms, it is emphasized that there are 90 different family firm definitions in the European literature. The main parameters of control of property, management, strategic management take place in many of these definitions. It is also

mentioned that the family members' direct involvement in the daily activities of the organization is still a distinctive feature of a family firm.

The general objectives and aspects of "Family Firms" as expressed in a study including the general expectations of a great majority of the founders are as follows; a financial benefit and trust to the owners and the family, a respectable environment where employees can be productive, happy and proud, new and high-quality products and services, a formation that will provide an environment for individual and corporate development and fulfill social responsibilities, good corporate citizenship and ensuring a safe environment for the employees (Taiguri and Davis, 1992, p.55-56).

As separate concepts, business and family have their own unique needs, goals, values, life style and curves and beliefs. Thus, differences and being in the same pool cause various contrasts. Family approach in family-business dimension and variables in industry standards cause occasional conflicts, contrasts, and loss of synergy. Kahn et al. (1964) defines role conflict as "simultaneous sighting of two or more non-compatible pressure elements". There are different definitions of conflict types according to business role context, which can be listed as intra-sender, inter-sender and person-role conflicts. In each type of conflict, one type of role pressure is somehow in conflict with other types of pressure. In this context, business-family conflict is "a form of conflict between roles that are mutually incompatible with role pressures from work and family domains ". That is to say, participation in business role becomes harder as a result of the family role and also vice versa. The literature also mentions three other conflict types as time-based conflict, strain-based conflict, and behavior-based conflict (Greenhaus & Beutell, 1985, p.78 & 80-82). Information

on conflict types is presented in Appendix as Figure 3 “Business-Family Role Conflict”.

Factors that cause conflict in family firms can be listed as follows; the emotional structure of the family and the rational and efficient structure of the family firm due to economic harmony, family and interfamily roles, role-identity conflicts, kinship-blood tie relationship dimensions, the prominence of the family dimension compared to the business dimension and its effects on rational decisions, nepotism practices, differences in opinion and preference among sibling, individuals, nephews and other members, the existence of thoughts about injustices among family members, differences in thought and jealousy among family members as a result of emotional decisions of the firm executive, different career or education-learning opportunities for family members, presence of business units where family rules are more effective because of the excess number of family members, inability to institutionalize, variations in career planning systematic, intergenerational conflicts, assignment-heir elections and problems, employing professional managers instead of family members, role and role determining conflicts due to family-ownership-institution-management, the desire of family elders in the management to hold control and perception differences on other members of centralized management approaches, the unwillingness of managers in terms of accountability and edification, inadequate communication within the family, the presence of pressure as a result of the overarching and protective approaches of the parents (Aykan, 2008, p.139-140;Bozkurt and Taşçıoğlu, 2008, p.377-379; Fındıkçı, 2008, p.51-52; Tetik and Uluyol, 2005,p.32-33, &Turgay, 2003).

The expectations and cultural stance of family and business are different as it is described in Table 3 “Family and Business Expectations”. But, as long as the

family-business-family firm life is a symbiotic life, it will not be wrong to expect a positive operation. The family highlights the future, social dimension and emotionality of its members, whereas rationality, productivity, profitability and result orientation are considered in a business house. The membership of business house does not have continuity as it is in the family.

Table 3: *Family and Business Expectations*

Family	**Business**
Emotional	Rational and objective
Socially equipped	Capital oriented
Continuous membership	Volunteer- intermittent membership

Source: Ward, 2004:23

When the strengths and weaknesses of family firms are examined, differences from other institutions can be understood more easily. Family firms have both strong characters and areas of development in which they experience problems and troublesome processes as it is depicted in Table 4: "Strengths and Weaknesses of Family Businesses" below.

Table 4: *Table 4: Strengths and Weaknesses of Family Businesses*

Strengths	**Weaknesses**
• Long-term perspective	• Limited access to capital markets may limit growth
• More freedom of movement - Low or no stock market pressure - Low or no risk of taking over the firm	• Complex organizational structure - Scattered structure - Ambiguous task distribution
• Family culture as a source of pride - Stability - Strong identification/commitment / motivation - Persistence leadership	• Nepotism - Allowing unskilled family members to become managers - Unequal reward system
• More flexibility in difficult periods - Willingness to convert revenue into investment	• Spoiled child syndrome
• Less bureaucracy and personal affairs - More flexibility - Faster decision making	• Domestic conflict - Continuation of discussions within the family in business environment
• Financial benefits - Possibility of great success - Privacy - Attractiveness of dependent personalities	• Patriarchal/autocratic rules - Resistance to change
	• Representation Problems
• Business Knowledge - Early education for family members	Financial difficulties - Imbalance between contribution to business and wages

Source: Kets de Vries, 1993, p.61, Yolaç and Doğan, 2011, p.87

Channels influencing firm performance in family firms are related to family, industry, governance style, firm character, and founder preference and style. This is depicted below in Figure 4 with the title "Family Effect on Firm Performance" (Dyer, 2006:257).

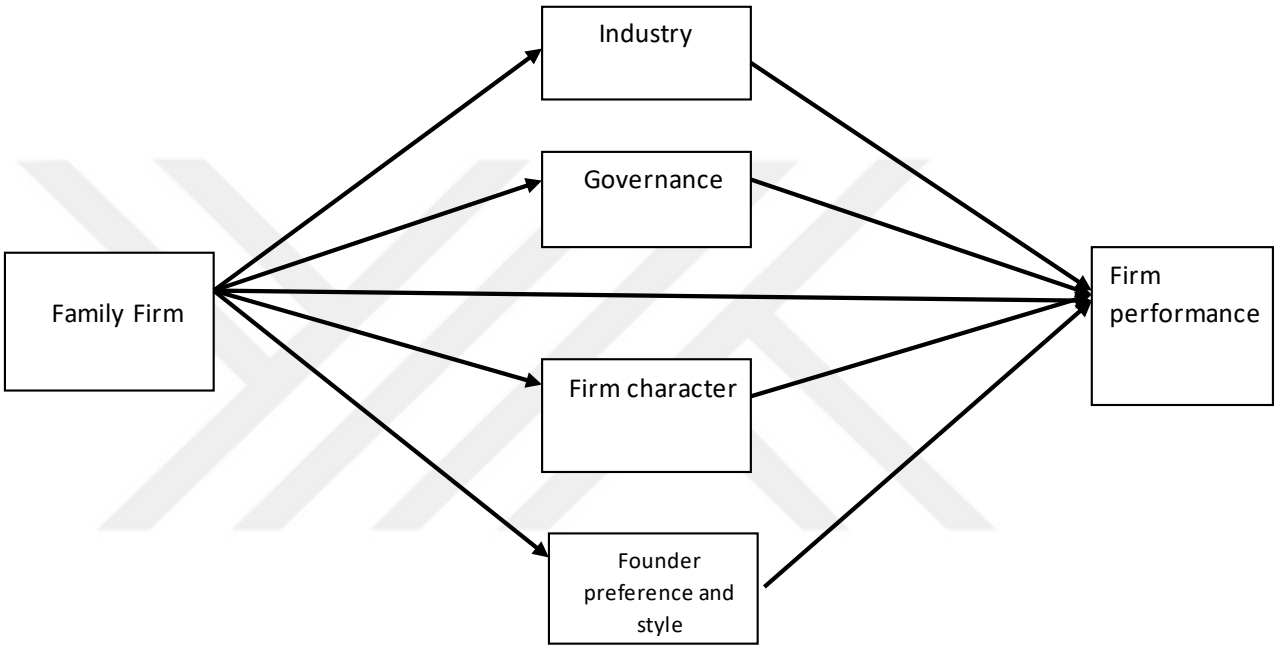


Figure 4. Family Effect on Firm Performance

Source: Dyer, G. W. (2006:257), "Examining the 'Family Effect' on Firm Performance" *fbr vol 19, no 4, (fbr.sagepub.com at Penn State Uni, 18th Sept. 2016)*

Family firms have different advantages. An important part of these advantages are; reduced attorney costs that are generally under the control of the property owner, extended investment time horizon, commitment to intergenerational wealth, commitment to intergenerational prosperity, strong organizational culture and "being a family" (Habbershon, Williams, & MacMillan, 2003; Zahra et al.,

2004), low transaction costs due to high confidence, less official and more flexible organization structures (Geeraerts, 1984; Gersick, Davis, Hampton & Landsberg,1997). The family commitment may support advanced organizational sensitivity. This is also a kind of competitive advantage and can facilitate identification and rapid use of profitable opportunities (Corbetta & Salvato, 2004; Miller & Le Breton-Miller, 2006; Zahra et al., 2004).

Family firms have a centralized system, they are able to keep decision-making processes faster by adapting more easily to changes or differences in operations and processes, evaluate opportunities more easily and they are less affected by crises than other firms. Factors that make family companies different in this sense; members are able to integrate themselves with the institution, different family dynamics, emotional intensity among members, balance efforts between family and business, and if any, conflict resolving dynamics (Arıca, 2007, p.9; Turgay, 2003:16-20).

IMD (Institute for Management Development) is an organization based in Switzerland, where management programs on family firms are developed and management research is conducted. According to a study conducted by this organization, general application factors in family businesses that can be long-term and successful in their field are as follows; raising family members from an early age on property and responsibility for future generations, justice for employees, approach with a sense of equity and loyalty, sense of responsibility towards society, taking part in social responsibility projects, being in a holistic quality, service and relationship approach since the name of the family takes place in the products and services, faster decision making processes than others due to more prominent power

supply, moving to new areas and innovative approaches more quickly, an understanding that encourages change and the existence of behavior culture (Kırım, 2007, p.7; Turgay, 2013, p.24). On the other hand, the factors that cause general failure or inability to reach the desired results are as follows; unwillingness to develop new product, innovative models, and methodologies, strategic management application challenges, inability to institutionalize, professionalization failure, disregarding process management systematic, inactive cost control, desire to sell the institution for a good price, inability to perceive the change of environment and disregarding changing requirements, insufficient internal circulation of information, reflection of domestic problems on business, inability to harmonize business and family, failing to recruit talented professionals or family members, individuals, failure of generation handover, and managerial and family-related generation conflicts (Kurtsan, 2006, p.174; Sönmez, 2010, p.28, cited Turgay, 2013:24-25).

The advantages of a family firm are; interoperability during development phases without extreme nepotism, mutual trust between family members, the belief that the family can be prosperous and sustainable, motivation to transfer values, name and reputation to future generations, ability to create impact and reputation power, and faster decision making; and the disadvantages are as follows; potential to create personal conflicts during change of generations, vulnerabilities due to failure to realize expectations immediately, being more prone to closed economy, the obligation to be more visible outside the family, increased responsibilities, poor structuring of business and family priorities, risk of merit to become of secondary importance especially for the performance of family members, and risk of not creating a corporate business structure.

Job satisfaction, trust, commitment, effective work performance due to motivation, desire of enjoying the model and success, satisfaction of the family from the current situation and the future and self-confidence increase are advantages of family firms. And the disadvantages are confidence crisis in the family in case of conflicts, bodily, physical, financial problems, business and family-related stresses and even depressions, natural consequences like reputation damage on a public basis.

Theories on Family Firms

The study of Chrisman, Chua and Sharma associated with the theories indicates that there is no dominant theory of family firms. Although some scientists have used the Resource-based View Theory, Agency Cost Theory, and Management Theory in their research on the family, there are ongoing studies on Family Firm Establishment theory. (Chrisman, Chua & Sharma, 2003:4.5, 14, 20, 28). In particular, after 2010, the Stewardship Theory began to be added to the agenda, although this issue is not discussed in literature much, it will be one of the fields of research in this study.

"Resource-based View Theory" mentions the concrete and abstract resources of the business. Being resource based is a strategic competence model that foresees the use and development of the unique resources of the firm in order to create competitive superiority (Güleş& Özilhan, 2010, Collins, 1994, p.143-150). Resources are analyzed in four categories; concrete, abstract, financial resources and organizational skills. Abstract resources, including values and norms and, human which is also known as intellectual capital, organizational skills known as customer and information capital (Steward, 1997) are advantageous domains for the family

firm. Beyond corporate values, individual and family name values emphasize more on integrity, consistency and commitment (Lyman, 1991:303-324).

Research on family firms notifies the features of family firms as follows; family firms are source of motivation in relationship management and they trigger trust (Taiguri and Davis, 1996), lower representation costs (Aranoff and Ward, 1995), they create a trusted reputation image (Taiguri and Davis, 1996; Ward and Aranoff, 1991), intuitive decision-making channels and lower follow-up and control costs (Daily & Dollinger,1992), flexibility in decision making processes and lower decision making costs (Goffee and Scase,1985; Hall,1988; Poza, Alfred and Maheshwari,1977& Taiguri and Davis, 1996), more commitment to their mission and the ability to conduct more in-depth internal analysis (Moscotello, 1990), customer management (Brokaw, 1992), sustainable competitive advantage (Barney, 1991), family firms have abstract and distinctive assets that include values, culture, skills, styles of work, trust and reputation, as well as objective sources (Habbershon & Williams, 1999:3-6).

According to Grant's (1991) study on the potential of resources and competitive advantages; management of employees, focusing on targets and undertaking, building trust, encouraging participation, developing and adapting new employees, providing reputation, reflecting the belief and value structure to business style, commitment for the things to be done, performing a flexible structure, nurturing creativity, providing efficiency, being able to carry and spread common culture and values to all stakeholders and even beyond borders, being able to form global partnerships and R&D embodiments, supporting development are domains that can easily transform into competitive advantage for family firms according to Resource-based View Theory (Grant, 1991, cited Habbershon & Williams, 1999:9-

14). Resource-based View Theory uses VRIO (Valuable, Rare, imperfectly Imitable and Organized) analysis in the evaluation criteria. Aranoff (2004:57) states that, in the context of Resource-based View Theory, the essence of the family firm culture is the family value, which provides the difference and competitive advantage (Tapies and Fernandez, 2010:3). Similarly, different researchers emphasize that the nature of family firms and the strategies they create is based on family values (i.e Ward, 1987, 1999, 2008; Corbetta, 1999; Aranoff and Ward, 2000; Tapies and Fernandez, 2010:2-4).

Agency Cost Theory is a theory that finds a wide field of study in management and financial literature, as it is based on the motivations of the parties in cooperation and mutualization, control of each other, and information flow processes between them. Studies on theory were initiated by Berle and Means (1932) and developed by Alchian and Demsetz (1972), Ross (1973), Jensen and Mekling (1976), Fama (1980), Fama and Jensen (1983), Jensen (1983) and Eisenhardt (1985, 1989). This theory examines the probable consequences that may arise if two people or parties cooperate with each other. Agency cost theory in the literature, defines a methodology that tries to interpret and analyze cause-effect analyzes by acting on the basis that people are selfish and opportunistic in organizational situations where the targets are not overlapping expectations (Ross, 1973:134-139). A person who can act on behalf of a person, institution or group is called the agent, and the person or group represented by the agent is called the principal. The relationship between the principal and the agent is called agency relationship. Agency relationship is generally based on the relationship between the institution and its shareholders, definition of powers and responsibilities and the power of attorney (Fama, 1980;

Fama and Jensen, 1983; Sappington, 1991; Activeline, 2004; Karataş and Aren, 2004:184).

Agency cost theory and Trading cost theory, which deals with the cost of agency, are generally known as the economic view of the organizations and their systematic. Both theories aim to ensure the purpose-oriented behavior and continuity, control the internal and external operations and behaviors, and envisage the operation of the firm in an audit mechanism. In this sense, institutions form the internal audit mechanisms. As they complete each other Agency Cost Theory and Trading Costs Theory can be grouped (Coase, 1937, 1960; Klein et al., 1978; Williamson, 1981, 1985; Karataş and Aren, 2004:188).

According to the assumptions of the Agency cost theory; main conflict in firms is the potential difference between aims of agents and property owners. As a result, the interests of these people should be aligned with financial incentives, effective company management control and control mechanisms should be used. The Agency cost theory is occasionally criticized due to its emphasis on manipulative and opportunist agent assumption (Davis et al., 1997; Zahra, Hayton, Neubaum, Dibrell& Craig, 2008). Contrary to general acceptance, the failure to change the job of low performance family members in family firms may be higher than in non-family firms, according to Schulze, Gomez-Mejia, Nunez-Nicel and Gutierrez (2001). The state of family firms to be open to nepotism, family altruism and prejudice are controversial subjects for the agency cost theory.

Ward, who is an expert in family firms and a reputable source, mostly mentions on determining purpose and processes, creating a family vision and policies from family values, business strategies and institutionalization in his work focusing on “50 Lessons Learned from Long-Lasting, Successful Families in

Business". And he also states that family firms cannot progress without institutionalization (Ward, 2004:25-27, 31). When the institutionalization is examined on a theoretical basis, the concept of the "Institution" was first mentioned by Hughes (1936) and then the first theory was developed by Selznick (Ayrancı, 2010:86). Selznick (1957), states that organizations create new formal and informal structures by creating new values and adding their own values and characteristics. This approach was later named "old institutional theory" (Di Maggio and Powell, 1991:12-13), Meyer's (1977) "new institutionalization theory", which takes the view that organizations are mainly influenced by macroeconomic events, is defined as an organization created and maintained by social interactions (Meyer and Rowan, 1977, cited Ayrancı:2010: 87). There are also additional definitions such as (Ayrancı, 2010:87); a shared rules directory to categorize relationships and interactions (Burns and Flam, 1987), a set of repetitive interaction and rules (North, 1986), set of basic factors that determine the relationships and behaviors among members in a social formation (Barley and Tolbert, 1977).

As the journey from values to institutionalization will be investigated, Institutionalization Theory will be used as an old and new theory in a separate section and a relationship will be established. "Planned Behavior Theory" (Ajzen, 2002 and Ajzen, 1991), which is an upgraded version of Reasoned Action Theory, will be on the agenda related to institutionalization. Planned Behavior Theory was formed by adding the perceived behavioral control parameters to the Reasoned Action Theory, which states that many social behaviors of people are under the voluntary control of individuals. It has been developed according to the cases where individuals are not subject to full control over the issue when creating such behaviors According to this theory talking about an intension is crucial. According to Ajzen,

intension is defined as the level of desire for an individual to perform a behavior and the level of efforts on revealing and planning of this behavior. Attitudes of the individual to exhibit behavior and support or pressure of the environment for this exhibition is a kind of neighborhood pressure. There may be positive attitudes in the family firms for the sustainability and growth of the organization. But at the same time, attitudes related to the distribution of control, the elimination of privileges, the sharing of authority to prevent the realization of institutionalization can also be observed. Perceived behavioral control for institutionalization, for example situations like; the financial situation of the company, the organizational structure or the difficulty of the planning of the period, such as the lack of voluntary control in the current period can be shown as an example (Koç, Söylemez& Şahin, 2016:452-455).

Dr. Günver, Chairman of the Board of Trustees of IKU (Istanbul Kultur University), lists the three keys of success on family firm management as; Common values on which the family is based, family respect and solidarity and the right defined family-business boundaries, citing from David Borg, the doyen of family firm's management (İ.K.Ü.,2012:30, Congress Book).

Koçel (2012) lists some of the main problems in family firms as follows; deciding to employ people from outside the family in the growth of employment, through financing, management and organization of growth, transition to professional management and use of professional managers, planning and development of the next generation. In addition, inter-generational thought, culture, business understanding etc. differences from time to time cause conflicts and different understandings (Koçel, 2012&, İ.K.U., 2012:24, Congress Book).

- The first generation establishes and develops a firm,
- The second generation will lead a life of pleasure from the firm,
- The third generation experiences the absence and starts again.

The above comments or statements are an anonymous assessment that is generally expressed for family businesses. This discourse is similar in many languages and cultures. As with almost all sources, approximately 10-14% of family firms can pass to the third generation and only 4-5% to the fourth generation.

The expressions in some languages are as follows:

English *"clogs to clogs*"

Hebrew "*rags to rags*"

Spanish "*Padre Bodeguero, Hijo Millionario, Nieto Pordiocero*"

Portuguese "*Pal Rico, Filho Nobre, Neto Pobre*"

Italian "*Dalle Stalle, Alle Stalle, Alle Stalle"*

German "*Erwerben, Vererben, Verderben*"

And an idiom from archaic English "*There nobbut three generations atween clog and clog*" (Ward: 2004:4).

Family firms, organizations often have problems with business or financial or regulatory issues. These problem areas are the organization's changing business atmosphere, the inability to adapt to new technology, changing market and customer conditions, taxes, rules. And the problems in the family dimension are as follows; new generation members who will take over the management are not well prepared, low motivated and away from business life, increasing number of family members as generation progresses, diversion of fields of interest, diversion and differentiation of

values and objectives, limitation of the founding members' climate and environment for the next generation, their approaches, and their intention to continue business. On the scale of general evaluations, family firms are eliminated or withdrawn from the business due to problems particularly related to the family.

This is clear that successful family firms need to work hard to ensure that the family is together with business life, and that respect and encouragement should be given to success, as it is in other institutions. The issues of family firms are the perspectives and projections of the subjects, which are general and predictable, and which can be different in a classical way. Even though it seems to be family specific, the issue of many family firms is generally similar. It is important that family companies foresee the following and their awareness on this issue is also important.

"We are not lonely and single, we are not weird or unusual, we can learn from others" (Ward, 2004:12).

Interviews with long-standing family firms show that family businesses know that their issues are similar. Although most of the issues are the same or similar in all family firms, different family members within the same family system can see and evaluate the issues in a different way. The review, solution, and evaluation of these issues may naturally change according to the business experience of family members in family firms, the economic evolution and maturity of the organization. The important aspects of the assignment and transfer of the firm to the following generation are as follows; being ready for transfer preparations, continuity, growing the business and creating a financial resource for transfer to future generations, holding key managers that are not family members, the ability of motivating and rewarding these managers for support, the ability to charge family members and non-family members for fair wages, creating criteria for employing family members,

being conscious about the importance of communication, and believing that continuity passes through a good and feasible plan (Ward, 2004).

Research or definitions about family firms can be summarized as follows; the concept of family business reveals a strong relationship between business and family. Family firms are institutions in which the family is directly or indirectly at the center of the firm where the business is carried out or institutions where the family's weight is felt, and the efforts are made for long-term sustainability for the future generations of the family. Despite this, almost all the literature mentions that the rate of family company which can pass to the third generation is at most 10-14%.

It is not only financial quantities that are intended to be transferred to future generations, a system of social or cultural capital or a system of values are also subjects of heritage that are sought for sustainability. The most important of these values can be expressed as respect, dignity, trust, honorableness, credibility and recognition. The manifestations of these values are naturally synonymous with individual or corporate social responsibility. Family culture is one of the most important parameters separating family firms from other company types. In terms of family culture, there is a need for defining various “Basic Family Needs in Molding and Developing Family”. This definition includes detection and perception of the status, the ability to express ideas and feeling, having the freedom to request-reject and being able to realize his/her essence. The reflections of these five basic freedoms in molding and developing family environment are presented in Appendix as Table 5 “Reflection of 7 Basic Family Needs in Molding and Developing Family “and in Table 6 “Reflection of 5 Basic Freedoms in Molding and Developing Family “. Here the basic family needs are listed as follows; a sense of worthiness, a sense of trust, a sense of closeness and solidarity, a sense of responsibility, learning to overcome

challenges by struggling with them, an environment of happiness and self-realization, and the foundation of spiritual life (Cüceloğlu, 1995, Handbook).

From another perspective, it is possible to talk about three parameters namely power, experience and culture while evaluating in terms of "family effect" dimension. A culture parameter including basic values, the interaction of values, and the moral values such as pride, harmony, commitment, preferences, can be expressed as an integration of existing or slightly varying attitudes of family members to institutional structure. The experience dimension describes the number of generations the family has been in management, management styles, working time and positions of family members. Generally, there are changes in each generation. However, by learning to apply similar patterns and updating them later, accumulating knowledge in some way makes this experience parameter to be sustained, and this reduces the frequency of errors. Finally, the power parameter shows the influence of the family in the institution, its legal effect on ownership, participation in auditing and management on the institution, and its dominance in decision-making processes (Semercioöz and Ayrancı, 2008, p.162-164, Turgay, 2013, p.30).

Research on Family Firms

According to statistics in the world or literature reviews; it will be observed that researches on family firms will generally be seen in the form of books, publications or academic research that is intensified in the late 1990s.

The vast majority of these studies indicate that there may be problems in power transfer, backup and shareholding between the founding generation and the

following generations. These problems may cause grief, energy loss, loss of performance, invitations to various symptoms that prevent the pleasure of living.

Reasons that prevent or complicate the formation of power transfer between generations can be listed as; extended life span, extended business life and increasing number of family firms as a result of entrepreneurship. Mark T. Green (2011), who studies on family firms, related the problems of family firms with the obligation of the cooperation of five generations with different decision-making mental processes and different ideas on business. These generations are listed as follows; G1 generation born in 1905-1924, the silent generation born in 1925-1944 before the Second World War, Baby Boomers born in 1945-1964 and which has created many innovations after the war, X generation born in 1965-1980, Millennials born in 1981-2009 and "Iphone-Ipad" technology generation (Green, 2011:11-13).

Increasing work and research on family firms in recent years is greatly associated with the retirement feeling and period of "Baby Boomers" generation, which has brought great innovations and put weight on business life. Neutral consideration of intergenerational characteristics and differences related to family-business-job transfer-emotional property issues in family research on these groups may be beneficial in terms of a better understanding of the approaches among family members in relation to the research. For example, Generation Y is affected by issues such as internet, mobile phone use and technological development and they expect their parents to do something for themselves. Compared to the silent generation, which is the third previous generation and has some representatives that are still active in managing the family business, Generation Y considers that family members cannot understand them as they remember "The Great Depression of 1929" and periods of war in crisis times and make decisions accordingly. Table 7: "Thinking and

Behavioral Differences between Generations" describes the differences between generations of thinking and behavior as motto, influencer, and approaches on business and family (Green, 2011:14-15).

Different studies on analyzing family businesses have led to the conclusion that research is interesting because it includes not only business but also property and family issues. There are 13 tools and techniques available for research.

The 13 tools are listed as "Family Firm" (1-6), "The Position of "Family" in the Family Firm" (7-9), and "Business Life in the Family Firm" (10-13) and they are presented in Table 8 as "Tools for Family Firm Analysis" (Algarin, Blunden, Labaki, Sharma & Tsabari, 2013:3).

Table 8: *Tools for Family Firm Analysis*

Family Firm Current State, History, Tools to Tell the Desired Future of the Firm by Key Stakeholders 1. Davis's Three-Circle Model 2. Davis's Three-Dimension Matrix 3. Governance Options of Family Business 4. Entry and Exit Rules 5. Sharma's Performance Matrix 6. Key Cases
The Position of "Family" in the Family Firm Relationships, Tools for Understanding Thought Differences and Operation of Members and Family Subsystems 7. Genogram 8. Perception Maps of Key Members 9. Olson's "Circumplex" Model

Business Life in the Family Firm

Tools for Understanding the Productivity and Efficiency Levels of Family Firms

10. Organization - Property Chart
11. Redundancy Approach
12. New Product-Service Market Research Approach
13. Conflict/Negotiation Models

(The following item can optionally be added)

14. (General Business/Firm Evaluation and Audit Applications)

Source: Algarin, Blunden, Labaki, Sharma& Tsabari; 2013:3

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Governance in terms of family firms can be described as serving family organization, creating strategies and goals related to family, maintaining and managing relations, determining responsibilities, identifying and monitoring outputs and performance (Sharma & Hoy, 2010, Algarin et al., 2013:5-7). One of the main governance tasks of the leaders of family firms is to conduct the relationships between family, management, and ownership in the context of decision-making, control, responsibility, communication and management responsibilities (Björnberg & Nicholson, 2005:59). The channels and bodies that create governance in family firms can be emphasized as depicted in Figure 5 "Governance Options in a Family Firm". These bodies are the bodies or channels that are found or are being worked on in many family companies today and they are the cornerstones on the way to institutionalization (TKYD, 2009:12-16).

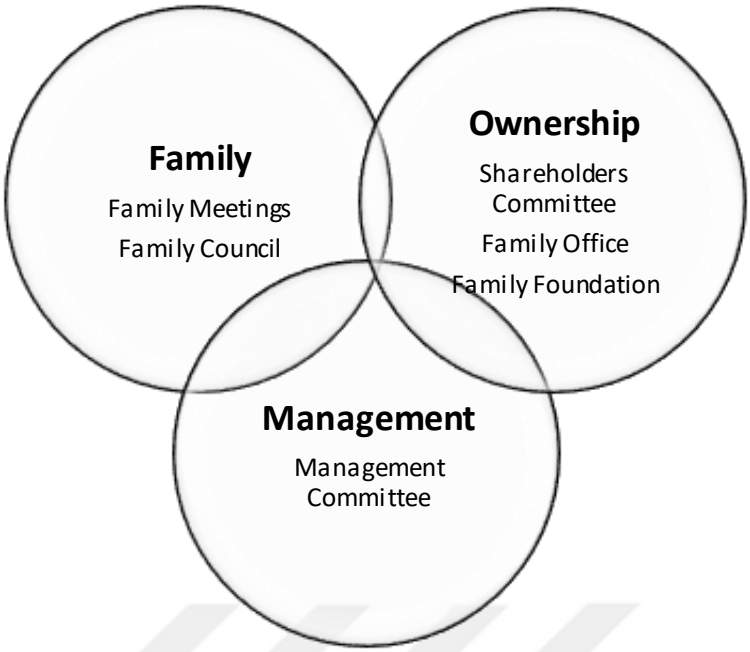


Figure 5: Governance Options in a Family Firm

Source: Hoy and Sharma: 2010:223, cited Alganin et al.:2013:6

(Case Research Journal, Vol. 33, Issue 2, Spring 2013, p6)

Klein and Pieper (2007: 301-319), in order to support the modeling work on family firms, investigated all family models, listed them in a long expression, and then they proposed a triple and open methodology in the form of an interrelation matrix that includes Individuality, Family Company System and External Environmental Systems from the inside out.

This model also shows a looped triggered, triggering character under individual and external influences looping through the family firm, family concept, management system, business requirements, and property systematic. Unlike other models, this model adds the individual and the environment as a layer and it particularly refers to the family firm's customers, suppliers, legal regulators of business life, trade unions, competitors, and relevant governmental or non-governmental organizations with regard to environmental changes. On the other

hand, it emphasizes that all organizational levels or subsystems consist of and are based on individuals and individuals are the basis of analysis. According to Klein and Pieper (2007), the values, motivation, action and behaviors of individuals in family firms can influence and designate the behavior patterns of larger groups, organizations and therefore family firms. As a result, a more flexible and open-ended model called "open system model" has been developed and proposed to better understand family firms compared to other closed system models. The proposed model defines sub-systems such as management, ownership, operation and family from the individual to the environment, emphasizes the samples for sub-system variables and transmits their dimensions. "Family Firm Modeling (From Individual to Environment)" is shown in Figure 6. Definitions and examples of environment, family, business, ownership, management individual subsystems included in this model are given in Appendix as Table 9 titled "Family Firm Subsystems Examples and Definitions".

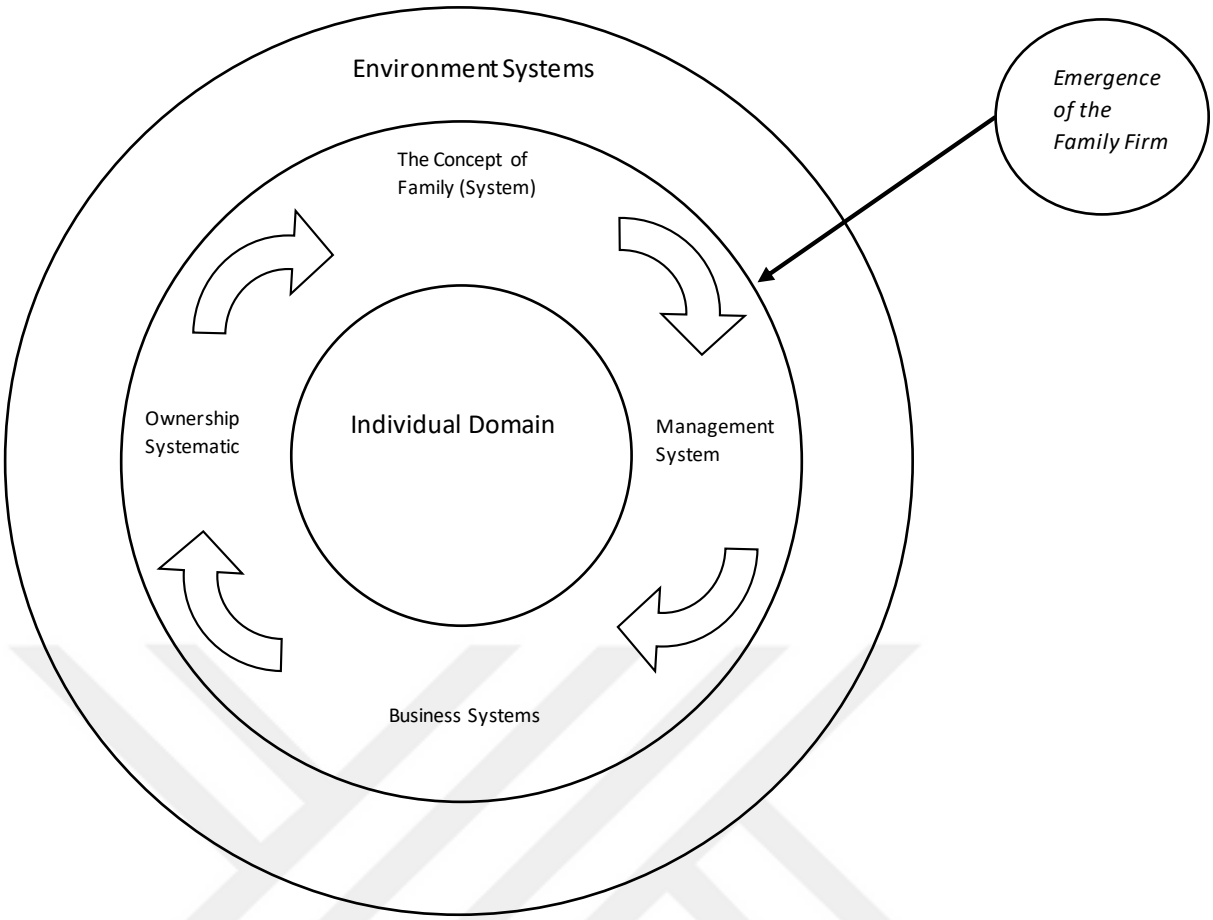


Figure 6. Family Firm Modeling (From Individual to Environment)

Source: Klein, B.& S., Pieper, T, 2007:309, "The Bulleye: A System Approach to Modeling Family Firms" Family Business Review, p.309, (fbr.sagepub.com)

33 visible and implicit factors or family-business-property matrix are used for research and identification of family firms in European Union countries (including some of the candidate countries) and these are shared in detail in Appendix Figure 7.

As it is emphasized in Figure 7 in Appendix, some parameters are measurable, and some have immeasurable characteristics (Mandl, 2008:54). While relationships, relationship dimensions, commitments, values, social capital, motivation and impulses generally remain in the implicit, flexible, qualitative area; objective and quantitative financial outcomes, market rates, growth are in the visible

area. The administrative factors are in a way to show variation in both areas. Being able to define implicit, semi-implicit and open characteristics correctly, being able to observe, understand and interpret are important for the research. Among the abstract parameters that are difficult to measure are the administrative, economic and sociological frameworks between the family and the economic organization. In addition, positive discrimination to family members may enter into family culture and emotional, informal decision-making mechanisms may emerge, this could be both in implicit and explicit area. One example of being measurable, in the visual dimension, is the presence of one or more of the shareholders in the management of the firm (i.e. Chairman, CEO, Board Member, Managing Director, and Deputy General Manager). And some of the abstract parameters are as follows; prioritizing the family in the management assignments of family firms, indirect management of the firm by the family, significant influence on top management, making important decisions within the family, controlling of the firm by the family, and sustaining this control for at least two generations.

The first inter-cultural qualitative family research, "*Family Stability in Non-European Cultures*", was conducted by George Peter Murdock (1950), in 40 countries outside Europe. In this study, the values of the society of the family and the large family, which were selected from the most ethnic regions of the world, are selected from Asia, North America, Oceania, Africa, South America and the study was based on divorce. The view of the family institution through divorce and findings of this family, kinship and marriage research of Peter Murdock (1897-1985), who is one of the pioneers of cultural ecology and new evolutionist thought and behavior science along with Leslie White (1900-1975) and Julian Steward (1902-1972), has been a valuable source for researchers working in the field of

anthropology and sociology although its data source is not clearly expressed. Murdock is also an anthropologist who created HRAF (Human Relations Area Files) (Warms & McGee, 1996:226-229, 454& Lagace: 1974: vii-6).

Another important research is on "Emotional Ownership". This concept has emerged in the scope of examining the sustainability of family firms. It was tried to be measured with a study that consists of 600 family members from 67 different countries, the majority of which was expected to take over the management of the family firm. Emotional ownership is defined as a sense of being close and belonging to the family business, or identification as defined by psychologists. According to the results of the research, 61% of the participants stated that they had emotional ownership, 12% felt no emotional ownership, 16% of them were neutral, and 11% stated that this emotionality could change in a positive or negative way depending on the situation. When different factors were evaluated, individual career investment and participation in the business life, being able to adapt to flexible structuring and being in an atmosphere where support could be received were found to be directly proportional to the sense of emotional ownership. The firm success was found to be not much related to the sense of emotional ownership. This kind of ownership was found to be a deeper attachment and it was found to be at the top between 31-40 ages.

Flexibility, open communication, emotional family cohesion, intergenerational commitment and understanding, shared norms, principles and values, and intergenerational competence and authority are parameters that are related to the family culture and climate created. Also, according to the empirical results of this research situations like; emotional ownership is naturally higher in family companies, open communication, sustainability, supporting family culture

and climate, possibility of informal information, being close to the knowledge and the nature of the business, the conformity of age group, contribute and grow emotional ownership. In general, this ownership is not affected by conflicts and the existence of negative ideas and it is formed as a result of the family, firm and family member triplet (Björnberg & Nicholson, 2008: 3-5, 8, 11).

1.3. Urbanization and Family Firms

Demography is one of the areas in which anthropology examines the domains of influence and is one of the subjects involved in the study of anthropology. And one of the important areas of the demography is the subject of migration, which is related to population changes and settlements, and their influence on cultural changes, social cohesion and divergences. In all stages of humanity, in addition to the inevitable natural challenges such as floods, fires and earthquakes, small or large migrations have occurred due to diseases, famine and wars. Migration movements due to these reasons are still on the agenda. However, especially as a result of the new economic world order that emerged after the 1970s, globalization and economic reasons, people began to move towards metropolises with the aim of reaching to the global markets and therefore metropolises began to get immense migration. In addition to migration to metropolises for working needs, it is observed that firms, businesses and institutions began to move and migrate their main functions towards metropolises. It is clear that change of physical environments, differentiation of institutions, economic organization and structures, urbanization and global norms have various effects on culture, human-family thinking, emotional structure, social order and consequently on behavior (Kasapoğlu, 1995).

The fact that economic policy has changed significantly in our country especially in 1983 and the adoption of export-oriented open economy model has been a trigger for the migration to big cities, and the migration pattern was mainly between the cities from east to west (Özbay et al.,2001, pp.18-22). A large majority of family firms, which are generally the dynamos of economies in all countries, aiming at growth and the international market, have carried their centers to metropolises. Institutionalization is among the cases that cities and metropolises, growth, and international markets implies, proposes and sometimes even constitutes norms.

On the road to institutionalization, kinship, local solidarity that became a kinship category in an economical sense in globalization period, family and family values constitute the association of family and business life and economic decisions - family values, tides between norms, theories and literature in this field are also subjects that can be examined. In this context, in addition to the globalization economy in the world and in our country, the development of Istanbul, where the majority of the research was conducted, as a center that attracts family firms and its economic development has been reviewed in the literature and a directory has been created.

In the context of the world economy, the period after 1975, which is defined as “globalization period”, “digital age” or “new international division of labor” as defined in Max Weber’s theory, brought about a new phenomenon and a functional necessity for the metropolitan cities in the world. There are numerous definitions for globalization (Clark & Knowles, 2003:368). In an anthropological sense, globalization is defined as the diversity in information systems that result in cultures crossing borders and contributing to the global mass society (Worsley, 1999). In an

economy-business administration sense, it is defined as the increase in the globalization of production, which will change the structure and organization of the world resources that affect the trans-boundary production of firms (Dunning, 1993). In a sociological sense, it is the concentration in the world consciousness as a whole and social congestion of the world (Robertson, 1992). As a subject of economic geography, it is defined as the geographical expansion of economic activities beyond national boundaries and functional integration of disorganized activities among nations (Dicken, 1998). Although it is difficult to make a common definition, globalization is composed of interdependence, concentration and integration processes of the economic, political, cultural and social systems of nations in the basis of a world system. Globalization also points to a process in which the functionality of the traditional boundaries of national markets has been lost (Bayer: 2003:64).

It causes the concept of entrepreneurship to become more dominant in the world literature. Entrepreneurship also emphasizes the concepts of risk, innovation, and knowledge and on the way to reach healthy growth and prosperity, the concept of competition finds meaning within these concepts. Competition has a similar meaning to innovation in the globalization process and Schumpeter argues that innovation is the carrier of development. He talks about 5 new approaches; production of a new property or improvement of an existing property, development of a new production method, finding a new market, obtaining a new supply source for raw materials and semi-finished goods, creation of a new type of industrial organization with a monopolistic tendency (Schumpeter, 2003:81-85, 104, 108-109; Demir, 162-163, 166). New markets, new structures, new sources of information, access to new sources of supply and access to new labor force are mostly realized in

metropolises and entrepreneurs who think bigger are directed towards metropolises. The institution which is the subject of the research has followed a similar method and realized its formation not in the local areas of the family but in the metropolis of Istanbul.

Generally, subjects like blood relation, values, fidelity, dignity, solidarity within family, name meet on a common platform with subjects like rationality, risk taking, profit, sustainability, utilitarianism, working with non-family individuals, authorization, and transparency and as a result a tension is formed. Situations like favoring proximity to the family instead of competition and merit, daily measures instead of long-term strategies, local satisfaction instead of global goals, fashion instead of planning, family wealth instead of real investments, may reduce the competition power of the family firm. In this case, the institution will struggle against global realities, not reach sufficient financial resources, and the institution or even the family will face the risk of annihilation (Yalçınkaya& Durcan, 2008:11).

Although it is not a complete generalization, if the family firm's power to deal with global magnitudes is not enough or if it is not working in a very specific and difficult to enter area, institutionalization of family initiatives seems to be a way of resolving these problems. Institutionalization is the management of the organization with a number of systems independent of individuals, displaying predictable behaviors from outside, determining the organizational structure, powers and responsibilities, and complying with generally accepted functions and standards (Karpuzoğlu, 2004:45). It includes putting emotional bonds as well as rational links to the agenda, transferring strong values and norms into business-organization dimension, and being able to look family members' discrimination as neutral as possible.

Globalization has created a new form of urban life, seen in large cities, by forcing a different, uneasy and complicated change. Previous relations, based solely on production, are now focusing on services, business, insurance, finance and multi-faceted business (Sassen, 2002, p.18-25, 93). Two points of view have emerged for big cities, or in other words for metropolises that are at the focus of urbanization. The first is the concept of "city" represented by Michael Storper (1997) and the second is the concept of "communication networks" represented by Saskia Sassen (2000, 2001).

Sassen stated that global cities are a part of the network of strategic deployments and Storper argues that entrepreneurs need to equip themselves with knowledge through constant learning about local phenomena and dynamics, which are very difficult to copy, in order to be successful in the contemporary world economy. The interpretation of Storper's theory at this point shows that local powers and organizations strengthen the concept of a global city and a global strategic communication network. This reminds local family firms and their institutionalization by establishing a relationship between its economic, social, cultural and demographic elements. Figure 8 "Sassen and Storper Urbanization / Global Cities Theory" was prepared for defining and summarizing this relationship visually.

This point suggests that the sum of local economic dynamic forces is culture and family firms and studies on family companies, economic and various publications also supports the issue of the family firm to be an engine. In other words, it will be beneficial and contributing to conduct a research in order to understand the connection between local corporate culture and global business culture by understanding family, behaviors of family firm in metropolis, tracking the

steps to institutionalization while trying to adapt the firm to metropolitan-globalization phenomenon with its own values and applications, and analyzing this tracking from a social-cultural anthropology dimension. Metropolises create a platform on global acting and global information platforms, and these parameters, which are important for family firms, direct family initiatives towards metropolises.

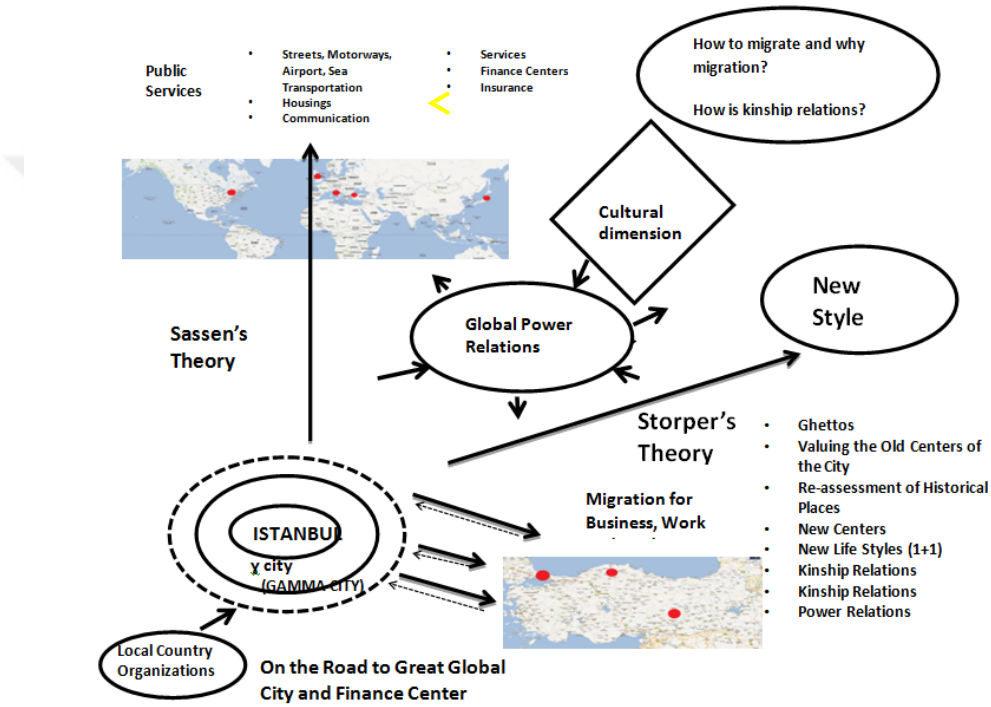


Figure 8. Sassen and Storper Urbanization / Global Cities Theory

(Life styles related to theories were visualized by the researcher within the framework of migration to Gama Metropolis Istanbul approaches)

Turkey's urbanization rate has accelerated in the last 30 years after its modernization. This 30-year period is the period when capitalism in the Western world has risen and the three dimensions of capitalism are defined as industrialization, modernization and global urbanization (Kurtulus, 2005, p.12-14). According to Globalization and World Cities (GaWC) Research Group, Istanbul is ranked as Gamma World City with its 4 points out of 12 points. London, Paris,

Tokyo and New York are in the "*alpha*" category with 12 points (Sassen, 2002, p.100).

We see that Istanbul has been a historical capital at the intersection of trade for centuries. Due to the fact that Ankara was the capital and the administration went to Ankara, Istanbul experienced a more stable period, but it became a focus of attention again in parallel with the requirements of globalization and being preferred as a global city after the 1980s. Figure 9, "Lifespan of Istanbul" is prepared for summarizing the flow of Istanbul and its economic era.

The two main sources of power that constitute the basis for dominance in Turkish society are expressed as reciprocity and especially reciprocity of indebtedness. Growth without taking too much risk, staying in comfort with growth, security, business relations in society and family, and the desire to be strong in economic activities are other arguments that can be used to describe Turkish society. The assumption that power is a product of the relationship between social networks composed of individuals is weakening and friendship, kinship, or loyalty at the point where people are connected to each other emerge as tools of dominance and survival. According to Friedman, small-scale commercial goods production is governed by kinship logic, under the influence of capitalism.

Some part of the reciprocity relationships in Istanbul may be included in this scope. The relationships based on the principle of reciprocity in social identity have outputs such as labor, product, money, useful knowledge, partnership through marriage, social insurance and security (White, 1994, p.15, 88-105) In addition to White's notes, individuals who are rooted in the same country, village or town develop a unique identity from time to time in big cities and this identity leads to mutual cooperation, psycho-social bond and power.

Subjects like family firm definition, family firm problems, actors in the platform, integration plans, family and neighborhood relations, infrastructure, local and global climate effects, effects of migration, recruitment and cultural habits in the recruitment process, plan to ensure the continuity of the family, keeping family members in or out of new opportunities, emotional behavior and technical approach, methods for resolving problems, troubles both as a firm and as a family member, troubles related to continuity decisions, nepotism, troubles related to presence or lack of family member discrimination, relationships between children and cousins, political decisions, creation of the board of directors, desire to adapt to global actors and global practices, competitive advantages of the company, professionalism tendency, passive approach or dominant approach in management, growth strategy, power transfer through kinship and power relations, family establishment and traceability, continuation of entrepreneurial and innovative spirit, rules of conduct, education of heirs, selection of family members, local solidarity and identity organizations membership and harmony are issues that are in-depth of family firms.

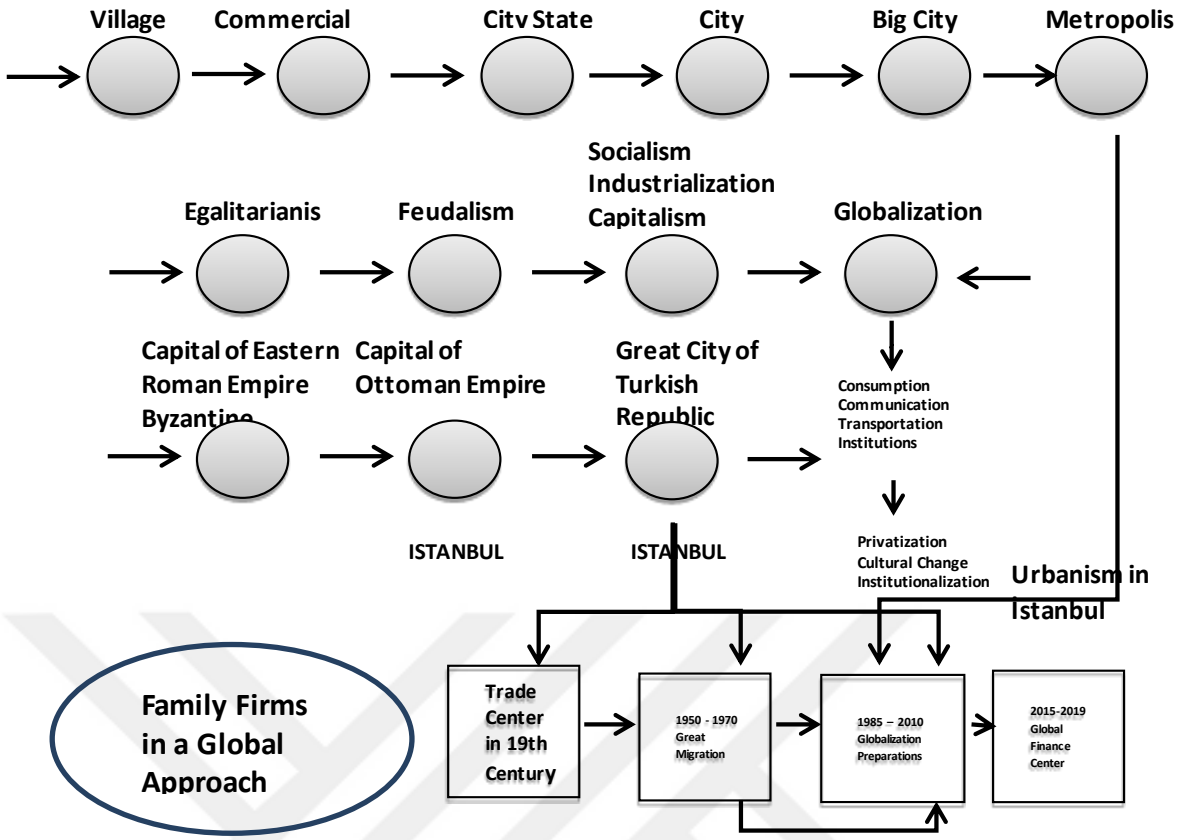


Figure 9. Lifespan of Istanbul

(The figure was compiled by the researcher from the studies of Chambers, 2005; Giddens, 2006; Gole, 2008; Hannerz, 1980; Keles, 2008; Keyder, 2006; Kıray, 2007; Kurtuluş, 2005; Mumford; 2007; Sassen, 2002; Van der Bly, 2005 and Zenner, 1998)

1.4. Oldest Family Firms in the World and in Turkey

In Europe, 70-80% of the total numbers of firms are family firms. At the same time, family businesses have a significant impact on the world and local economy, as they provide a significant portion of employment. Also, the same reports show that 90% of organizations in Turkey are family firms and when SMEs are added this rate rises to 94% (Mandl, 2008, Austrian Institute for SME Research, Europe, Turku School of Economics, (e.c.europa.eu/enterprise/policies/smefiles) "Overview of Family Business Relevant Issues, Final Report").

The oldest family firm in Japan was established in 578 as a restoration company, a wine producing company in Italy has been operating since 1385 and the oldest family firm of the USA is Zildjian family firm who immigrated to the USA in 1920s and were previously established in Istanbul in 1623 for producing cymbals for the janissaries and the Ottoman Palace (Ward, 2004; Karpuzoğlu , 2004:44). Family firms may experience various problems as they move from the first generation to the next generations and the economic lives of a part of these firms may also end as a result of these problems.

Approximately 40 family-owned firms in Turkey are examples of intergenerational continuity aspect (Karpuzoğlu, 2004:43-44).

The Bank of Korea tracks records of family firms since 2012 and on a global scale. And in our country, Kultur University keeps statistics and records of family firms in Turkey with a biannual family firm congress. The world's oldest family firm formations are dominated by Japanese corporations, followed by German firms. The oldest family firm in Turkey is Haci Bekir Muhittin Confectionery, which was established in 1777. A small list is presented below.

Some of the oldest family firms in the world that passes from generation to generation;

Year	Firm	Location	Field of Operation
578	Kongō Gumi	Japan	Construction
705	Nisiyama Onsen Keiunkan	Japan	Hotel
717-8	Hoshi Ryokan	Japan	Hotel
717	Koman	Japan	Hotel

Year	Firm	Location	Field of Operation
718	Zengoro	Japan	Hotel
771	Genda Shigyo	Japan	Paper sacks
803	Stiftskeller St.Peter	Austria	Restaurant
862	Staffelter Hof	Germany	Wine
885	Tanaka-Iga	Japan	Religious goods
953	The Bingley Arms	United Kingdom	Pub
970	Nakamura Shaji	Japan	Construction
1000	Château de Goulaine	France	Wine
1000	Marinelli Bell Foundry	Italy	Foundry
1009	Sakan Ryokan	Japan	Hotel
1024	Shumiya	Japan	Religious goods

Senior Turkish family firms established in 1923 and earlier (the oldest 15 family firms)

1777 Hacı Bekir Corporate Group
1807 Confectioner Cafer Erol
1858 Gökçen Group
1860 İskender
1864 Hafız Mustafa
1870 Erbak- Uludağ Soft Drinks and Food
1871 Karaköy Güllüoğlu
1871 Kuru Kahveci Mehmet Efendi
1874 Sabuncuyakis
1875 Tanınmış Helvacı
1878 Erden Food, Industry and Trade

1878 Komili
1880 Birlik Mensucat (Textiles)
1880 Hamamcıoğlu 1880
1880 Koşar Leather

Senior Turkish family firms established after 1923 (the oldest 15 family firms)

1924 Hatemoğlu
1924 Başbörekçi
1924 Rahmi Yılmaz
1925 İmamoğlu Sucukları
1925 Sabancı Holding
1925 Yasin Çakır Flour
1925 Karakedi Bozacısı
1926 Doluca Winery
1926 Koç Holding
1926 Zeyneller Home Textile
1926 Ensar Stores
1926 Günbe Delights
1926 Niyazi Knitwear
1927 Kent Food
1927 Mazlumlar Pudding Shop

1.5. Institutionalization in Family Firms

Institutionalization includes purpose-oriented structuring within a mission, specificity and definition of work and tasks, establishment of procedures and regulations for determining the way of doing business, and transition to professional management by distributing powers and responsibilities. The important items of institutionalization are admission and recognition of activities (Bhappu, 2000:409, Yücel & Özkalan, 2012, p.261).

Institutionalization is the act of mobilization of behaviors that will move the institution from its level to higher positions under the presence of various rules (Yücel & Özkalan, 2012:250, 262). In terms of business owners and managers, institutionalization can be defined as; having rules and standards independent of individuals; establishment of an appropriate organization structure in accordance with the changing environmental conditions; bringing its own way of doing business into the form of organizational culture and thus starting a process for a distinctive and distinguished identity (Karpuzoğlu, 2004:45). And the criteria of institutionalization can be expressed in four categories as; flexibility of the organization to adapt to the environment, simplicity or complexity of the structure and functions of the organization, autonomy in business style, and synergy-unity behaviors (Sağlam, 1979:113 & Huntington, 1968:12-24; cited Bayer, 2003:83-86). When people see themselves as part of the institution they work in, their sense of belonging and corporate citizenship develops, and their commitment to each other, the institution and their leaders increase. However, in family firms, family priorities may preclude business conditions and rules. This condition may ignite "we and them" discrimination and corporate performance may be weakened if non-family stakeholders perceive that they are seen unworthy and their merits and authority are disregarded (Yücel& Özkalan, 2012, pp.249-250, 259-260).

"Nepotism", which will be discussed in the following section, is the use of family members' own power and authority to create employment for their relatives and family members regardless of their abilities (Karakaş and Çak, 2007; Avcı & Asunakutlu, 2010, p.97). One of the most important problems of coordination function in family firms is nepotism. The division brought by "we and them" understanding can have a negative effect on the performance of the organization

(Dökümbilek, 2012; Yücel& Özkalan, 2012:249). It would not be wrong to think that such negativity would negatively affect the journey of institutionalization. Institutionalization is a process of normative and cognitive protection and legal general acceptance of a series of actions and studies. In addition to being legal and written directly in the law, it may also appear in the form of customs or information about a subject (Sargut, 2001, p.128; Yolaç & Doğan, 2011, p.97).

Institutionalization can be defined in a very simple way as the transition from a dimension of values and rules solely within the framework of the organization to a systematic due to a kind of affinity, coercion, and conditions created by the environment. Many researchers and theorists have described this subject in different ways, which is indeed difficult to limit. The original institutional theory defines the organization as an institution and focuses on the organizational structure in analysis. And the new institutional theory emphasizes that the institutional environment is the decisive factor in the activities of the organizations according to the technical and institutional environmental divisions (Tuna, 2008).

Max Weber's focus on organizational structures and bureaucracy in the society contributes to the phenomenon of institutionalization. The first institutionalization study was conducted by Hughes in 1936 and he defined the institution as a harmonious and slow-changing social system. This was theorized as the old and the new theory by Selznick (1957) and DiMaggio-Powell (1983, 1991) (Ayrancı: 2010:86-87). With regard to 50 lessons learned from family firm research and studies, Ward draws to most attention to institutionalization and implies that family firms cannot proceed without institutionalization. He also sees lack of planning as the biggest barrier in the road to institutionalization and emphasizes that there are many criteria for institutionalization. Ward states that the

institutionalization could not be realized if some of these were missing due to lack of planning and lack of attaching importance (Ward, 2004).

When we examine institutionalization on a theoretical basis, the concept of institution was first pronounced by Hughes 'in 1936, as it is mentioned in "Theories on Family Firms" title of this study and in Parson's "Structure of Social Action" in 1937. Subsequently, the first theory was developed by Selznick. Selznick (1957) stated that organizations created new formal and informal structures by creating new values, adding their own values and characteristics and this approach was later named as "the old institutional theory" (Di Maggio and Powell, 1991:11-13:36).

Scott (1987) from Stanford University tried to define the approaches and aims of different researchers and theorists on institutionalization, starting from Selznick, as it is given in Table 10 "Institutionalization Approaches" below (Scott, 1987:493-511; Apaydın, 2009:4).

Table 10: *Institutionalization Approaches*

Year	**Researchers**	**Institutionalization Approach**	**Institutionalization Style**	**Organizational Objective**
1957	Selznick	Adaptation tool	By creating values	Compliance to Balance Laws
1977	Zucker	Formation of social order	By developing common, appropriate and meaningful behavior with the environment and transferring to other individuals	Compliance Legitimacy
1977	Meyer and Rowan	Formation of social order	By creating shared values system	Legitimacy, Source increasing, Subsistence
1983	DiMaggio and Powell	Adaptation tool	By imitating successful organizations	Getting rid of uncertainty

1987	Friedland and Alford	Influencing conscious and normative pressures	By changing the corporate environment to protect interests	Follow-up of interests

Source: Scott, R.W, 1987:493-511, "The Adolescence of Institutional Theory" Administrative Science Quarterly, Vol.32 No. 4, Dec. 1987; Apaydın: 2009:4.

There is also a literature on Turkish firms in the way of institutionalization, presented as "Studies on institutionalization in Turkish family firms" in Appendix Table 11. The researcher emphasized the main purpose of institutionalization and the results obtained after this purpose. For example, in the study of Bilgin (2007), the existence of written procedures related to business functions, the connection between organizational culture and family, the relationship between business and environment are defined as the main pillars of institutionalization. In the results of this research, it is stated that the majority of the firms could not institutionalize, the majority of the company's management team does not care much about institutionalization and that the least preferred procedures for research are in the field of planning and human resources (Ayrancı, 2010:88-89).

While the old institutionalization theory refers to the freedom of organizations, the new theory foresees the homogenization of organizations with responses to macro-institutional influences (Hirsch & Lounsbury, 1997). In other words, the new institutionalization theory emphasizes the reflex of organizations against regulatory, normative and external influences (DiMaggio and Powell, 1983:149-152). The similarities and differences of DiMaggio and Powell's "Classical and Modern Institutionalization Theory" are given in Table 12 below. The table shows the clues of the old and new, classical and modern institutionalization

approach on different perspectives, goals, agenda, if any, inertia, perception, focus area etc.

As it is depicted in the Table, the "old" theory is based on the organization, local environment, informal structure, values, rules, attitudes and interchangeability, while the "new" theory stipulates the legality, external environmental impact, uncertainty, discipline, permanent modeling, industry-specific or social dimension.

In addition to the concepts of institutionalization and corporate governance in family firms, the concept of professionalization can also be mentioned. Professionalization is the basis of homogenization due to external conditions, which can also be called isomorphism that can be divided into competitiveness and institutionalization, and the normative change, one of the three main sources of isomorphism (DiMaggio and Powel: 1983:151-153). Professionalization is achieving a performance-oriented approach with competitive and efficient partnerships by development in financial areas and effective management techniques and the ability to perform this in an amateur spirit. Although it may seem like a simple expression, it includes environmental and competitive conditions in the sector, the perspectives of the characters and the generations of the family, the business characteristics such as the governance style, the size of the firm, the managerial approach and the value given to the performance, the financial and non-financial performance results, the expectations and behavior models of the large and small shareholders (Steward & Hitt, 2012:7, 12, 17, 19).

Table 12: *The Comparison of Classical and Modern Institutionalization Theories*

Subjects	**Classical Theory (Old)**	**Modern Theory (New)**
Conflict of Interest	Central (Organizational)	Environmental
Source of Inertia	Interest Group	Legalization necessity
Organizational Structure	Informal	Formal
Location of the Organization	Local Environment	Field of operation, industry and the whole society
Focus Point of Institutionalization	Organization	Industry or the society
Organizational Dynamics	Change	Persistence (Stability)
Location of the Organization	Co-Optation	Legal
Focus Point of Criticism of Utilitarianism	Unity of Interests Theory	Action Theory
Results of Criticism of Utilitarianism	Unexpected (shock) results	Actions that do not reflect thought
Keys of Perception	Values, rules, attitudes	Plans, designs, business programs, articles, classifications
Organizational Psychology	Socialization Theory	Trait (Authority) Theory
Order Detection Basis	Legal decisions	Habits applied action
Organizational Objectives	Replaceable	Uncertain
Agenda	Compliance to policies	Discipline

Source: DiMaggio, Powell, 1991:13

According to Selznick, institutionalized organizations have their own characteristics, distinctive qualifications, values or chain of activities. In other words, they have separate identities and autonomy that differ from other organizations. Since the subject of the research is the journey from values to institutionalization, the approach of Selznick and later the approaches created by Zucker, Meyer and DiMaggio - Powell are also worthwhile, a process approach formed by the values and the tendency towards institutionalization triggered by the effects of globalization has been tried to be understood.

Regulatory, normative and cognitive reasons leading to institutionalization and institutionalization process formed with the approaches coming from these reasons, have some objectives like organizational balance, legitimacy, predictability, easier access to financial and other resources, and gaining compliance. These are depicted in Table 13 "Reasons and Results of Institutionalization" (Apaydın, 2009:3).

Table 13: *Reasons and Results of Institutionalization*

Source: Apaydın, 2009:3 "Institutional Theory and Institutionalization of Organizations", Cumhuriyet University Journal of Administrative and Economic Sciences Vol. 10, Issue 1, p.3

It will be appropriate to switch from institutionalization to the concept of "Corporate Governance" and while creating the definition of Corporate Governance, it would be appropriate to include "ownership and control" parameters. Corporate Governance defines the relationship between company management, board of directors, shareholders and interest groups and it establishes the structure where the objectives of the institution and performance monitoring tools will be determined in order to reach these objectives, it is based on legal regulators and institutional factors and ensures that ownership and management power gain meaning (OECD, *Organization for Economic Co-operation and Development,*2004:17, 18-66 "*Principles of Corporate Governance*", Corporate Governance Association , 2005, www.sabanciuniv.edu.tr, 16.06.2014)

The four principle of corporate governance approach are as follows;

Fairness; is to treat all rights holders equally.

Fairness is a value that comes from family values but is universally accepted as it has been endorsed by the states of the world with the United Nations statements for the rule of law (UN Global Compact Principles).

This value, which is especially desirable among individuals in family firms, is one of the cornerstones in the way to institutionalization. It is basic value in Turkish society as there are expressions like "Rightful share" and "Justice of Caliph Omar" exists. It is also one of the cultural contexts that are considered the most in institutionalization.

Responsibility; is to abide by all social values and rules, to act beyond laws and to be practitioners while creating values for stakeholders.

Transparency; is to provide accurate, open and reciprocal information sharing with the public (employees, stakeholders, suppliers, customers, society) at the right time and with good practices.

Accountability; is the responsibility of the management to be audited and accountable.

The relationship between corporate governance and globalization or new economic order are given in the family firm literature as "advantages" relationship that includes easing the establishment of domestic-foreign partnerships, increasing the value of the firm and reducing the cost of capital, increasing operational and financial efficiency, ensuring sustainability, playing a key role in mergers and acquisitions, increasing competitiveness, providing low-cost access to equity financing (financial external sources), creating a more resistant structure against crises, enabling company performance to be measured and increased, and building confidence in the markets and increasing the reputation of the company (TKYD, 2009).

Apaydın (2009: 5-7) examines the factors that force the enterprises, family firms are also naturally involved in this group, to be institutionalized in the following table by examining the researchers, academicians and theorists like Zajac-Westphal (2004), DiMaggio& Grewal- Dharwadkar (2002), Lawrence (2001), DiMaggio-Powell(1983,1991), Hofmann (1999), D'Aunn (2000), Boons – Strannegard (2000), Burns-Wholey(1993). This is presented as Table 14 "Institutional Environment and its Functions". While the levels of institutions are presented as "regulatory, normative and cognitive" and "processes" as "arrangement, validation and habituation" and their legitimacy as "pragmatic, procedural or consciousness".

Table 14: *Institutional Environment and its Functions*

Institutions	**Processes**	**Function**	**Legitimacy Source of Anxiety**
Regulatory	Arrangement	Balance Order Ensuring the Continuity of Communities Social Richness	Pragmatic
Normative	Validation	Creating Socially Acceptable Behaviors	Based on Procedures
Consciousness	Habituation	Repeating Actions with Less Effort Formation of Specific Actions	Consciousness

Source: Grewal and Dharwadkar, 2002, p.85; Greening and Gray, 1994, p.471; Koberg, 187, p.799 cited: Apaydın, 2009: 7

Also, in addition to Corporate Governance principles, Apaydın (2009) used the references mentioned above and the institutionalization steps, processes and dimensions given in Table 15 were used as a reference in the field research.

Table 15: *Dimensions of Institutionalization*

Dimensions	**Definition**	**Basic Functions**
Formalization	Existence of Written Procedures Conducting Works in accordance with Procedures Existence of Duties, Responsibilities and Job Descriptions	For Redressing the Balance For Gaining Control For Ensuring Coordination
Professionalization	Employment of Professional Managers Membership in Professional and Vocational Organizations Autonomy of Professionals Commitment to Professional Norms	For Facilitating Adaptation For Gaining Reliability For Increasing Organizational Capacity
Accountability	Recording of Actions in Accordance with Norms of Environmental Institutions Transparency	For Ensuring Legitimacy

	Approvement of the Actions by Relevant Industry-Specific and Professional Institutions Social Responsibility Being Responsible for the Results of the Actions	For Gaining Reliability
Cultural Power	Adoption Level of Ethic Codes, Norms and Values Prevalence of Ethic Codes, Norms and Values	For Simplifying Control For Simplifying Coordination
Consistency	Keeping Promise Harmony between Mission, Strategy and Actions Similarity to Similar Businesses in the Same Sector Similar Reactions to Similar Situations	For Gaining Reliability For Ensuring Legitimacy

Source: Apaydın, 2009:12

The institutionalization process in family firms can involve painful processes, as in many organizations. One of these problems related to the research subject is the obstruction of institutionalization by values. Corporate values in family companies are shaped according to the traditions, values, lifestyles of the family or a member of the family and family relations are in some way directly or indirectly affected by business relations, duties and responsibilities.

It is possible that the natural effect of the family's role and values on institutionalization may have an advantage over the situation and in some cases may cause obstruction. According to the research carried out in Sakarya 1st and 2nd Organized Industry, a moderate significant relationship between family values and institutionalization was observed and it was commented that values may indirectly obstruct institutionalization. In order to ensure the continuity of the institution and to establish an institutional structure, the following should be done to prevent or minimize the obstruction caused by values; a family constitution must be created in family firms, a professional management must be established by determining the authorities and responsibilities objectively, participative management styles must be

integrated into the organization, a culture that includes "business values" as well as "family values" must be created, an appropriate and impartial recruitment and promotion policy must be applied, specializations must be respected, family and business roles must not be intermixed, a Board of Directors, if necessary family assembly, that includes independent members must be created, planning of inheritance and different scenario plans against emergencies must be applied (Yıldız, Tutar & Yılmazer, 2012:122-126, 131-132).

The guidelines that are outlined and implemented by a manager, who has been a basic shareholder in one of the largest groups in Turkey, has been with the family members for a long time, has been the CEO of the group and worked for the institutionalization of the group, are given below. It is emphasized that for the implementation of these processes in family firms, the adoption of nearly all family members and the presence of a competent, strong and just leader must be ensured.

- Family and business issues should be handled in a different manner,
- The relations between family members and the conditions in which family members will work in firms should be determined,
- Care should be taken to ensure that family members who will work in the community are not in both executive positions and board of directors,
- Family members involved in the committees should not engage in competing activities with community firms,
- Issues such as sale of shares to non-family members should be done according to the "family constitution" to be signed by all family members.
- Principles of institutionalization and corporate governance must be adopted.

(Kantarcı, 2012).

Corporate Governance Perception Research

Corporate Governance Perception Research project is conducted by Corporate Governance Association of Turkey (TKYD) established by business executives in order to raise awareness about corporate governance and to produce projects with academic significance. The sections of this research related to the research objective are taken into consideration for determining factors leading to the development and prevention of corporate governance in Turkey, revealing the fields that benefit from the presence of corporate governance, and researching institutions' point of view to institutionalization.

In this research, supporting factors of institutionalization can be listed as awareness, benefit, persuasion, trust, and action respectively. Briefly, awareness of corporate governance and its principles is based on utility, persuasion, trust in institutions and actions of persuasion-trust parameters. Blocking factors are also listed in reverse order as inaction, not trusting, not being convinced, not believing in benefit and most importantly not being aware of corporate governance and principles (www.kobirate.com, 2015, www.tkyd.org, 2015, TKYD Corporate Governance Perception Research Report). The research covers the organizations in Istanbul, Ankara, Bursa, Konya and Antalya regions and the highest number of participants were in Istanbul in accordance with the country mosaic. The vast majority of the participants are family firms.

As a basis for being affected from institutionalization or avoiding institutionalization the findings of the study include emotional, psychological factors arising from individuals, trade secrets in the process of transparency, the belief that the founding member, workplace owner will be reduced in his/her powers and the

belief that the legal structure does not support the corporate governance structure sufficiently.

And the benefits of corporate governance are as follows; institution reputation, guaranteeing sustainability, influencing investment decisions of institutional investors, making processes independent of people, and drawing high-quality human resources to the institution. When all discourses are evaluated together and with objective benchmarking and calculation; the findings can be classified as institution reputation, reduction and prevention of financial risks, acquiring benefit for the society, reduction and prevention of operational risks and gaining trust for the institution during the times of crises, which is regularly encountered.

Although institutionalization, creation of an institutional structure has differences from the corporate governance concept, "Corporate Governance Perception Research" refers to institutionalization in some way, and even the participants interpret and respond to the evaluation with a great focus on institutionalization. Therefore, outcomes and findings also seem to be suitable for the concept of institutionalization. According to the evaluations from an in-depth interview of the participants, who were owners or managers of a family firm, the first steps of the institutionalization in institutions are as follows; establishment and operation of several committees reporting to the Board of Directors that work systematically, establishment and operation of internal audit mechanisms, establishment and operation of the processes by taking appropriate and beneficial advice when necessary, creation of reporting standards and making them interpretable, and determination, quantification and consideration of institutional performance criteria.

Meanwhile, in this perception research, “Accountability” has the priority ranking in the relevant evaluations among the principles of corporate governance principles regarding Turkey's sustainable growth. Referring to several discourses and reports in the perception research report will also be useful in sharing how institutionalization is perceived in general.

“What will be the situation of this institution in the long term?” is the main question. When we begin to think of “What should be done for the survival and success of the organization?”, corporate governance will eventually be reached in some way.”

(From an interview in Ankara)

“As we move from individuality to institutionalism, we understand that the data that will remain in individuals is a capital, self-right and self-equity of the company. I realized that it was a good thing to have a way for transferring the experience, accumulation, and business style that will go with me, that will escape with me, that will be forgotten with me.”

(From an interview in Istanbul)

“The efforts of professionals are very important, but the main decision belongs to the boss. If the boss is not aware of corporate governance, necessary work will not be carried out”.

(From an interview in Istanbul)

“Corporate governance provides accountability and transparency. Contribution to finance is not always important. Does the manager say that he/she can distribute rights, law and justice, that is what matters?”.

(From an interview in Ankara)

"It may not be right to say that we will start corporate governance right from the very first day of the establishment of an institution. During the establishment phase, a structure where leadership stands out may move the institution forward faster".

(From an interview in Ankara)

According to these comments and the interviews conducted in the research institution, a similar process and progress is observed. The elements, which come with values and make institutional dimension able to rise, are being long-term and being managed in a systematic structure outside of family member preferences, the sensitivity of the founder and family members in management related to corporate governance, transparency, the importance of accountability and the sense of fairness.

The main answers to the question *"What do the institution add to the institution and how does it make you feel?"* include acceptance, credibility and institutional reputation of the managing members in the community, long-term sustainability of the institution, being beneficial to society by being a role model as emphasized by the founding family member.

In the most comprehensive survey conducted on family firms worldwide, the following question was asked in order to enable family firm to be long-term and rational without failing, away from conflicts, and some opinions that were thought to be related to our subject were given below (PWC, PriceWaterhouseCoopers, 2014, Global Family Business Survey)

If you were to give one piece of advice to family businesses, what would it be?

"*Don't involve too many family members on the board and always hire accomplished professionals in key roles. And always be ready to innovate and move ahead, as that is the key to success for any business*".

(PWC: 2014 Global Family Business Survey, An Indian Education Firm owner).

"*Personally, I believe an active owner will generate higher performance, and faster and better development than an external CEO. But if you split decision-making among a lot of different family members you end up with different views, which makes it harder to resolve issues and make decisions. And that can result in conflict. And if it's a case of priorities, I think a family business should attach primary importance to their family rather than their business".*

(PWC, 2014, Global Family Business Survey, a Russian company owner)

"*The family is very mindful that its own success is not necessarily typical of other similar firms, and family unity has to be worked at: Most family businesses don't last very long unless you're very fortunate, or smart, or both. The problem is that the family starts by creating a business and then ends up being controlled by the business and not the other way around. Everything in a family firm is a double-edged sword – you have more flexibility which is good, but less discipline which might not be. And I think it's harder for people in the third, fourth or fifth generation, as all you can do is lose something other people have built. The other thing is I think our concept, which is different to a lot of founders, is that they only have one business and they're committed to that because they've been in it for many generations, whereas our business is to stay in business and we don't necessarily care what the business is".*

(PWC, 2014, Global Family Business Survey, Conglomerate UK, 1964, Hertfort, King)

A directory has been created to support self-assessment for family firms and to recognize where they stand in the way to institutionalization and this directory is presented in the Table 16 "Corporate Governance Self-Assessment Table for Family

Firms" below. Commitment to corporate governance, the structure and functioning of the board of directors, control environment and processes, transparency, public enlightenment and information, first, second, third and fourth level expectations of shareholders and a self-assessment tool for family firms were shared in this table (TKYD, 2016).

1.6. Social Capital, Trust and Values in Family Firms

Social Capital

Social capital can be handled in the framework of five basic concepts respectively trust, reciprocity, social networks, behavior norms and engagement-sense of belonging. In the most general sense, it can be defined as the holistic of all social resources in which it is profitable and efficient (Kay & Pierce, 2003:2-3, Yarcı, 2011:127). Since the 1980s, social capital has been a key element for the development of societies (Hollenbek & Jamieson, 2015), economic success (Dess & Shaw, 2001; Kai, Jingyin & Jie, 2009; Baykal & Gürbüz, 2016), collective action and activities (Burt, 1992); democratic administration (Putnam, 2000), creation and maintenance of general economic welfare (Fukuyama, 1995: 27; Woolcock, 1998; Woolcock & Narayan, 2000: 238) and for regional development (Grootaert & Bastelaer, 2002) with its cooperation and trust elements (Qianhong Fu, 2004; Çetin, 2006). Particularly, social scientists like Bourdieu, Coleman, Putnam, and Fukuyama pioneered the conceptualization of social capital and related debates about trust (Edwards & Foley, 1999:142; Çetin: 2006:75-76). Woolcock defines social capital as the norms of information, trust and behavior within social networks (Woolcock, 1998:153).

Coleman, in an interdisciplinary approach, defines social capital as a resource that enables individuals to socialize beyond communication networks where relationships are formed with a high degree of trust and common values, including expectations of reciprocity (Field, 2000; Gürbüz and Baykal, 2016:80; Başak and Öztaş, 2010:33), it is seen as a safe, neutral and perfect social good or service that can be used by all and which bridges the individual and the collective. According to Putnam, social capital is the characteristics of social organization, such as trust, norms and networks, which improve the ability of society to succeed by facilitating coordinated movements. Putnam explains the concept socially, and states that it is also useful in terms of heterogeneous unification and distinguished homogeneous cohesion (Roller, 2007:379-381; Field, 2008:53 Yarcı, 2011:129). The more, rich individuals are in terms of social capital, the more mutual relations will increase, and various opportunities will arise between individuals to strengthen trust. Trust is essential both for participation in civilian business networks and for maintaining social relations (Putnam, 1993:169).

Capital is the accumulated work, "accumulated history of the society", either material or internalized by each actor or group (Bourdieu, 1983:183). It is the totality of society's habits, codes or stereotypes in which actors or groups formulate their thoughts and behaviors, and the "logical practices" of the society. These logical practices are "established meanings" for the social (Bourdieu & Wacquant, 1996:1563). Social capital, which appears as obligations, expectations, shares, channels of information, norms and sanctions that encourage or limit certain behaviors that are hidden or implicit in relationships between individuals, is an abstract, even more abstract concept than human-intellectual capital which contributes to its development and which is hidden in knowledge, talent, learning

and experiences acquired by individuals (Coleman, 2010; Gürbüz and Baykal, 2016:79; Başak and Öztaş, 2010:33-35). Bourdieu divides capital into four categories. These are economic, cultural, symbolic and social capital. Economic capital can be instantly and directly monetized and institutionalized in the form of property rights. Cultural capital, on the other hand, can be transformed into economic capital under certain conditions and institutionalized in the form of educational qualifications. Symbolic capital has features such as appearance, honor, prestige, posture and speech that are relevant to the individual himself. Social capital, consisting of social connections, obligations, can be transformed into economic capital under certain conditions and institutionalized in such forms as a noble title (Bourdieu, 2010:49). Social capital is the coexistence of existing or potential resources of networks and ownership of more or less institutionalized relations of mutual recognition. Social capital refers to individual resources based on belonging to a trusted group, where support can be obtained when it is necessary (Bourdieu, 1983:190-191; Palabıyık, 2011:132).

Bourdieu also defines concepts like *"doxa", "field"* and *"habitus"* in order to support these concepts. *Doxa* refers to the dominant view in society and the absolute reality, and the ones that are accepted without even being told. The *field* is the areas that determine the multidimensionality, where actors and social actors are settled, that is partly autonomous, and where actors try to maintain or change their current situation in the struggle where a hierarchical war takes place. In each of these areas, there are "rules of the game" in which its inner logic and value potential are decisive. New entrants of the field develop new strategies to change the fixed opinion (*the doxa*) of the current groups. The *Heterodox* attitudes of the new entrants and the *Orthodox* attitudes of the dominant groups, who expect the change to be

under their control, of the field lead to the constant preservation and reproduction of the dynamic structure and status of the field (Palabıyık, 2011:137).

Fukuyama defined social capital as the ability of individuals to work together for common purpose in organizations and groups (Fukuyama, 1995:10). But he later extended this definition to the existence of common, informal values, rules and behaviors shared by group members, which lead to cooperation and common reason among group members (Fukuyama, 1999:16; Qianhong Fu, 2004:12). Social capital is the relationships that create action and value between individuals and organizations. (Adler and Kwon, 2002; Arregle, Hitt, Sirmon & And, 2007). The formation of different social groups also contributes to the formation of social capital. There forms a basis for social capital from the mutual relationship between groups of family members with a certain management weight and non-family employees and managers, especially in family firms. In the formation of social capital functioning as a process formation, rationality, cognitivism and structuralism can be mentioned and four important dynamic factors such as stability, interaction, solidarity and closure characteristics are defined. For example, stability promotes clarity, transparency, visibility and mutual acquisitions, and closure explains intense social network formation (Bourdieu, 1994; Etzioni, 1996), and social, organizational codes, language and jargons (Boland and Tenkasi, 1995), and identification of trust, values, identity and members (Coleman, 1990; Ibarra, 1992).

Likewise, it would be appropriate to consider that the first institution in which social capital is formed is the family institution. Factors like expectations between family members, reciprocity, formation of family norms and values from childhood and reaching a stability, emergence of a family network, greater trust among family members compared to outside and presence of family identity and,

presence of a family behavior and speaking, addressing communication and interaction, point to a "family social capital" and this seems to confirm the assumption that one of the most important institutions in the premise of social capital is the family. Although the areas of interaction of stability and value formation are not as sensible as the family, even the organizations that have not reached the stage of advanced institutionalization can be considered as a social capital platform for reasons such as the presence of different individuals and groups, the existence of a certain communication and purpose, and corporate culture.

Social capital includes resources that enclose family firms and that can make similar interpretations for them. These resources can be emphasized as; strengthening joint activities, cooperation, desire and willingness to show, building the basis of synergy and cooperation (Wolwock & Narayan, 2000), significant contribution to the expansion of intellectual capital, enabling a low cost and low risk flow of information and innovation (Adam and Ronceviç, 2003), being a real catalyst for the formation and development of social networks, thus realizing business opportunities, knowledge and mobility (Dasgupta, 2005:17-18 Çetin, 2006; OECD, 2001; Öztaş, 2007, Öztaş and Başak, 201:34, Baykal and Gürbüz, 2016:78).

Research by Arregle et al. (2007) is based on the natural effect of family altruism on management agency and the direct influence of family social capital on corporate social capital within the framework of family social networks, organizational identity, stability, isomorphic pressures and rationality by considering the ownership power and time factor of the family (Arregle, Hitt, Sirmon and Very, 2007).

OECD defines social capital as "insights that facilitate collaboration within or between groups, shared values, networks with norms". This definition emphasizes

cooperation and common values, sees it as the area where development and social problems are solved and reveals its interpretations as follows;

1. In an anthropological sense, it is the biological basis of social order and the root of human nature, and the sense of human coexistence and concernedness, and, more broadly, the desire to cooperate,

2. In a sociological sense, it is social norms and human motivating resources, and it contributes to the revelation of the characteristics of social organizations such as trust, reciprocity and relationship networks,

3. In relation to political science, it is considered as the roles of institutions and makes it easier to examine how political and social rules shape human life,

4. In terms of economics, it is considered as a factor that affects development for businesses, organizations, regions and even countries (OECD, 2001:40).

Assessments by OECD and the interaction of social capital are presented in Figure 10 below.

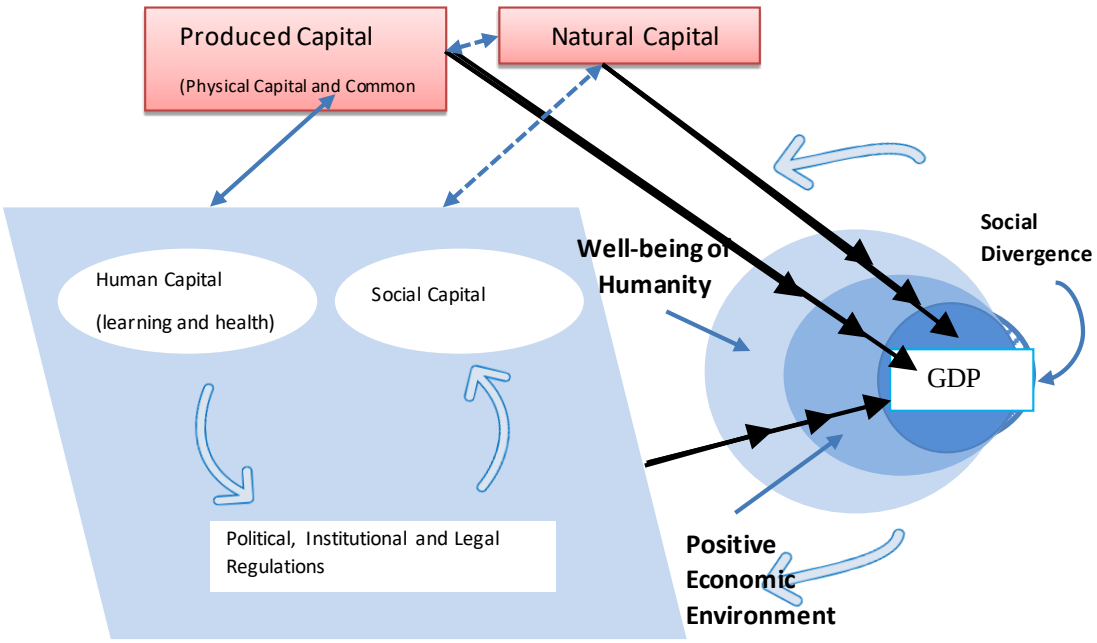


Figure 10. Main Inputs Table for the Well-Being of Humanity and Related Activities

Source: OECD, 2001

In the framework of the above figure, social capital consists of human capital and values, including skills, well-being and life, norms, values and activities that are intra-group and extra-group, relationships, networks and organizations that create trust, together with physical and natural capitals. Institutions and their political formations, legal frameworks and the combination and relations of human and social capital serve for the well-being of humanity (OECD, 2001, "*The Well- being of The Nations, the Role of Human and Social Capital",*

Through social capital, the formation of networks, cultural awareness and unity, convergence between the theories that make up the society, the emergence of positive relations, the structure of relations, and the formation of trust in others are provided. However, this may naturally lead to a loss of trust in some situations. Trust contributes to the development of social networks and the functioning of mutually beneficial mechanisms for individuals or network members. It also contributes to faster operation of processes with time, space and cost savings and creates functionality for settlement of disputes arising (Boschma, 2005:13; Çetin, 2006:75-78).

Transformation of social capital into combined activity and financial impact and flow of social relationship elements towards economic outcomes, including the family and the family firms in a trust environment are depicted in Figure 11 below.

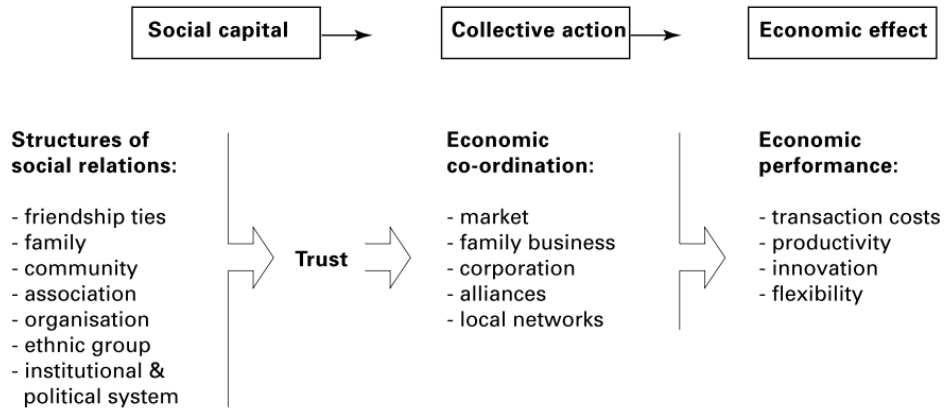


Figure 11. Value Function of Social Capital in Economic Sense

Source: Boschma, 2005:13, et.al. Çetin, 2006:77

Trust

The literature research emphasizes that the most important value among the values, in other words, the most important social capital parameter is "trust" or "trust building". Trust is a process that is initiated and continued willingly for cooperation and positive outcomes.

It is the interaction dynamic that reduces conflicts and creates harmony in the institutional sense (Limerick, Passfield & Cunnington, 1994), promotes competitive power (Barney, 1991), reduces operation costs (Barney and Hansen, 1994), increases organizational learning (Bouty, 2000) and knowledge and experience sharing (Cohen and Prusak, 2001), supports innovations (Cooke &Wills, 1999), improves financial performance (Waddock & Graves,1997), and which is lived and sensed between individuals (Bhattacharya & Pillutla, 1998; Topçuoğlu & Eroğlu,2013:126).

Trust is expressed in many different ways in the literature (Ceylan and Demircan, 2003:140). It is the generalized expectation of the individual against the discourse of another individual (Rotter, 1971), the expectations shared by the parties in a relationship, including all social rules and legitimate active processes (Zucker, 1986), belief in the credibility of a person or a system in view of a particular set of outcomes or events (Giddens, 2004, 2006), the ability of the individual to have positive expectations even in risk areas or situations that may arise with the motives of others (Boon & Holmes, 1991), the ability of the individual or the group to respond to the behavior of the individual or individuals in a self-important area with willingness and sensitivity, without being in a position to control or monitor the behavior of the individual or individuals, even though it involves a certain risk

(Mayer, Davis and Schoorman, 1995:712), set of expectations, beliefs or thoughts that individuals or parties will be treated in accordance with their own beliefs and expectations (Anderson and Narus,1990; Pavlou, 2002; Selnes, 1998, et al., Hernandez and Santos, 2010:172-197), the belief in the nature of an object, the occurrence of an event or the behavior of a person in order to achieve a desired purpose in a risky situation (Griffin, 1967), a person's belief that the other party will act in a fair, ethical and predictable manner (Luhman, 1979), the expectation of the individual that another individual or group will act selfless or beneficial (Heimovics, 1984), belief and commitment to the behavior or intentions of a group or person, thinking about expectations of fair and constructive behavior based on moral rules and the rights of others (Carnavale and Wechsler, 1992), the willingness of a person to be confident in someone else's words, behavior and decisions, and to act accordingly (McAllister, 1995).

Trust occurs in the form of issues like personal risk-taking behavior, cooperation, decreasing social complexity, social capital, and ordering (Möllering, 2001; Ören,2007:77). In addition, economists, political and management scientists have conducted research on "trust", studies of economy (Arrow, 1974; Axclrod, 1984; Casson, 1991; Williamson, 1993, Hutton, 1997, Korczynski et.al., 2003), management science (Adler and Kwon, 2002; Krackhardt, 1992; Gamson, 1968; Sundquist, 1986; Ruscio,1966;; Behn, 1995; Ateş et al., 2004), political science (Putnam; 2000; Fukuyama, 2005), and sociology (Giddens, 2004; Granovetter, 1985 ; Luhman, 1998) include arguments on trust (Başak and Öztaş, 2010). Bachman (2003) has studied trust in the field of personal and non-personal corporate relationships. He addressed trust as "interpersonal trust" within the organization (Cook and Wall, 1980), "trust in the manager" (Butler and Cantrell, 1984), "trust in

the organization and management" (McCauley and Kuhnert, 1992), in a manner that completes his work (İslamoğlu, Birsel and Börü:2007:1-156;Baykal and Gürbüz:2016:81).

Especially institutional and organizational trust consists of a combination of factors, which are multi-leveled, culture-based, dynamic, in need of communication, multidimensional, emotional, behavioral and rational. And organization culture is accepted as the most effective factor (Mishra, 1996:114-139; Ceylan and Demircan, 2003:139-150). Systematic and procedure-based trust environment, trust climate in institutions increases the work motivation of the employees and thus their job performance. Additionally, an important benefit is that it will reduce resistance to institutional change movements and even make it easier to accept negative consequences (Van Den Boss and Lind, 1998:1452-1456). In the process of evaluating the concept of trust in the institutional sense, it is a natural result to look and associate it with economic performance, and thus to transform power and market into a parameter (Korczynski, 2000:1-21; Sargut, 2003:89-125).

According to another classification, trust is divided into three categories as; generalized trust, thick trust and systemic or institutional trust. Intensive trust means trust among family members of people who are also important to family firms (trust in kinship), generalized trust, trust in individuals' relationships with non-family members in current life of the modern society (pan-kin trust), and corporate trust refers to the trust of individuals in institutions (Öksüzler, 2006; Zucker, 1985; Limningan, 1986, Whitley, 1991; Haobai and Luzhuang, 2006). Institution-based trust emerges when individuals in the organization feel that they are protected from administrative and procedural errors, and are believed to be visible, put into practice

and operated from top to bottom (Ardichvili, Page and Ventling, 2003, p.73; Davenport and Prusak, 1998; Tienne, Dyer, Hoopes and Harris, 2004).

Factors that play an active role in the emergence of trust can be cited as faith, commitment, excitement, truth, respect, honesty and morality. Bews and Martin (2002) conducted a study with about 1000 people in a financial institution in South Africa and classified the elements that provide trust and create reliability as;

Benevolence-altruism

Technical and managerial competency

Integrity

Interaction from historical past and recognition

Personality and characters

Openness

in the highlighted results of the study. Although benevolence-altruistic attitude and integrity-consistency seem to be similar arguments, they differ in terms of intention ability. The results of this study are consistent with the results of previous researches and studies (e.g. Mayer, 1995 and Mishra, 1996), in particular, the trio of benevolence, integrity and competency point to a validation of about 87% of the literature. Mishra (1996) stated that when openness is in a lower category than expected, it gives positive results up to a certain level of trust and after this level, expected openness may cause reverse results and create distrust (Bews and Martins, 2002:15-18). This is shown in detail in Figure 12 below as a transition from trust level 1, Where there is distrust and where the decision to build trust is made and whether the risk is taken, to trust level 2.

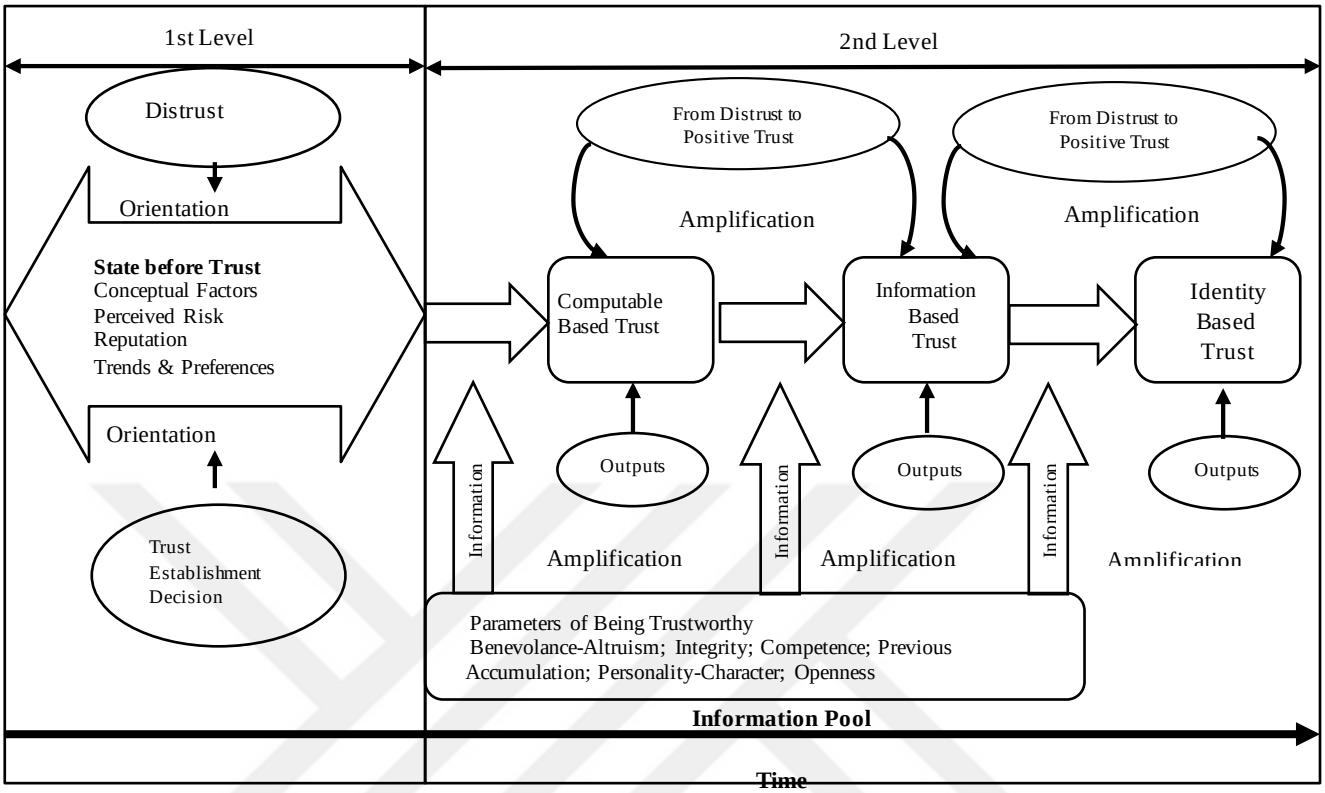


Figure 12. Trust Levels

Source: Bews and Martins, 2002:16

Mishra (1996) points out three important functions in the emergence of a network of social relations; "integrative" function of trust (trust is systemic rather than individual), "complexity reducing" function (individuals increasingly need confidence), and "cooperation facilitator" function (building trust through mutual efforts) (Topçuoğlu and Eroğlu, 2013:133-134).

A research on trust in family firms in the Black Sea region, reveals that the trust environment is somehow lost in parallel with industrialization and urbanization, migrations and population growth, and social self-control is diminishing. Small groups based on primary relationships such as family can be more successful in businesses requiring high solidarity and trust. Need for labor that cannot be provided

in first and second degree kinship relationships, can be provided with local solidarity approach, which has been preserved for the longest time in the process of breaking away from traditional relations and ties that begin with urbanization, with the idea of facilitating cooperation and reducing complexity (Köse, 1996), and the results of the study also confirm this argument (Topçuoğlu and Eroğlu, 2013:134-140). However, it is observed that no similar homogeneous structure has been formed in all family firms (Topçuoğlu and Eroğlu, 2013:142).

Trust is based on rational and cognitive foundations, in other words on the act of equality by remaining faithful to conventions and rules, in individualist societies. But in collectivist societies that tend to act jointly, it is mostly based on emotion. As emotional approaches prevent professional behaviors, it can sometimes create barriers for trust formation and trust remains within the group cycle only (Chen and Chen and Meindle, 1998:291-295). In the case of an emotional base, as Fukuyama states, power is centralized, socialization remains at the level of family, kinship and clan level, social capital cannot reach its true meaning and tolerance to uncertainty and trust decreases, risk-taking is minimized and the process of development for prosperity cannot function properly. McAllister (1985: 24-59) divided the concept of trust into cognitive trust and emotional trust. Cognitive trust defines the competence and abilities, honesty, loyalty, communication phenomena, power and rewarding potentials (Clark and Payne, 1997: 205-224) of the other party, and the ability to make the selection rationally based on these foundations (Kramer, 1999). Emotional trust, which goes deeper than cognitive trust, defines beliefs based on expectations, goals, words, behaviors and general character and qualities based on perception and experience. It includes virtues such as generosity and benevolence

with its approaches of interest and concern (McAllister et al., 1985:24-59, Tamer, 2012:337-352).

Trust is to ensure that one weakness, which exists or may arise, of one side of a relationship will not be exploited by the other side of the relationship. The relationship becomes reliable when one of the parties deserves the other's trust. While trust is a feature of the relationship process, reliability is a feature of the parties involved (Korczynski, 2003:65; Öztaş and Başak, 2010:9).

Putnam, Coleman, Fukuyama and Bourdieu, who emphasizes not very prominently but implicitly, stated that social capital is based on trust and trust is a must for social capital (Field, 2008). Some of the social scientists treat trust as a result of social capital, while others consider as a precondition and some others in both ways (Cohen & Prusak, 2001). In the context of the approach that meets both conditions, it would not be wrong to state that the level of social capital is a sign of trust in each group and society. The higher the trust level of a social group, the more social capital the group can be assumed to have (Iravani et al., 2010, Baykal and Gürbüz, 2016:81), the most important sources of trust can be observed in civilian loyalties and especially in voluntary organizations (Putnam, 1993). Relations that shape social capital cannot be sustained without cooperation and mutual obligations, without achieving an acceptable level of trust. And thus, in order to create social capital in an institution, firstly, trustful relationships must be born and kept alive. In societies where there is low trust, the costs of economic transactions increase relatively. And it becomes more difficult to standardize and spread transactions, property and management segregation cannot be made for economic entities, which are all born and clustered in the form of family firms, small scale structure continues

or does not end, and transformation to institutional big organizations cannot be actualized (Fukuyama, 1995).

According to Fukuyama, developed countries or countries with high trust did not acquire social capital because of rich organizations, on the contrary, they were developed because they had social capital, and they were able to turn towards welfare society.

Trust is one of the most important values that determine the difference between family firms and other non-family firms (Freiling and Laudiren, 2012:10, 15, 19-20). Normally, members of the family firms, especially in the period of establishment, are in a stronger trust environment as they are family members, and they use it as a competitive advantage. Among the many forms of social capital that allow people to trust and establish economic organizations, the most natural one is the family. This is probably why family firms have the highest weight in firms' structures both in the past and today.

However, due to the effects of the family on the economic development, being more on the emotional side, forming a complex structure as it grows, and strengthening the family solidarity too much can give results against the other forms of socialization (Fukuyama, 1995; Fukuyama, :2001). But with a restrained attitude, the ability to create large-scale modern corporate firms will emerge.

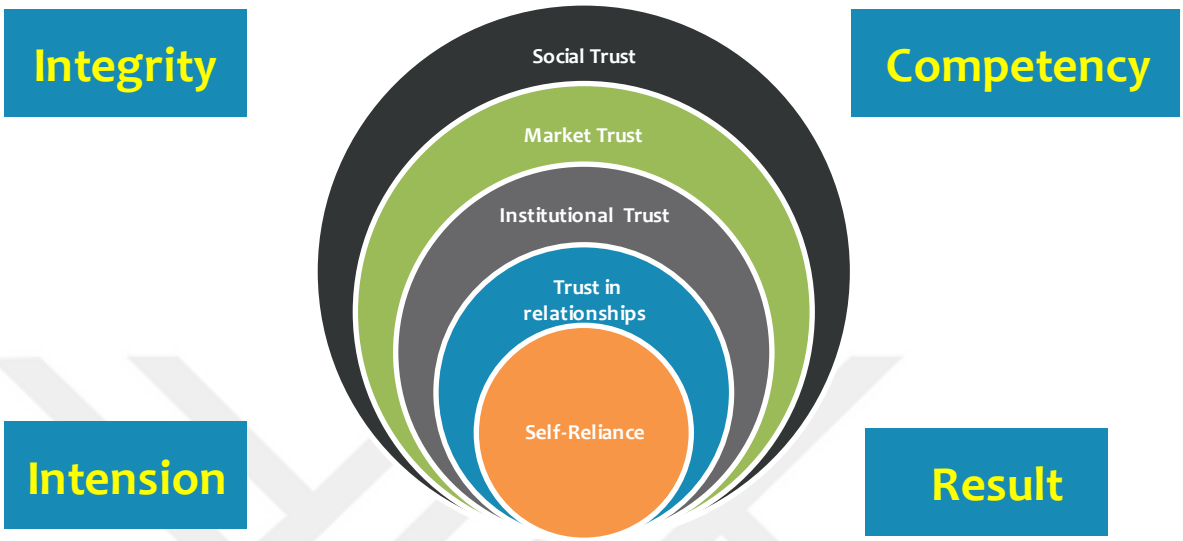
As different kinds of information affect trust formation in different ways, it is worth looking at from different perspectives. The reasons for trust and the results of the trust in the research owners and institutions and the researchers are presented in Appendix as Table 17 "Factors that Affect Trust in Institutions" and Table 18 "Results of Trust in Institutions".

The reasons of trust are briefly emphasized in these tables as; previous interactions, ability, openness, previous results, shared values, autonomy, credibility, competence, benevolence, honesty, goodwill, communication, reinforcement, organizational culture, fairness, and leadership. And the positive results of the trust are expressed as; organizational commitment, being long-term, efficiency, high spirit, non-resistance to change, job satisfaction, ability to make decisions, positive performance, organizational citizenship behaviors, innovation, and reduced stress (Ceylan and Demircan, 2003:139-150).

Trust constitutes a strong base for other institutions or individuals, especially in long-term operations (Freiling and Nieswand, 2012; Canvey, 2005), it particularly allows decision-makers to feel safe and comfortable in the decision-making process. Confidence is a set of aims to ensure that the individuals, firms, market, groups that are worked together, will be in a previously understood, known behavior model, and that behaviors that are not expected will not be shown.

Trust building, believability and traceability require four stages to be formed in order to align with common values, common goals and objectives, as it is in identification-based trust. These stages are “integrity”, which means having a character and being straightforward and the courage to uphold honesty, faith and values, “intension”, which means acting with plan and purpose and having a reason for the movement, “competence”, which corresponds to knowledge, skill, attitude, style, and ability, “results”, which means working and performing, achieving targeted results. And the five dimensions of trust are self-confidence, trust in relationships, institutional trust, market trust and social trust. Its indicators are presented in the figure below as credibility, behaviors, harmony, reputation and

degree of contribution to society (Covey and Link, 2013). These statements can be better understood visually in Figure 13 “4 Stages and 5 Dimensions of Trust”.



Self-Reliance	Trust inRelationships	Institutional Trust	Market Trust	Socail Trust
Credibility	Behavior	Harmony	Fame/Reputation	Contribution

Figure 13: 4 Stages and 5 Dimensions of Trust

Source: Prepared by the researcher by benefiting from Covey and Link (2013)

Boon and Holmes examined trust on the basis of love and romance. Accordingly, they developed a tripartite approach including the romantic stage, in which there are positive emotions and the idealization of the person in the relationship process, the evaluation stage, in which preliminary and successive evaluations are conducted and a more rational benefit-cost analysis is made, and the negotiation stage, which includes disputes, open discussion of non-fulfillment of expectations, improvement of expectations for mutual harmony and continuation of the relationship (Boon and Holmes, 1991:190-211; Lewicki and Bunker, 1995:139).

Trust can create social relationships and social platforms, while being character-based, process-based, or corporate-based. Trust is in the form of a triple category, including deterrence-based trust, knowledge-based trust, and identification/recognition-based trust, especially when it is considered from the perspective of seller-buyer relations that turn into professionals or related to economics (Shapiro, Sheppard& Cheraskin, 1992:365-377).

During the deterrence-based trust stage, mutual fear and risk are defined, there is a focus on behavior and a negative predicate is felt. Lewicki and Bunker (1995) see this stage is an assessment of benefit and cost rather than a behavior, they argued that at this stage, the benefit could be in the forefront as much as risk and this is an economic thought rather than behavior. Thus, they make the definition of calculus-based trust (Lewicki and Bunker, 1995, 1996; Fukuyama, 1995; Rousseau, 1998).

Knowledge-based trust is a stage in which information accumulation occurs over time, so that the behavior of the other party becomes predictable. It is the stage that is based on knowing and trusting the other person based on the data, establishing a kind of detailed communication, interaction, and "courtship". As in agriculture, it is the ability to know the soil, temperature, humidity, and time of a plant that will grow. In the third stage, the identification-recognition stage, trust emerges in such a way that one party can perceive the wishes and approaches of the other person or party, shows the same behavior, empathize, internalize and even back up behaviors.

In the relationship based on trust dimension, trust is a multi-dimensional formation; it becomes difficult to go beyond calculus-based trust when there is trust-damaging behavior or calculation. Together with the economic calculations made at this stage, if the cost dimension is more than the benefit, it is easily abandoned.

Although there is a certain relationship in knowledge-based trust, no further expectations may occur, and the relationship may not pass to identification-based trust stage. As there are features such as past associations, experiences, sharing the same intuition values and emotions during the identification-based trust stage, behavior styles that are more excusable and understandable against trust-damaging movements can also be demonstrated. Trust can also vary according to characters, relationship process, dimension, and environment.

Different expectations may arise for the establishment of identification-based trust, during the identification-based trust stage. These expectations can be listed as; business or social mergers, gathering under the same group name or logo, the formation of collective identity like marriage, using the same place, connection tools, and systems (co-location), the ability to merge for the same common goals and objectives despite different thinking and ideas, common goal and objective unity like alignment on the same path, having the same virtues, similar cultural norms and common beliefs and the emergence of an atmosphere where common values can be shared (Shapiro, 1992:365-377; Lewicki and Bunker, 1995:144-152).

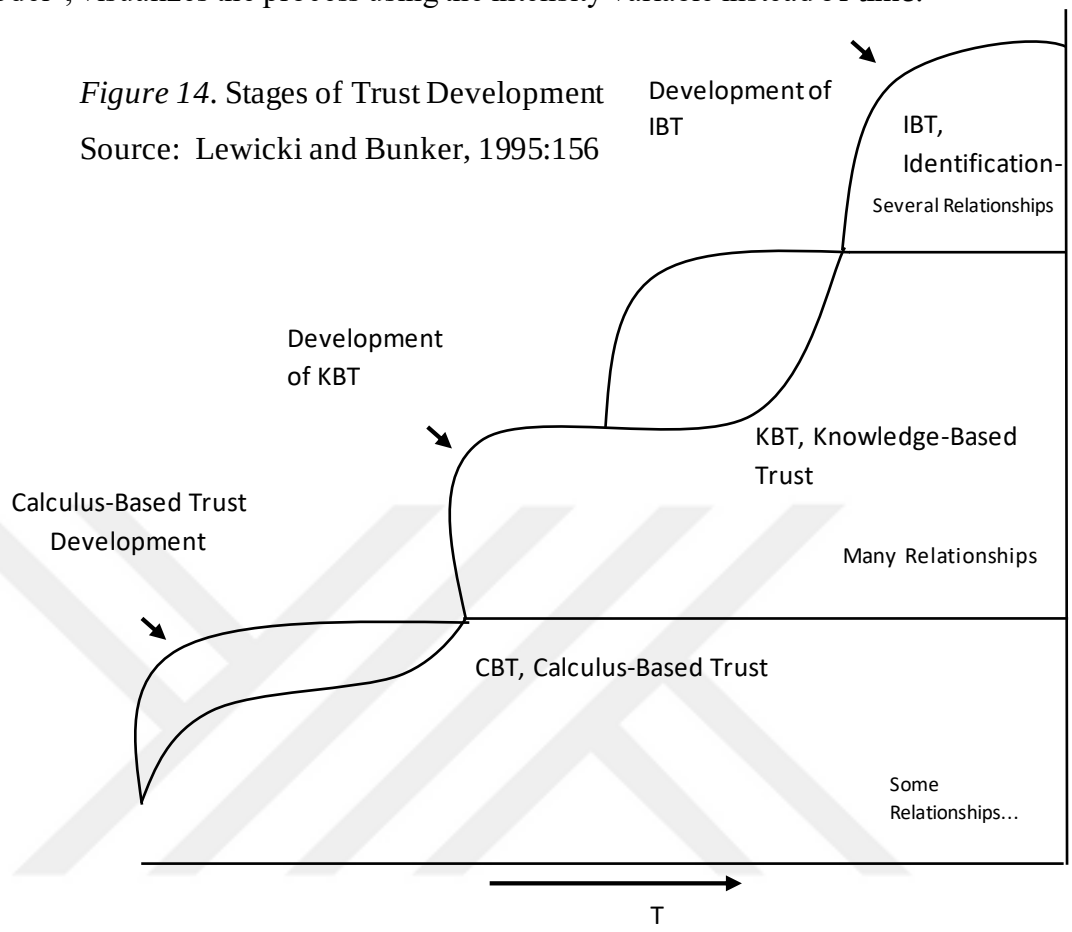
Shared values and norms are characteristics of the identification-based trust stage in particular and it is a process in which emotional ties are important. Unlike Shapiro, Lewicki and Bunker state that all three processes are directly related.

The first of the following figures, Figure 14 “Stages of Trust Development” illustrates the passage of three-stage process steps; calculus-based, knowledge-based and identification-based. The second figure, Figure 15 “Attributes of Trust Loss from the Perspective of The Individual-Party Who Has Lost Confidence”, includes a flow dynamic that shows emotional, cognitive behavior and the expectations of the detriment of the trust and the possible consequences if the trust is damaged while it

is present. And the third figure, Figure 16 “Characteristic Based Trust Measurement Model”, visualizes the process using the intensity variable instead of time.

Figure 14. Stages of Trust Development

Source: Lewicki and Bunker, 1995:156



J1: Some CBT relationships pass to KBT stage.

J2: Some KBT relationships with positive results pass to IBT stage.

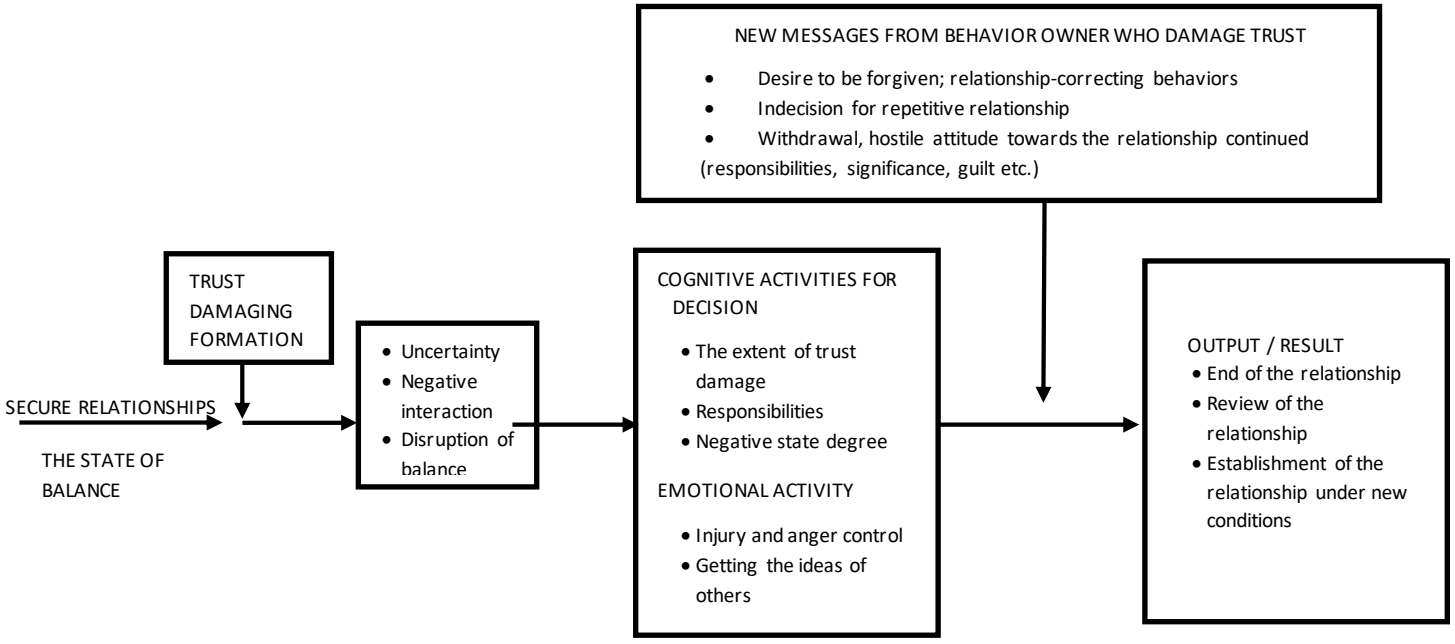


Figure 15. Dynamics of Trust Loss from the Perspective of The Individual-Party Who Has Lost Confidence

Source: Lewicki and Bunker: 1995:162

A survey of trust in the family firm aimed to provide an unbiased assessment of the trust associated with two senior executives who were not members of the family, which were employed by a family firm founded by a family member and managed by 14 family members. The results reveal that calculus-based and knowledge-based trust emerges, but they do not transform to identification-based trust (Haobai and Luzhuang, 2006).

A survey of trust has been conducted among information systems wholesalers and dealers in South America. This survey used a "characteristic based" approach that includes some direct variables based on time density instead of the time period. This approach was used instead of "development-based" (calculus, knowledge, and identification-based systems are briefly referred to as "development based) and time-based parameters. The variables and parameters are presented in the following figure. As a result, it was observed that development-based systematic functions in a good manner and in parallel to this, it was observed that characteristic new parameters also gave results that are directly proportional (Hernandez and Santos, 2006:178-181).

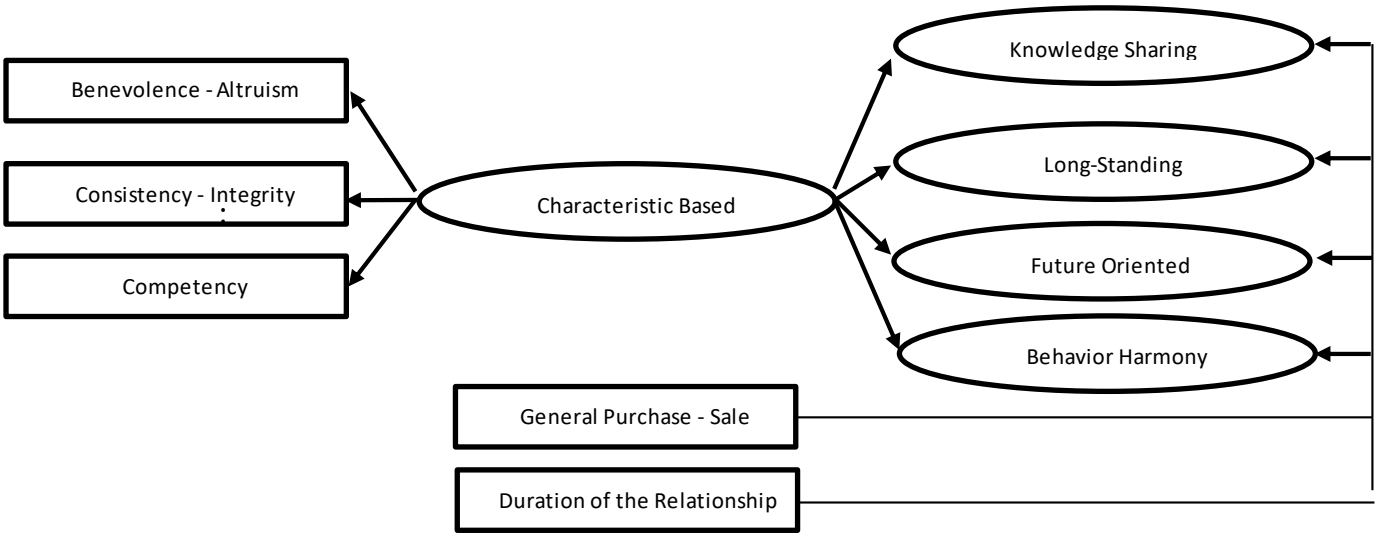


Figure 16. Characteristic Based Trust Measurement Model

Source: Hernandez and Santos: 2006:180

The figure, created by Freiling and Laudien (2012) using the work from Lewicki and Bunker (1996), is defined as "Trust Loop Model", which displays the first loop of trust as calculus-based trust the development stage as knowledge-based trust, and the maturity stage as identification-based trust. This model is depicted in Figure 17.

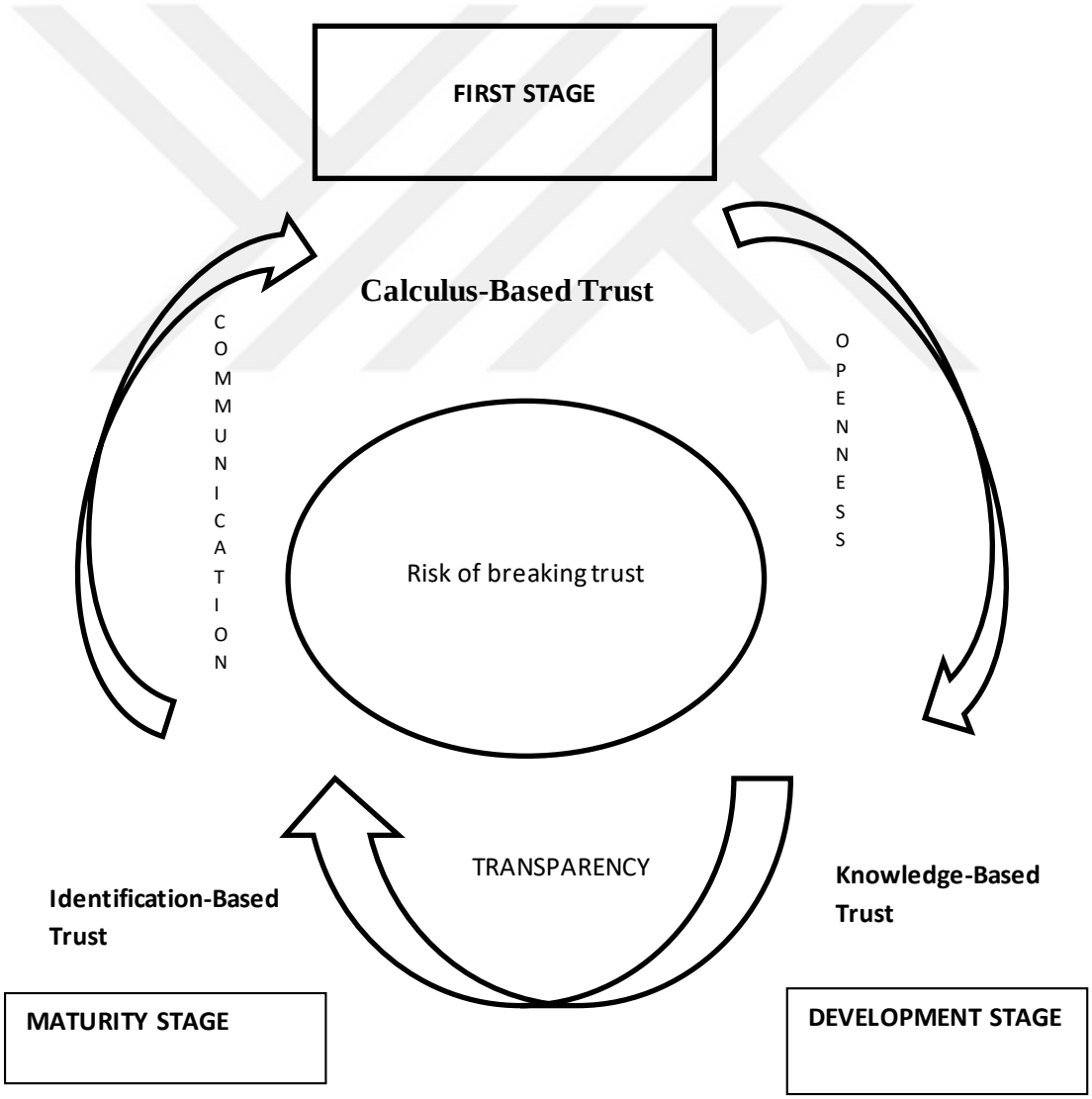


Figure 17. Trust Loop Model

Source: Freiling & Laudien, 2012:15

The literature emphasizes that the first two stages are a distinctive advantage for family firms and the third stage is a competitive advantage for non-family firms. It points out that as family firms grow or globalize, it is beneficial to emphasize more professional, contractual, and to promote corporate trust.

Hall (1988) refers to a legal "Trust" guarantee, especially for the formation of trust among family members. Apart from some legal inputs in the context of property, trust is a psychodynamic function based on the trust of some kind of foundation and it has an important role in the continuity and control of the business. With the disappearance of trust and consignation, the family will face serious problems. Trust or foundation trust (some form of insurance) is a legal mechanism and it is a model that defines and protects the benefit from the returns of property rights (Hall, 1988).

Values

Since the research involves the journey from family values to institutionalization, it is important to define values from the basic parameters that make up the culture. The word "value" originates from the Latin word of "*valute*" and it corresponds to having a value, being strong. Accordingly, values are the source of being strong, they give people the courage and strength to move, use initiative, and initiate (Dumas and Blodgett, 1999, Tapies and Fernandez et.al., 2010:2). "Value" with its economic meaning and "values" are separate concepts, "human values" from a philosophical point of view are holistic achievements of human beings such as knowledge, sciences, arts, philosophy, technique, morale, and culture, and it is the realization of the possibilities of human existence. Personality

values are the personal possibilities that emerge with direct connections that occur directly or indirectly in interpersonal relations such as love, honesty, commitment, respect, fairness and open thinking (Kuçuradi, 1971:54-63, 88).

They are the factors, rules and values that give the characteristic or similarity of culture within cultural elements. “Value” in daily language, means having worth, significance, useful and monetary provision. And “values” corresponds to principles, standards, behavioral norms with ethical and moral dimensions (Koiranen, 2002:176), they are important concepts and feelings separating people, groups and societies (Erdoğan, 1977). Values are a source of motivation and interfere with excitement and anxiety in possible actions (Feather, 1995 and Schwartz, 2006:139-143, (13)). The most important values are more effective on attention, perception, planning by giving priority and decision-making processes (Schwartz, Sagiv & Boehnke, 2000; Gollwitzer, 1996; Schwartz, 2006:13).

It is possible to define values as concepts and beliefs that define success in the organization, set standards, and qualify, evaluate and judge the operations and actions of those who work with them (Başaran, 1991 and Köse, 2001), not many in number, but the ideal desired forms of abstract behavior such as honesty, dignity, success (Şişman, 1994 and Tevrüz, 1996), a set of essential and timeless principles for the durability and survival of organizations without the need for additional verification (Collins and Porras, 1998:222), building blocks of culture (Hoftsede, 1980), performance standards that are believed to be important for success, the beliefs of organizations about the practices of how customers and employees (Randle, 1998) are treated (Bakan, Bedestenci and Büyükbeşe, 2004).

The core values shared by the stakeholders, in particular the stockholders, managers and employees, reveal the behavioral patterns on the path to the common

objective. What is right and what is wrong becomes more apparent and the least common denominators are determined (Kozlu, 1986). Values express goals and objectives, philosophy and rules existing in the institution (Schein, 1990). Values also shed light on the intellectual structure of an institution. They are related to human beings and they form an intellectual capital. Although the situation of human being as a capital may seem different at first, considering talents, competencies, experience, special skills areas, individual or group specialization in the context of human culture and society, human beings can be said to be the most striking "value". When human capital is accepted as a value, it becomes the only irreplaceable entity with its knowledge, skill, experience and talents and becomes the element that makes a difference (Özçer, 2003:64).

Values trigger behavior styles when they are activated and so they raised awareness (Verplanken and Holland, 2002; Schwartz, 2006:12). The first behaviors that come to mind and the values that have the highest weight are the primary values of the individuals.

Emphasis is placed on the knowledge and belief aspects of values, it is stated that the knowledge in technical values and the belief aspect in moral values have a high weight (Erdoğan, 2006:276). Although some cultural values, such as courage and truth, have the same importance for all humanity, their social meanings may have a different place in every society and group. When values, attitudes and abilities are handled together, they become the main input to business performance and job satisfaction (Erdoğan, 2006:289, 301). Differentiation of organizations or societies in terms of values, may explain how these different meaning attributions reach different dimensions. Hoftsede's (1980) research also reveals these differentiations.

According to "Values theory", values are the desirable situations and implicit objectives that are subject to change and affect the way life works. Beliefs based on emotions rather than objectivity, are motivational elements and they refer to the desired objectives in the journey. These are more conceptual and abstract objectives depending on the situation. They are the implicit standard criteria and evaluation parameters in various actions, movements, behaviors and policy formations. Individuals can place their values in hierarchical, relative order according to their own beliefs and attribute variable significance to the values. Thus, values are different from social "norms" (Schwartz, 2006: *introduction*). Values are the cornerstone of human dependence and endeavor, individuals are inspired by values in order to do hard work, to reach results, to have discipline, to do long-term work, and to make plans.

Values are independent variables that shape and maintain the dimensions of family firm management (Ward, 2008), they are the rules of life (Gad, 2001), and in fact, family values can also be expressed as the most basic elements in forming the strategies of family firms (Aranoff and Ward, 2000:1; Tapies and Fernandez, 2010:3). According to family firms research, the strength of shared values in the family firms is fundamental to organizational culture and includes decision-making, high performance, long-term perspectives, lowering capital costs (for example, trust and dignity values), as well as sustaining intergenerational relationships, adaptation to change, making and implementing strategic plans, formation of strategic partnerships, professionalization, institutionalization and provide meaning and resource to business (Aranoff and Ward, 2000: 1-5). Values form the basis of organizational culture and business styles, show employees a method, projection of their responsibilities, inspire, and display patience and wisdom.

The Schwartz Values Survey, conducted in 1992 and 2005 in 70 countries, has given similar results in educational issues and perceptions, although it includes some differences like age and gender. 10 values that are generally found in all cultures worldwide are as follows; “hedonism,” pleasure and enjoyment of oneself and from environment; “stimulation”; innovation in life, excitement, being entrepreneurial and assertive; “self-direction”, investigation, creativity, independent thinking and movement; “universalism”, having social justice and being able to understand, tolerate, and honor others, struggling for the good of nature and humanity; “benevolence”, helpfulness, support for others' needs; “conformity” not damaging social expectations and norms, not disturbing others; “tradition”, being respectful and accepting to traditions and beliefs; ”security”, being in social harmony, balance and trust, being balanced in relation to oneself or others; “power”, having a social status, prestige and position over people and resources. The scarcity, abundance and ownership of values show different variables such as acceptance and internalization according to vital, continuous association (cohort effect), aging, age groups, lifestyles, gender, and education levels (Schwartz and Bard, 1997; Schwartz et al., 2006:1, 3, 9, 15). The 10 values generally seen relative to each other in the world culture are shown in Figure 18 “Relative Positioning of Motivational Values”, in a circle and the contrasting harmonies are shown opposing.

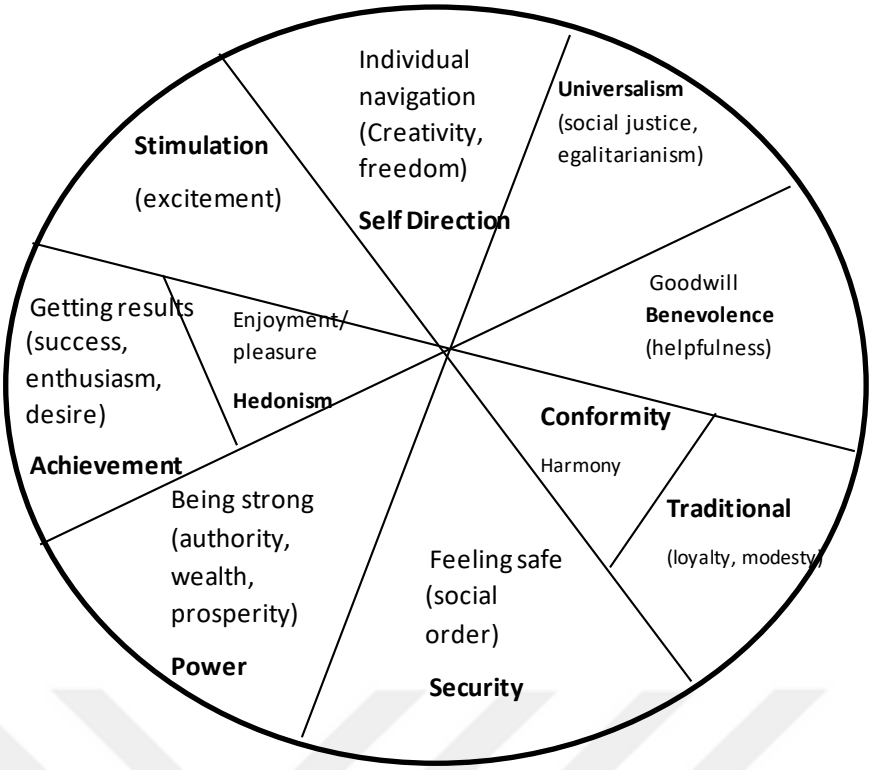


Figure 18. Relative Positioning of Motivational Values (contrasting harmonies are shown opposing)

Source: Schwartz, 2006:3-4, 2012:4

Keeping "hedonism" apart, when values are separated as "openness to change", "self-transcendence", "conservation" and "self-enhancement", it is clear that there are contrasting contradictions and that the abundance of one is preferred over the other. It can be debated that openness to change, conservation, the desire for individual success and strength, are opposed to social justice, universalism and a set of helpfulness (Schwartz, 2006). This is another example of the "yin-yang" philosophy of 'transformist behavior-modesty coexistence' and 'protect essence and values - be innovative - be flexible', which will be discussed as the impacts of the behavior of the family, the founding member of the family, and the leader in the following part. These 10 values are simply presented in Figure 18 above and Figure 19 below as "contrasting contradictions". In Figure 19 "Dynamic Operation of General Value Structure", going to the left increase protection, defense and anxiety

and going to the right increase enthusiasm, desire for development, need and realization of honoring. It is observed that there is an individual-oriented arrangement; expressing the relevant fields and character of the individual from the middle level upwards and a social-oriented arrangement, individual's social relationships with others and their influence from the middle level to downwards.

Anxiety based value ⟷ Values that create excitement

Protecting unreachable objectives ⟷ Honoring in achieving objectives

Self-defense against threats ⟷ Self expansion and development

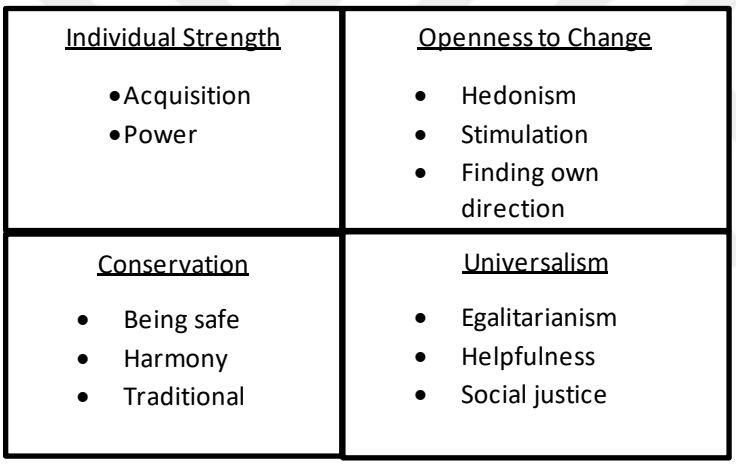


Figure 19. Dynamic Operation of General Value Structure

Source: Schwartz, 2009, 2012:13

Sharma and Sumita's (2013) research objects to understand the impact of culture on performance and shares the contribution of values to successful results, especially in family firms. As it is referred in Ward's (2001) study, Figure 20 "Flow of Values Between Family and Firm" depicts the reflection, adoption and internalization of family values in the business environment, in order to reveal the benefit gained from values, share it with family members and review its sustainability (Sharma and Sumita, 2013).

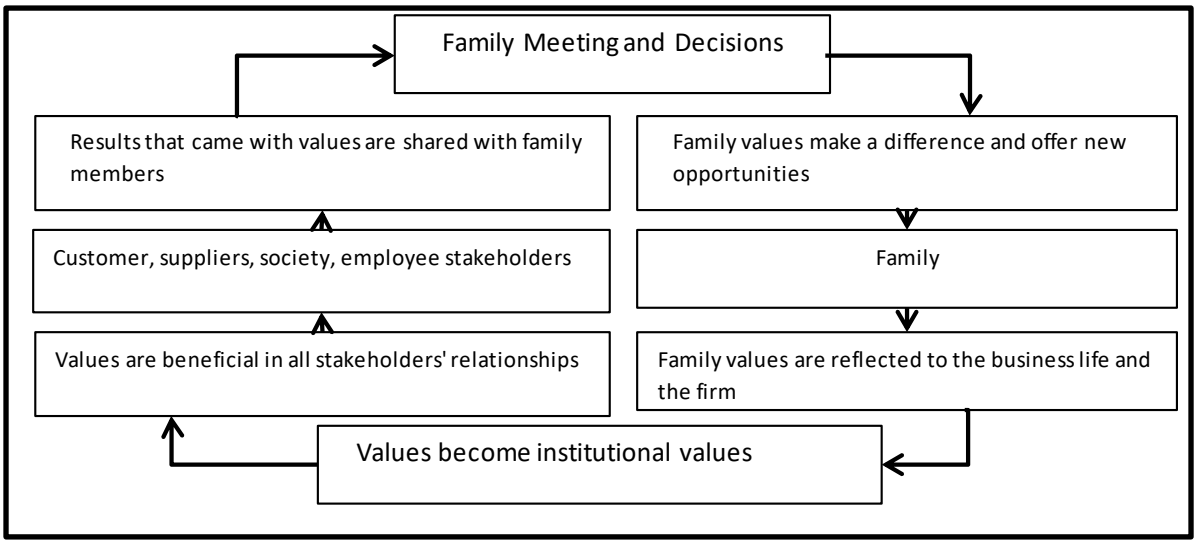


Figure 20. Flow of Values between Family and Firm

Source**:** Sharma, Sumita, 2013,

A similar cycle was envisaged by Ward (2004). In order to ensure the continuity of values, he expressed that it may be useful to support full integration and review of business life and stakeholder relations with a number of special projects, foundations, and social institutions, especially considering the family expansion into the third, fourth, and fifth generations and different preferences and administrative changes (Ward, 2004).

According to the approximate values (approximately 427 from family firms, 405 from non-family firms- a total of 832 value concepts) of research conducted with about 200 institutions, integrity, respect, and customer orientation were in the top three values in both groups, where the fourth value differed in these groups. Innovation was the fourth value in the non-family firms, high-quality, emphasis on quality has become the fourth value in family firms. The first four values that are not mentioned in non-family firms and only mentioned in family firms were generosity, humility, service and communication (Ceja and Tapies, 2011: 6). Considering the results here, the business style of growing and globalized family firms and non-

family structures are becoming more and more similar in terms of institutionalization, but human generosity, humility, and stewardship, which are thought to come from the family and family members, still constitutes a meaningful difference.

According to a research on management with values and transfer of value or models to the next generation in family firms (Sorenson & Yan: 2006: 235-250), in the Far Eastern communities that live and implement the Confucian value model and culture, and exhibit a more societal structure, there are not many problems in the institutionalization of family firms or in adapting to family decisions in the transfer to the new generation and it is emphasized that the values of trust, togetherness, solidarity and compatibility in these societies obscure the problems. Bourdieu states that Confucian values create a "bamboo network" for Far Eastern family firms and create the advantage of social capital. However, it is emphasized in the same article that a smooth and unconditional power transfer and power transfer from father to older son can also make a negative contribution to the long-term viability of the firm (Yan, 2006).

Susminingsih's (2013) research in Pekalongan, the center of Java's batik industry, and where 70% of Indonesia's batik/textile production is carried out, reveals that beliefs and experiences, values, corporate culture, business style directed by values, behavior and innovation model, organizational learning and organizational performance research are good examples for this region.

The basic and individual values such as belief, togetherness, commitment, harmony, appreciation-honoring, paternal leadership for the sustainability of business life, hard work, long term orientation, warm and close relationships, innovation, and business styles matched with innovation values, have transformed

into “institutional learning” as laid out by Senge (1991,1997), Novaka (1991), and Kim (1993) and these values have been the keystone of sustainable performance and business continuity and they were defined as “institutionalization” (Susminingsih, 2013). Figure 21 summarizes this flow as “Susminingsih Research Model**”.**

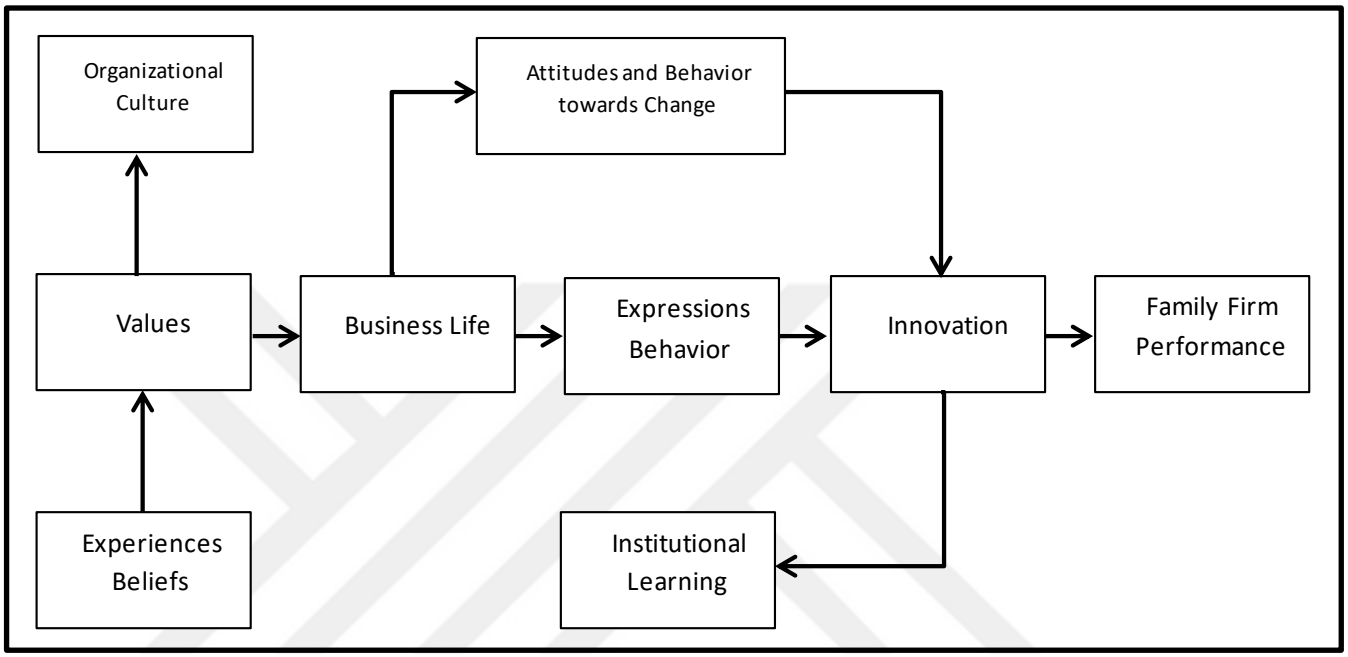


Figure 21: Susminingsih Research Model

Source: Susminingsih, 2013:11(1-13)

Five family values identified by Koiranen (2002) as “honesty-honorableness, credibility, compliance with laws and standards, quality, diligence” are used for the research on the institutions representing a well-established Finnish family brand that is active in Italy, Spain, France and Finland. The values of the family were tried to be determined among the employees of the institution, and the long-term family firms with a turnover above a threshold value were used as the comparison group in this study. Quality, honor, honesty and hard work have been the common values in all groups for maintaining the long-term sustainability of the firm.

The results of the study reveal that respect in relation to family solidarity, merit, honor and reputation, entrepreneurship, excellence, hard work, quality and profitability in relation to the sustainability of family firms were values that affect the long-term maintenance of the firm. And in the transfer of family values to the work, it has been observed that the values of social responsibility, transparency, responsibility and serving become prominent. In particular, the traditions, history and stories of the family facilitate the transfer of values to the institution. Practical practices, the values that new generation family members learn and apply from their previous family generations, those learned by living and professional methodologies contribute to the formation of this transfer even though it sometimes becomes difficult. The research also states that the brand values of the firms, which maintain their values increase.

This study refers to the values that provide firms with a competitive advantage and increase the image and values supported by the "Resource-based View" theory confirming that the reputation and credibility of these family firms will increase (Tapies and Fernandez, 2010: 12). Figure 22 is given below as "Family Values and Long-Term Business Life Cycle".

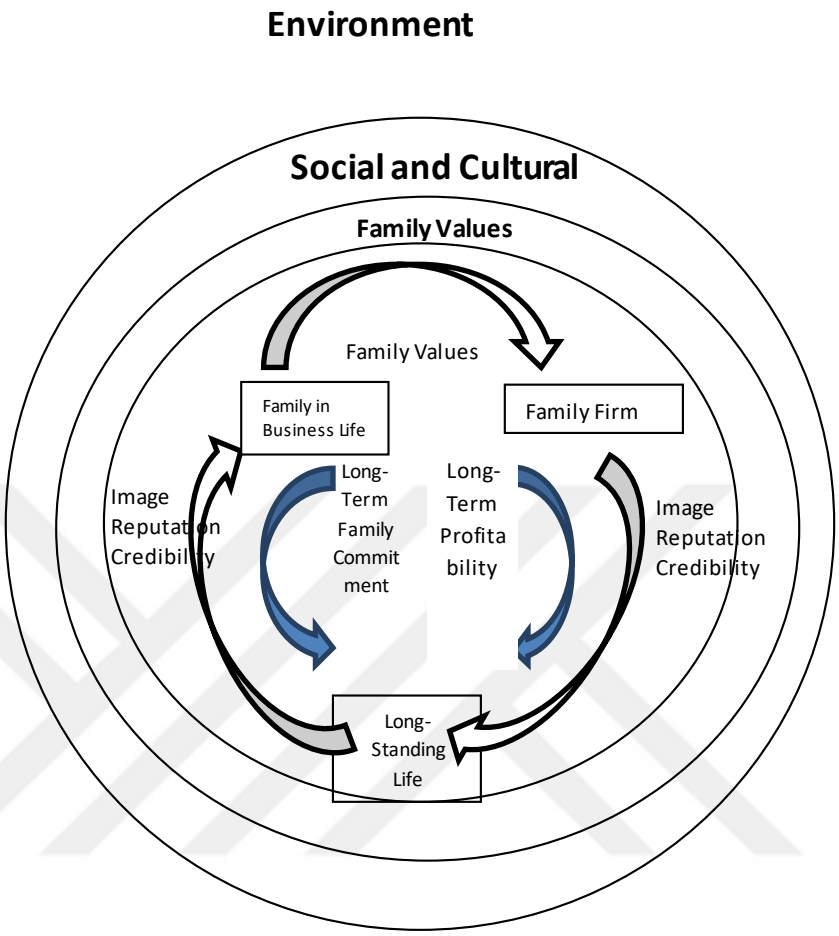


Figure 22. Family Values and Long-Term Business Life Cycle
Source: Tapies and Fernandez, 2010:12

The culture of a group and an institution can be depicted in a quadruple figure that includes artifacts-social phenomena, perspectives, values and assumptions (Schein, 1985; Dyer, 1986, Dyer, 1988:18). Physical formations such as clothing, kitchens, jargons, logos, ceremonies and rituals, settlements, myths and stories, visible behaviors constitute "artifacts" and they are symbolic visuals of perspectives that are social assumptions. Perspectives represent norms and known and applied behavior styles with a state passed from generation to generation (Becker, Geer, Hughes & Strauss, 1961, Dyer 1988:18). Values form the basic principles, formal or informal philosophy that addresses a broader range of perspectives describing

behavior in a given situation. Basic assumptions take place in the basis of culture and they determine the basis, direction, view of life, the search for the truth, the ecological and vital behavior systems of the individuals and form the culture ball for the group. As a result of general research, four types of family firm culture were determined. These are paternalistic, laisses-faire, participative and professional cultures. According to Dyer's research, 80% of companies are in the paternalistic step in the first generation. The categories of assumptions and detailed information about the four generally mentioned family firm cultures are given in Appendix as Table 19 and Table 20 respectively titled as "Cultural Models of a Family Firm" and "Cultural Assumption Categories". These cultural structures are somewhat compatible with structures like founder-controlled, siblings' partnership, cousins' confederation, strategic partnership etc. Since the assumptions of family firms are generally constituted by the founder family member, the assumptions may change as the founder member's assumptions change and he/she demands change, practices show many examples that problems are encountered in such changes (Dyer, 1988: 18-22). The three factors that determine organizational culture or corporate values in family firms are family culture-family values, country-community culture and values, and the culture and values of the sector. In addition, scale, process, maturity levels and number of shareholders can also be considered as influencing factors (Nicholson and Björnberg, 2007).

The discourse of one of the founders of Turkey's most important family firms about the founder's values and constitution of family culture and becoming a brand is as follows;

"Mr. Hacı Omer Sabanci was very sparing while even thinking of buying a new dress, but he was very fond of antiques and works of art. While

he was living in Adana, he bought the mansion in Emirgan built by Egypt Khedive Ismail Pasha. The answer he gave to "Why don't we buy a three thousand square meter house, instead of a twenty thousand square meter lodge?" question constituted the understanding of Sabanci Group. He said "Bigger place, bigger land is always good. Mercy rains over the bigger land. Bigger place does not gasp people. Bigger home is better, and a bigger man is also good. When a person holds a job, he must keep it big, and the profit of the one who manages the big is greater. But you should not become conceited".

In the words of Sakip Sabanci, Haci Omer Sabanci is a person who was *"kneaded with saving and madly in love with his business"*. As a matter of fact, Sakip Sabanci has repeatedly emphasized that saving issue is very important in the family and stated:

"We learned about saving at the family home. When our facilities were narrow, we paid attention to saving. We paid attention to saving even when the opportunities of our late father Haci Omer increased. Saving is not related to poverty or wealth. Saving is not wasting away the blessings and opportunities given by Allah. Those who receive saving manners at home and those who gain the habit of saving at home continue to do so in business."

(Kantarci, 2012)

Kantarci (2012), who served as Group CEO, stated that Mr. Sakip Sabanci was a person who loved his country. He was the sympathetic face of the capital, his love for humanity was great and he encouraged his employees. His decision-making mechanism was very interesting. First, he listened thoroughly and analyzed what he was listening to, and he simply asks

"Brother, is that what you mean?"

, and receives confirmation. He had high moral courage and was mysterious in marketing and public relations. Mr. Sakip Sabanci liked the Japanese saying, which he has often repeated:

"First my country, then my company, then my family and then me"

(Kantarci, 2012).

This approach directly overlaps with three factors expressed by Nicholson and Björnberg (2007) as family culture/values, country-community culture/values and the culture and values of the sector.

As another example, Bulent Eczacibasi's foreword in a resource includes the following statements about Vehbi Koc, who is one of the doyens of the development map of Turkey and the founder of one of the largest family firms in the country.

> *"Work with who knows business*
> *Stay on the right track*
> *Courtesy lets you win*
> *Don't say "I know"*
> *Balance work and private life"*
> (Ates, 2009*)*

In these elements, both for business and human, it would not be wrong to state that "stay on the right track" points values or virtues, in a more precise approach, and respect and appreciation of humans find their meaning in "courtesy lets you win" statement. And "don't say I know" is very similar to "you should not become conceited".

1.7. Value, Preference and Behavior Models of Founders in Family Firms

Virtue and Serving-Servant Leadership

While describing the founder or manager of the family firm, "one should describe a person who has Job's patience, Kissinger's diplomatic skills and agility, King Solomon's decisive voice, and Jack Welch's guiding ability. Unfortunately, such a person cannot grow like fruit in a tree, this is a very complex equation." Foreseeing and being able to establish managerial communication between

individuals, being a bridge between past heritage, present and future, managing and supporting expectations in all matters on time are the expectations from this position and require a superior analytical understanding of family-work contrast or tension, emotional intelligence and physical endurance. It is necessary to attach importance to both economic and emotional values (Nicholson and Björnberg, 2005: 7, 16).

According to the theory of "social identity" and "self-categorization" created by Tajfel (1979) and Turner (1985), people naturally desire to identify themselves with some prototypes. This prototype is a projection of the expectations about the image of a leader who resolves requirements, and the leader's behavior even in special circumstances (Hogg, 2001: 186-187, 189). This situation gives higher credits and importance to the management styles and behavioral approaches in family business leadership.

A practical definition of virtue by gathering the work of various researchers and bringing together different perspectives is as follows (Lanctot and Irwing, 2010:32): " A set of personal trait or attitude, which is universal and does not depend on environmental conditions (Maclntyre, 1981; Peterson and Seligman, 2004), which has moral meanings beyond the individual (Ciulla, 2001), which is good when not excessive and harmful when it is lacking (Koehn, 1998), which can be reinforced and obtained by practice and application (Strang, 2005). The difference between virtues and values can be determined according to context and environmental conditions. While values define the characteristics of cultures and roles within an organization or social structure, virtues go beyond cultures and other structures established in society. Virtues are universally valid and in a kind of universal moral hierarchy they replace the values. Another additional feature of virtues is that they do not function separately, and they are not dependent on each other. There is an

organic bond between virtue and serving leadership. Servant leadership, which serves within the framework of its theory, is directly related to its moral and ethical dimensions and to virtues like being trusted-trust, integrity-consistency, and humility. The virtues most of which are identified with servant leadership are grouped into categories, turned into a matrix and presented in the following Figure 23 as "Character - Virtue Model" (Lanctot and Irving, 2010:37), by considering the moral and spiritual dimension and combining the works of different researchers (Peterson and Seligman, 2004; Wallace, 2006, Colson, 1999; Bucholz and Mandel, 2000; Slingerland, 2001; Habermans, 2008; Wong and Page, 2003). This formal representation, which is perhaps not the most ideal, has been added to the text as a reference, since it includes many researchers' views and integrates virtues in a categorical sense, incorporates and even elaborates the sub-expansion.

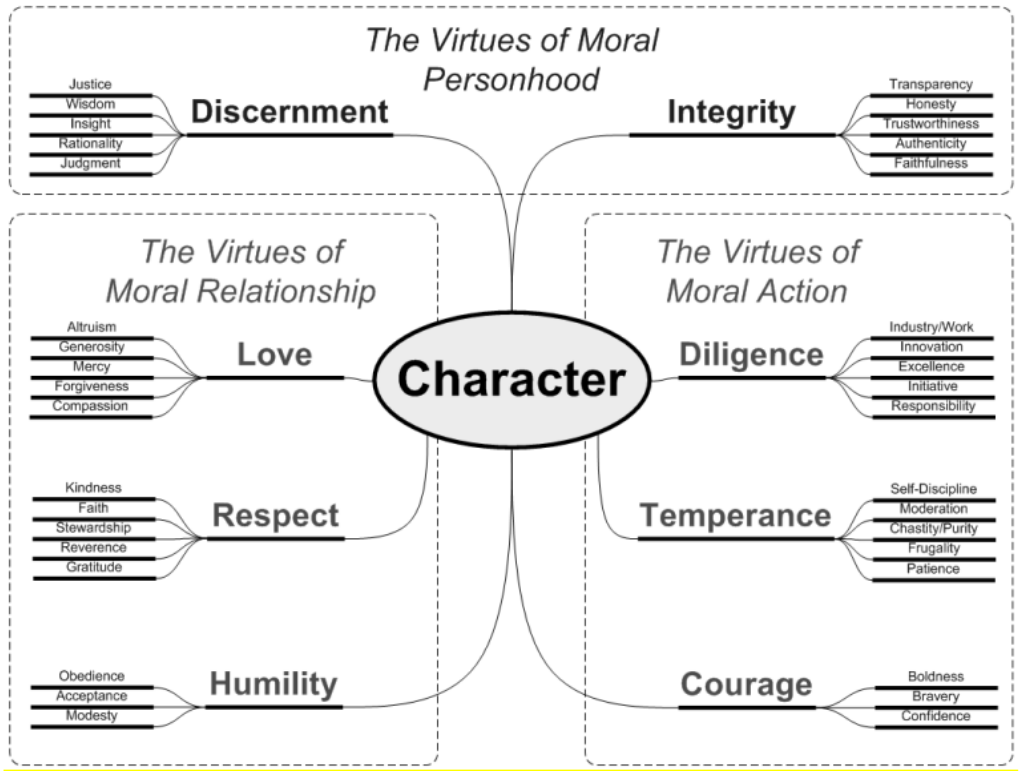


Figure 23. Character - Virtue Model

Source: Lanctot and Irving, 2010:37

Brief descriptions of the categories in the figure are expressed by the researchers as follows.

Integrity is the consistent compatibility of motives, words, actions and truth over time and the personal traits that are related to suiting the action to the word. Traits in this category can be defined as “transparency, honesty, reliability, authenticity and fidelity”

Discernment is the personality trait related to correct moral comprehension, impartial evaluation, and decision making. And examples of traits in this category are “justice, wisdom, insight, rationality and decision-making”.

Love corresponds to personality traits related to dealing with others' needs, interests and welfare in a selfless and altruistic way. Examples of such traits are “altruism, generosity, mercy, forgiveness and compassion”.

Humility corresponds to the personality traits of a person's correct determination, evaluation, and valuation of everything except one’s own values. Examples of this category are “courtesy, faith, management, reverence, service and gratitude”.

Modesty corresponds to personality traits of accurately determining one's place in life and its value to others. Examples of this category are “obedience, acceptance, rationality and humility”.

Diligence corresponds to the personality traits of value, punctuality, and effective search for excellence in results. Examples of this category are “effort, hard work, efficiency, innovation, and excellence, entrepreneurship, being attentive, organized, and responsible”.

Temperance corresponds to personality traits related to restriction and control of desire, wish, attitude, thoughts, words and actions of the person. Examples of this category are “self-discipline, moderation, tolerance, chastity, purity and patience”.

Courage corresponds to personality traits related to asserting what is right and what is wrong in the face of opposing opinions or uncertainty in a confident manner, defending, manifesting oneself against difficulties, not giving up due to the feeling of impossibility. Examples of traits in this category are “intrepidness, valor, ability to use initiative and trust” (Lanctot and Irwing, 2010: 38).

According to the results of a research conducted on 146 employees in the Gauteng-Sharpeville region in South Africa, within the scope of serving leadership, trust and commitment; serving leadership contributes positively to employee trust, commitment to the organization in the relationship between “serving, trust, and commitment” as it is shown in Figure 24 below, and the increased trust also contributes to commitment to organization similarly (Chinomona and Mashiloane: 2013: 407, 408-411).

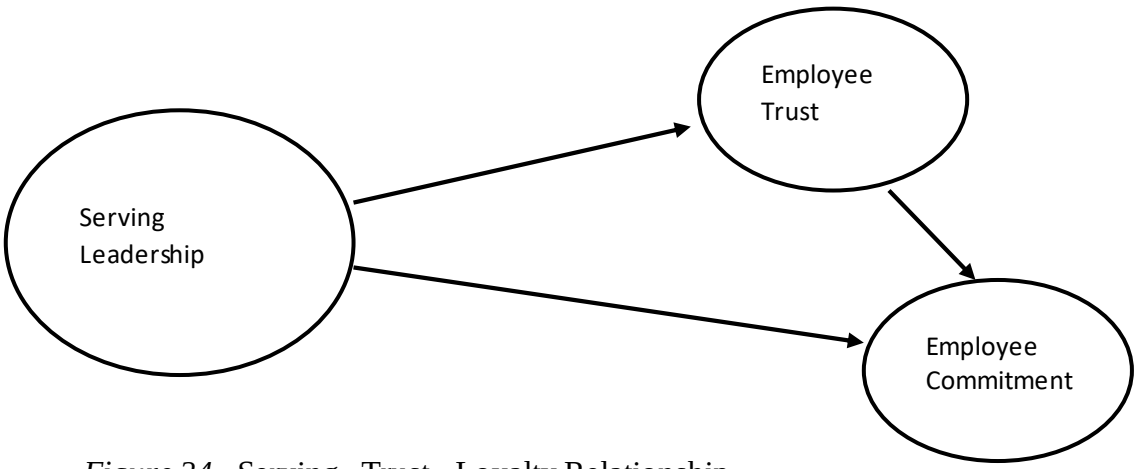


Figure 24. Serving - Trust - Loyalty Relationship

Source: Chinomona and Mashiloane, 2013: 407

One of the leading virtues of the family was modesty or humility in the research institution. This virtue can be interpreted as “institutional learning” in terms of openness to new paradigms, learning from mistakes and contributing to the development of others as when leaders, employees, and corporate culture are categorized, “service” in terms of willingness to serve, respecting others, and sharing values, “institutional flexibility” in terms of accepting achievements within the framework of plainness and simplicity principle, avoiding flattery and smugness and arrogance, caring for others and thriftiness. Institutional results are efficiency and development, customer- employee satisfaction and employee commitment with the flexible business environment, and continuous innovation respectively (Vera and Rodriguez-Lopez, 2004:397-400). This is additionally given in the Appendix as Figure 25 with the “Effects of Personal and Institutional Humility” title.

The three elements that constitute the founder's leadership and therefore the behavioral models process in the family firm are as follows; founding family member-leader, followers and situational environment. The “Founder or leader-manager of the institution” pool includes Board of Directors composed of family member or externally elected CEO and family members of the organization and external managers, “followers” pool includes executives who are family members or non-family members and other employees, and “situational environment” includes family ownership rights, family or non-family shareholders and institution’s position in the sector (Hughes et al., 1996 Thomas, 1999:14).

Especially in family firms, the founder has a weight and a center position in the family and in the network. This position is divided into betweenness, which is the key membership between power-based and member groups, and closeness to selected other members that had weight, and connectivity, which means the ability to

reach each member. In the establishment and development period, the betweenness is more prominent (Kelly, Athanassiou & Crittenden, 2000: 29-32).

Serving leadership behaviors form a bridge between the leader and the audience for a strong development and maintenance of this development based on solidarity and interaction and provide an environment for self-motivation and an environment for individuals, viewers and employees to present their own potential. Liden and Maslyn's study called "Leader-Member Interaction" confirms this in terms of impact, commitment, loyalty, participation and respect-seeing value. (Manz and Sims, 1987; Liden and Maslyn, 1998: 49-50). The concept of serving leadership has emerged theoretically with Greenleaf (1977), and it is studied in various resources about alternative models (Cerff and Winston, 2006; Laub, 1999; Patterson, 2003; Poon, 2006; Rennaker, 2005; Spears, 1998; Wiston, 2003; Wong and Page, 2003), leader characteristics (Patterson, 2003; Pepper, 2003, Spears, 1998; Whetstone, 2005), follower interaction (Patterson, 2003; Whittington, 2004; Winston, 2003), approaches (Boyum: 2006, Dyck and Schroeder: 2005, Koehn: 1998, Wallace: 2006, Warren: 2002), organizational culture (Laub, 2003; Rennaker, 2005; Whetstone, 2005), comparison with other leadership styles (Matteson and Irwing, 2005; Patterson: 2003, Whittington, 2004), conceptual practices (Brookshire, 2001), its ethical dimension (Lawson, 2007), and the links between ethical leadership characteristics and serving leadership (Patterson, 2003; Parolini, 2004; Wallace, 2006; Winston, 2003; Whetstone, 2005 and Covey, 2005). Definitions have been made about "virtues" (Ciulla, 2001) starting from philosophers such as Plato, Aristotle, and Confucius (Lanctot and Irwing, 2010:28-42).

Serving leadership was developed by Greenleaf and it is a leadership model that aims to serve others rather than serving oneself, brings a holistic approach to

business, supports the sense of being social, and enables the share of decision-making power. According to Greenleaf, repressive, authoritarian approaches do not yield results and indicate that organizations cannot reach their goals with this method. The greatest motivation of a serving leader is that his/her magnitude is encouraged by others (Greenleaf 1970). An integrated valuation of individuals improves the sustainability of long-term attention and organizational performance (Greenleaf, 1970, 1996; Spears, 2002, 2010; Smith; 2005: 3-6). Reinke (2004: 33) considers Greenleaf and Spears' concept of 'serving leadership', in a conceptual sense, as a dedication to the individual and organizational development of humanity and working in the organization by actual participation, however the idea of serving leadership cannot be fully verified and the concept is not very clear. The "trust culture", which was suggested by Fairholm (1994), is a bridge between serving leadership and organizational success, and it reveals that values are protectors of organizational culture and trust is the basic framework for efficiency and organizational success (Reinke, 2004: 37-38, 41). The results of the researches conducted in the US Air Force, in which the groups are believed to have trust at the forefront, and later in Georgia, reveal that serving leadership is directly related to building trust relationships, followed by openness and vision (Reinke and Baldvin, 2001: 160-176; Reinke; 2004: 44).

A serving leader, who supports participation, empowers personality and personalities, encourages others to emerge skills, and provides a more motivated and effective labor force. Thus, the organizational formation transforms from a kind of flat triangular-pyramid hierarchical structure into an inverted triangular-pyramid shape. Strong ethical leadership, being principled and values-virtues are the elements that fill the concept of serving leadership and these elements are expected to support

the long-term success of organizations. The fact that values and beliefs constitute the base of this model reveals its difference from other behavioral models and other leadership styles (Russell, 2001:76), according to researchers and behavioral scientists in general, the source of motivation assumes that they are not superior to the individuals and groups, which they manage. Since individuals are evaluated with the same values, a more egalitarian sense of environment and encouragement emerges (Lee and Zemke, 1993: 3, et.al. Smith, 2005:8-9). Listening, empathy, awareness, spiritual integrity, persuasion, conceptualization, foresight, serving, devotion to the development of others, contribution to the construction of society are the ten characteristic features of Greenleaf's (1970) theory (Russell and Stone: 2002: 146; Smith; 2005: 5-6; Spears, 2010: 27-29; Reinke, 2004: 40-43). Although it is not yet empirically proven, as behavioral scientists acknowledge, values serve as the basis of serving leadership philosophy and in this sense they differentiate it from other leadership models, the leaders motivation is triggered by the "I am not superior to others, I have things to learn, areas to develop" belief (Russell, 2001 and Smith, 2005: 30, 32, Jacobs: 1999: 31).

In a research conducted on this issue, it was determined that serving leadership increases organizational trust, productivity and the commitment to the organization and leader increases in particular, when situational leadership styles are attributed with characteristics of the leader such as honesty, consistency-integrity, sharing and trust, and virtues, and when leadership in all styles (directive, coaching, supporting, and delegating) and leadership without these characteristics and serving leadership are compared (Jacobs, 2006: 3-8). "Multi-Dimensional-Situational Leadership" model in the research institution is a tool that builds and develops the

wing of leadership skills of the Double Winged Leadership Metaphor, which possesses leadership skills on the first wing and virtues on the second wing.

Figure 26 “Multi-Dimensional Leadership / Serving Leadership and Outputs”, which is presented below, is a good example of literature study in terms of the research institution.

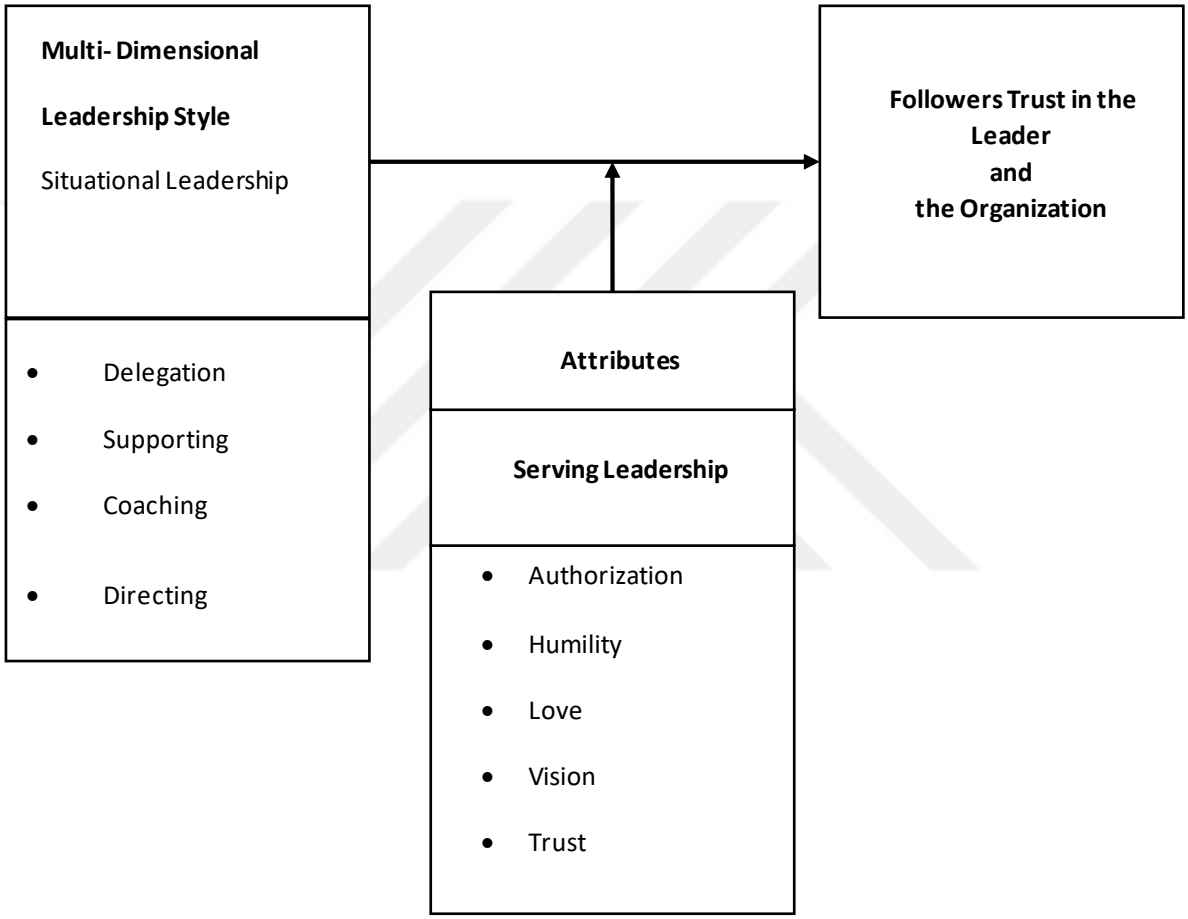


Figure 26. Multi-Dimensional (Situational) Leadership / Serving-Servant Leadership and Outputs

Source: Jacobs: 2006: 4

Some researchers have stated that serving leadership is not a theory, but a philosophy, an approach, a thought that refers to spiritual life and conscientious approaches, since the subjects needs more empirical research (Millard, 1995: 3; Laub, 1999:5). However, no matter which behavior or directive, controlling

behaviors are mentioned, if there is a leadership behavior then the founder family member has such responsibility as long as he/she is in the management. The two indispensable virtues are integrity, which consists of honesty, loyalty, consistency, suiting the action to the word, and reliability and discernment, which consists of fairness, wisdom, equity, and rationality. Almost all of the mentioned virtues are expected in the serving leadership model (Lanctot & Irving, 2010: 40). In a research conducted with Delphi methodology, SOLA (Servant Organizational Leadership Assessment), firstly the predictions and characteristics of the serving leadership were collected with a group of experts and this framework was expanded and grouped, 828 feedbacks were received from 41 organizations and 6 basic characteristics were determined which confirmed the following theory. These can be categorized as follows;

valuing people (by believing in people, accepting people as they are, thinking of others before him, listening without prejudice), displaying integrity, consistency and realism (by being open and transparent, self-aware, open to criticism and self-criticism, feedback and flexible, tolerant, honest, principal and harmonious, displaying ethical behavior), leading (by introducing a hunch, foresight and vision, taking initiative and clearly setting goals in line with vision), contributing to the construction of public opinion-society (by encouraging, supporting relationship and connection formations, collaborating, valuing the identity and personality of others), sharing leadership (by sharing power, persuading others, empowering others, acting modestly, influencing with personality rather than position authority), contributing to the development of people (by providing learning and development opportunities, being role model) (Laub, 1999: 37-126). Among these characteristics, detailed discourses that take the highest values (7 out of 7 in the first 13 out of 70

characteristics) can be listed as; respect for others, authorization by sharing power, enhancement by encouraging and recognizing others, reliability, trusting others, building teams and common platforms, shared leadership, listening without prejudice, having ethical and conscientious values based on ethical standards, high integrity and honesty, using personal influence instead of position power, being a role model with appropriate behaviors, and being able to keep others satisfied. Particularly because of the postmodernist era's prioritization of the individual and the entry of new generations into working life, changes in the business world and different expectations in behavior styles bring more researchers to focus more on the serving leadership model and make connections with virtues. For example, 10 stewardship behavior characteristics emphasized by Spears (2002) can be overlapped with 10 virtues. These behavior characteristics may also overlap with the following virtues; "listening" with love-respect-temperance, and moderation; "empathy" with respect; "enhancement" with love; "awareness" with modesty and respect; "persuasion" with respect; "conceptuality" with moderation, "foresight" with moderation; "stewardship" with respect; "devotion to the development of others" with love; "social relationship building" with love (Spears, 2002; Lanctot and Irving, 2010:36-42)

The theory developed by Patterson (2003: 3) on serving leadership, as highlighted in the following figure, defined and formalized the concept of serving leader equipped with sincere virtues as a person who exhibits and applies "agapao", which means morality and respect for others in ancient Greek, and as a person who has modesty, acts altruistically without being selfish, presents a vision for followers, has reliability, authorizes others and displays stewardship (Ayers, 2008: 10-16). Patterson (2003: 2) defined virtue as the characteristics that come from within the

person and that are integrated with his/her personality. Winston (2003), on the other hand, enriched Patterson's theory and assumptions, and suggested that the commitment of the followers to the serving leader increased within the framework of this model and personal effectiveness improved. According to Winston's (2003) model, the final "agapao" of the followers was formed by commitment to the leader, self-efficacy, intrinsic motivation, altruism and stewardship towards the leader and the leader's approaches and as a result it was named "Patterson-Winston's Serving Leadership Model" and presented in Figure 27 below (Jacobs, 2006:2).

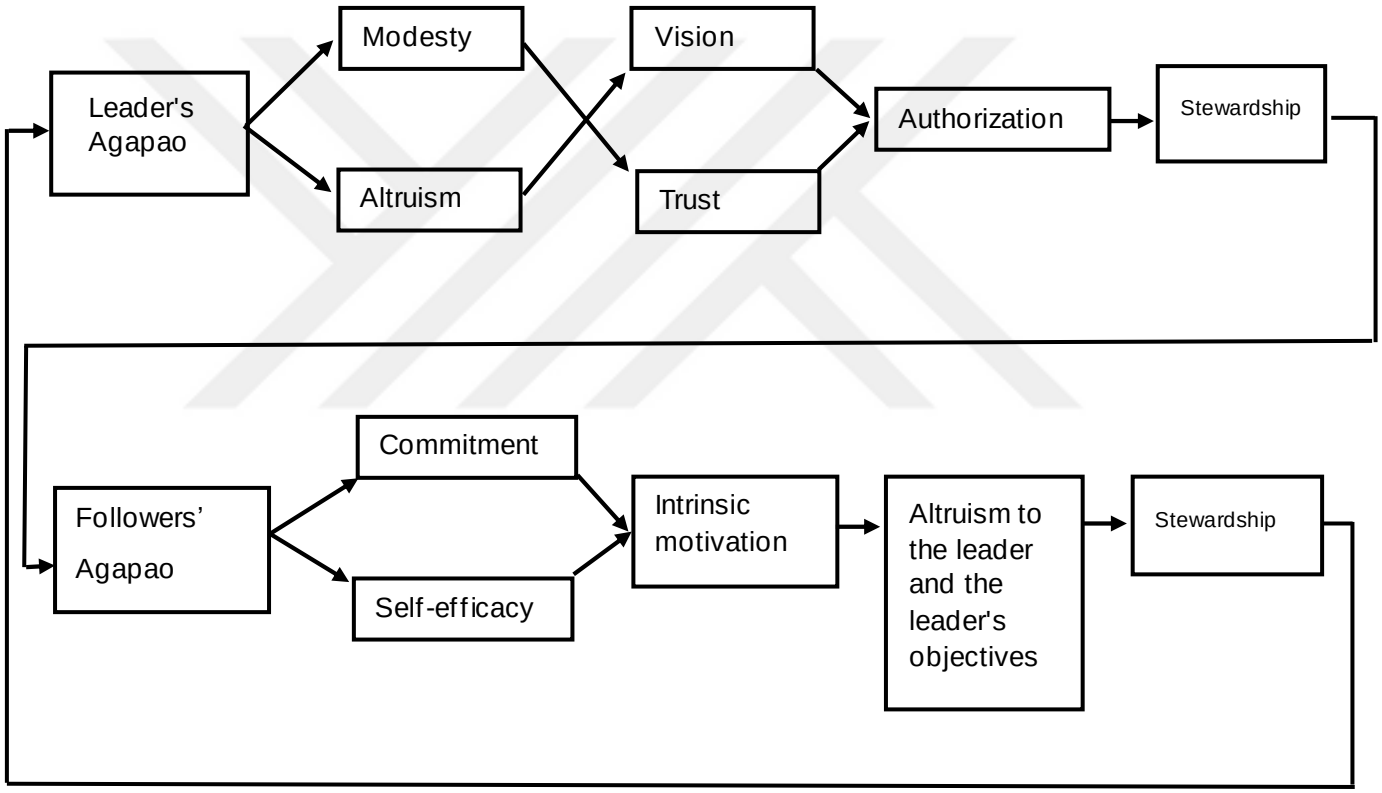


Figure 27. Patterson-Winston's Serving Leadership Model
Source: Jacobs, 2006: 2

Beyond the charismatic approach, the three virtues that remain every day, less visible and silent are described as "silent" leadership virtues. These three virtues can be expressed as restraint, modesty and tenacity. Restraint, as Aristotle described,

points out that being cautious and balanced are two basic values in being responsible and it is considered as the combination of balance, patience, knowing own limits, self-control and being moderate (Badaracco, 2002: 171,173,176).

Silent leader behavior for carrying out more work in a long-term endeavor, uses restraint with an active, careful and creative approach.

As another model of leadership, "narcissistic leadership" is often associated with being charismatic, visionary, strong, and high desire to achieve (Maccoby, 2004) and identified with passion, hunger for learning, tenacity, perseverance, persistence, vigilance against threats, ability to shape the future and being competitive (Rosenthal and Pittinsky, 2006; Kjelson and Meer, 2012:6, 12, 17). Maccoby, an anthropologist and psychologist, defines the narcissistic personality or leadership that develops the sector as "productive narcissism" (Maccoby: HBR 01/2004). Development areas related to personality structure in narcissistic leadership are defined as arrogance, insolence, paranoia, lack of empathy, closedness to self-criticism, focusing only on power and not listening (Maccoby, 2004, 2004; Kjelson and Meer, 2012:17). It is stated that there are lack of ambition and passion, passivity, low self-confidence and shyness and inefficiency in the competitive environment in the personality structure of modest and humble leaders (Vera & Rodriguez, 2004: 394), which generally seems to be incompatible with the definition of generic leadership. On the other hand, modest leaders are able to evaluate themselves correctly and realistically and analyze their mistakes and accomplishments in an objective and unexaggerated manner (Vera and Rodriguez-Lopez, 2004; Kjelson and Meer; 2012: 15). They display an image and approach that includes having healthy self-control, humility, and being aware of capabilities and

limits, being open to learning from others (Morris et al., 2005; Kjelson and Meer, 2012: 15).

When it comes to family firms, the founders are always expected to have a certain vision and effective leadership that can lead and convince others for accomplishing their objectives, and modest leadership may not be suitable for this kind of referral. It is also possible to state that there is more strict managerial control in family firms, which prevents autonomy and limits employees' opportunities. Although this approach seems to evoke narcissistic or transformational leadership more (Bernhard and O'Driscoll, 2011; Kjellson and Meer, 2012: 24), there are not enough research in the literature about which leadership will be more effective in family firms (Sharma, Kjellson and Meer, 2012: 23).

As the results of the research conducted by Resick and colleaques with 75 CEOs at the American Baseball League, transformational leadership requires a transformation in a way that allows narcissistic leadership to be understood, provided that the parts described as areas of development are excluded (Bass, 1998; Bono and Judge, 2004) and ideal influence includes four main elements such as inspirational motivation, intellectual stimulation, individual reputation and respect (Bass, Valio, Jung & Berson, 2003), on the other hand, it is influenced by both the narcissistic and the modest approach in terms of transformation and development of others (Resick, Whitman, Weingarden & Hiller, 2009:1366, 1368, 1374-1375; Kjellson and Meer, 2012:12). It can be debated that a modest and modest personality can contribute more than a narcissistic personality in terms of aligning the objectives, values and sharing in cooperation. Modest and humble leaders contribute to the integration with their followers and others, building organizational learning and trust, enhancing others' self-confidence, contributing to their development,

creating a higher motivation environment and creating organizational commitment (Nielsen, Marrone & Slay, 2010:33-43). Nielsen and Marrone (2018) reassessed all the previous researches and conducted an integrated study that better defined and measured the effects of authentic, transformational, modest, humble leadership behaviors, and tried to better determine the modest, humble approaches and their role in the organization (Nielsen & Marrone: 2018: 3, 5, 7-16). Modest leaders exhibit a behavior style that is open to new paradigms, includes willing to learn from others, accepting mistakes, internalization of service, openness to advisory and consultation, developing others, respecting others, sharing honor, reward and recognition, over-exaggeration of success, not narcissistic and arrogant, does not boast about by taking credit for everything, and display a thrifty, thoughtful and sparing behavior (Vera and Rodriguez-Lopez, 2004: 393-395).

Effective management in organizations and behavior management paradox require harmony and integration. This is a kind of “yin-yang philosophy”, a neutral, integrative combination of opposing poles in mutual and independent common ground (Chen, 2002; Chen, Xie and Chang, 2012, et.al. Owens, Wallace and Waldman, 2015: 1254).

A similar opposing poles polarization or harmony has emerged like “yin-yang”, after nearly 9 years of research at Stanford University investigating the root cause of long-lived firms, almost all of which were found as family firms. The results are 'preserve essence-values, promote innovation, be flexible' (Porras and Collins, 1994). The “Yin-Yang Approach” is presented in Figure 28.

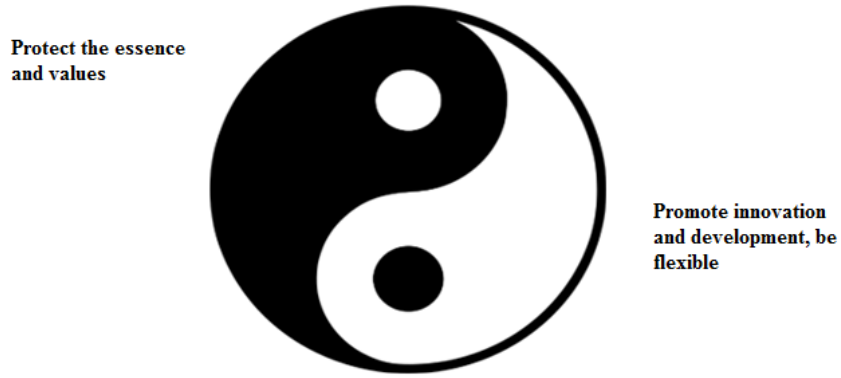


Figure 28. Yin-Yang Approach

Source: Porras and Collins, 1994

Similarly, it was questioned whether modesty can be transformed into positive by eliminating the demotivational aspects of narcissistic approach when placed on the unwanted side, and whether it will support the acceptance of leader activity and the kind of yin-yang unifying model that will emerge from taking narcissistic leader behaviors that are useful in the business dimension and imposing modest, humble behaviors instead of repulsive, arrogant behaviors on the personalities of others. A study has been conducted with a sample of 876 people in the USA, Puerto Rico and Europe regions of a health insurance organization that is headquartered in North America. Narcissistic leadership, modest leadership, perceived leadership, employee engagement (commitment), subjective and objective performances and control group were measured in this study.

According to the results of the analysis, "leadership effectiveness" is at the highest level when narcissistic leadership and modest leadership have high probability together. In the case of high narcissism and modesty-humility, employee loyalty and performance are increased. Similarly, both subjective and objective performances of employees increase with high narcissistic and high modesty

leadership behavior. In brief, modesty and humility in leader behavior/personality obscure the arrogant, humiliating, humorous style of narcissistic behavior that has a competitive/business expanding, visionary side and is regarded as a positive leadership. It is expressed as “be fearless, be assertive, show strength and energy that direct, have humility, learn from others, be tolerant to others' opinions and personalities” (Wallace, Owens and Waldman, 2015: 1206-1210).

Eddleston (2008), as developed by Zahra (2008), also described the projection of Transformational Leadership with family firm culture and serving leadership. The transformational or even narcissistic leadership behavior in the business dimension, can show the direction of service when it is together with the human and social dimension and it is more flexible and more accepted among its stakeholders (employees, customers, suppliers, shareholders and the society). Considering the business dimension, the narcissistic and transformational leadership styles show very similar behavior styles, when the human and social dimensions and behaviors are excluded. This issue is visualized in Figure 29 with “Effect of Transformational Leadership on Family Firm Culture” title.

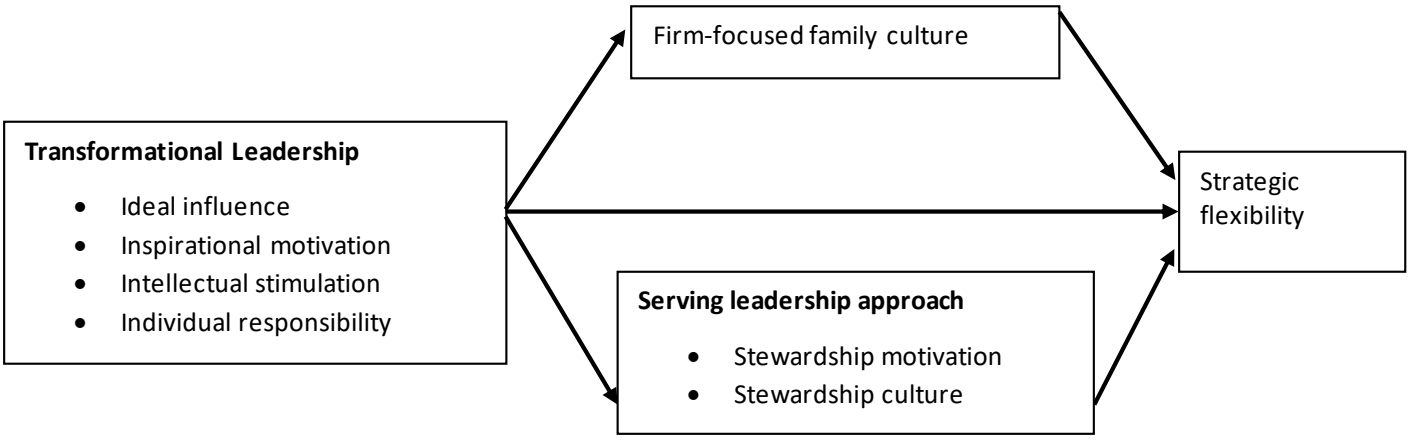


Figure 29. Effect of Transformational Leadership on Family Firm Culture
Source: Eddleston: 2008: 1057

Humility is defined as a person's modest opinions about oneself and a personality that is far from self-praise (Tangney, 2007: 71), tolerance is defined as an attitude of understanding the ideas and lifestyles of others and an understanding based on the opportunity to freely express opinions, ideas and emotions that we do not share with others (Cevizci, 2002: 505), forgiveness can be expressed as looking at imperfections through a balance element (Aslan, 2001: 4) although tolerance is different from modesty, it can be said that it is the biggest component of it (Eğinli & Bitirim, 2013: 23).

According to Plato, the existence of a virtue requires the existence of others. This powerful thesis on the unity of virtues was reinforced by both Aristotle and Aquinas. “The best leaders are those who persuade instead of giving orders, who extract the ore from the employee instead of dictating and develop them instead of bearing down on those around them”. “Instead of clinging to power, these serving leaders take power from their mission and reduce it to all levels of the organization. They become leaders of the leaders by making people feel that the people in the firm are the firm's number one asset. As serving leaders, they are aware that they are primarily servants. Serving for serving emerges as a natural feeling of the person. Then, the person wants leadership with conscious choice, and this person is different from the leader at the beginning” (Gergen et al., 2006: 54, Lanctot and Irving, 2010:33).

Table 21 “Serving Leadership Theories”, Table 22 “Virtue / Personality Characteristics Comparisons” and Table 23 “Serving Leadership Behaviors” are presented in Appendix. Serving Leadership theory researchers from 1991 to 2003, are given as Patterson, Covey, Spear and Laub’s foresights in the framework of

classification methodology according to virtue types and love, respect, courage, modesty, moderation, integrity, discernment, and exactingness. In the meantime, while emphasizing the virtues related to the serving leadership, the two virtues that are absolutely indispensable even in directive and controlling leadership are integrity and discernment as shown separately in the "Character - Virtue Model". It is essential that all virtues are foreseen and implemented in some way and turned into behavior styles in the serving leadership (Lanctot and Irving, 2010:37-38).

On the other hand, the lack or abundance of virtues may not be preferred and may cause problems. As given in the following list of scarcity and abundance, for example, the lack of modesty can lead to being too proud, arrogant, and the abundance of modesty can lead to being considered as unworthy or not being appreciated. Similarly, the lack of respect can lead to ignoring, and the abundance can also lead to the deification. Therefore, virtues also require a balance and self-management. Detailed information about this issue is given in Table 24 as "How Does Scarcity and Abundance of Virtues Produce Results?"

Table 24: *How Does Scarcity and Abundance of Virtues Produce Results?"*

Virtue Continuity

Scarcity (-) ---------- Abundance (+)		
Corruption	Integrity	Excessive compliance
Simple-Heartedness	Discernment	Prejudication
Selfishness	Love	Enablement
Ignorance	Respect	Idolizing
Pride	Humility	Humiliation

Laziness	Diligence	Being workaholic
Immorality	Moderation/ restraint	Stiffness
Cowardice	Courage	Boldness

Source: Lanctot and Irving, 2010:40

1.8. Nepotism

The main difference between family and non-family-owned institutions is the impact of the family on the institution. However, the relationship between family dynamics and institution performance is quite complex and it should be kept in mind that there are various factors that affect this performance (Charles, 2011, Chrismas et.al., 2012). One of the main issues in the integration of the family into business life is nepotism, and controversial behaviors and practices exhibited by family members. While there are problems and conflicts related to "representation" in financial fields and external environment, motivation, commitment, alignment with the mission and vision of the organization are associated with "stewardship" approaches (Corbetta and Salvato, 2004; Charles, 2011; Miller and Le Breton - Miller; 2007; Charles, 2015).

Even though nepotism seems to have some benefits for small businesses, all political science, economics and anthropological researches in recent years have revealed that nepotism and cronyism adversely affect organizational performance (Pearce, 2015: 5-6).

Biological-ecological approaches in social sciences indicate that nepotism is included in the rational behavior class and it is defined as "selected" behavior in social ecology, which is defined as environmental conditions, individual needs field (Masters, 1983: 161, Dökümbilek et.al., 2010:44; Özler et al., 2007:438). In terms of sociological and social structure, blood relation and kinship have a fundamental role in shaping social relations especially in rural areas. In rural areas, kinship relations among employees in firms producing goods and services remain in the forefront, and this situation is more evident and palpable than businesses operating in cities and family firms (İlhan & Erdem, 2010: 143). Since individual equity, participation from spouses, friends and relatives are present in the start-up capital of family firms, after a period of time in line with the natural and possibly reciprocity approach, it prepares the basis for the favoritism of spouses, relatives, friends, close relatives and thus they have an expectation according to social channels (Özler, Özler and Gümüştekin, 2017: 442-444, 446).

The concept of favoritism is comprehensive and includes the concepts of nepotism, cronyism and patronism as a whole. While nepotism is related to family and kinship, favoritism of spouse, friends, fellow countryman, school friends, individuals with same origin and judgment is called "cronyism", and political opinion and belief favoritism or favoritism discrimination is defined as "patronage-patronism" (Nadeem, Ahmad, Batoo and Shafique, 2015:225-226; Avcı and Asunakutlu; 2010:94, 96-97; Özkanan and Erdem, 2014:181-197). Besides, the term nepotism is commonly used in the literature as a synonym for "favoritism". But, since nepotism is a sub-dimension of favoritism, it would be appropriate to consider the concept of nepotism in a narrower way than favoritism.

Nepotism is mostly used in terms of kinship favoritism (Karacaoğlu and Yörük, 2012: 47) and employing family members or relatives even though they are insufficient, this is called "showing favor" or "pulling strings" in colloquial language (Aslan and Cinar, 2010:92). Especially in family firms, blood relation appears to be more important than talent and performance (Karabulut, 2008: 648).

In other words, nepotism can be defined as; preferring family members and relatives without seeking merit (Donelly, 1964), family's preference of relative network instead of professional managers and employees in key personnel selection (Barnett, 1960), selection of the managers of the institutions by the founders, lack of real responsibility for family members in case of possible mismanagement and poor results (Leansberg, 1983; Dyez, 2006), the approach of ending employees' duties by blaming them with final results (Gomez Mejia, 2001), and in some cases, creation of measures and behaviors that will not occur in dismissal as the employed individuals are related to family (Hernero, 2011), and thus it becomes clear that non-family members' perceptions, which occur based on preferences rather than according to the dynamics of the natural life of the institution, become more apparent (Chapatis, 2001; Moore, 1992; Muchinsky, 2011).

Nepotism is the allocation of organizational resources (career opportunities, salaries, special premiums, promotion) to family members in a different and more advantageous manner than other employees (Brewer and Brown, 1998; Kets de Vries, 1993, Charles et al, 2015). Nepotism is defined in the "*Webster International Dictionary"* as favoritism for nephews and relatives beyond merit, due to relationship and kinship (Abdalla et al.,1995:555; Dökümbilek:2010:44-45).

The roots of the negative use of the word Nepotism originate in Europe during the Enlightenment, when the Pope gave some of his senior administrative

duties to his nephews, regardless of their merit and competence. This situation has caused inefficiency and functioning problems in churches and has caused morale disturbances in other officials in a similar way to today's problems. Perhaps there has not been much research on the subject due to these reasons.

The word Nepotism derives from the Latin word *Nepot* (nephew) and it is defined as the employment of relatives in organizations (Ford and McLaughlin, 1985: 57; Garih, 2000: 79; Abdalla et al., 1995: 555; 1985: 57; Kiechel, 1984: 143; Demirel and Savaş, 2017: 131), other possible adverse side effects associated with nepotism include gradual depression of the favored person (Kiechel, 1984), nepotists' frustration of not being able to receive the expected performance, the distress of the relative who is on duty without a certain competence and conflicts in the family, not being able to make decisions (Ichniowski, 1984), weakening the morale of other employees, the negative effect of decision-making turmoil in the family on the institution, and difficulty in determining whether the rights granted to persons favored are related to performance or kinship (Ford and Mc Laughlin, 1986; Abdalla et al. 1995).

According to the results of research on nepotism and cronyism applications, which were conducted after the organizational research of Max Weber (1947), nepotism and cronyism generally threaten organizational performance. In addition, the management of the relationship with government officials, especially by the owners of the family firm and top managers, also provide the firm with a competitive advantage and this fact is a commonly encountered situation (Pearce, 2015; Fligstein et al., 1994). In summary, non-merit-based and individual-based performance evaluation reduces employee engagement of reward-promotion systems, this situation reduces the confidence in the model and management, a more fear-based

climate is formed, and in addition, the convergence effort becomes most distinct (Pearce, 2001; Pearce, Branyczki and Bigley, 2000, Pearce et al., 2015:4-5). From a negative point of view, it can be emphasized that nepotism is one of the most important obstacles in the way of democracy, institutional democracy and institutionalization (Özler, Özler and Gümüştekin, 2007: 444-446).

According to the results of Ford and McLaughlin (1984) research on Human Resources managers of institutions in the USA, nepotism brings more disadvantage than advantage, and affects Human Resources groups' science and policies and managers. Research by Hagen and Amin (1994) also confirms these results (Abdalla et al., 1995). In the studies conducted in Arabia, it is seen that nepotism is accepted and expected seriously when socio-cultural structure, behaviors, economic structure, education structure and political structure are taken into consideration. Simultaneous research conducted in the US and Jordan (1995) showed that although nepotism is preferred in some cases, it produces negative results. (Abdalla, Maghrabi and Raggad, 1995: 554-570). Charles's (2015) results of the research on family firms in Tanzania are harmonious with Ford and Mclaughlin's study and it highlights that nepotism is not clearly felt in small family firms. This is probably due to the fact that the employment of family members by small family firms keeps the commitment to the institution high and thus provides added value to the institution. Tanzania research results vary according to the research results of "Ukeegebu (1998) and Dyers (2006)", who predict that nepotism harms family firms. In a study by Pearce and Huang (2014) in Hungary, it was concluded as a result of the practice of cronyism that the perception related to unfairness of reward-promotion does not change and the possibility of change was found to be low, despite the introduction of a foreign partnership following the regime change and the introduction of a model-

system to prevent cronyism. Therefore, the perception of nepotism and cronyism also creates a serious resistance to change and becomes one of the root causes of "insecurity" in institutional terms (Pearce, 2015). On the other hand, in a research on total favoritism including nepotism, cronyism and patronism, which includes a questionnaire with approximately 250 individuals in four Telecom firms in Pakistan and interviews with some of the participants, reveal that favoritism may cause some positive results (Nadeem, Ahmad, Ahmad, Batoo and Shafique, 2015).

A study was conducted with 132 individuals, who work in family firms in the marble sector in Muğla and favoritism in promotion, favoritism in recruitment process and transaction favoritism were questioned based on Abdalla (1998) and Ford and Mc Laughlin (1985) studies. No significant relationship was found between job structure and satisfaction from colleagues and favoritism however a clear relationship was observed, between nepotism and favoritism in promotion and transaction favoritism to increase as nepotism increased in others. As nepotism increases, the others also increase. It is pointed out that there is a serious relationship between favoritism perception and institutional justice (Asunakutlu and Avcı, 2010: 99-105). The favored individuals are considered to carry information within the organization to the individuals they are favored by and thought to be spying. In this case, disintegrations emerge, which adversely affect the overall performance. Different practices related to Nepotism can be seen depending on culture, norms and values. For example, American, Italian, Turkish nepotism practices contain different variables relative to each other (Dökümbilek, 2010: 53). It will be worth mentioning the existence of nepotism in Turkish culture, where family ties are important.

Despite the poor perception of nepotism, it is possible to list some advantages of nepotism. It provides continuity, especially in small family firms, takes young

generations off the street and transfers them to business life, provides a cheaper and reliable labor force during the establishment phase, creates a positive competition within the family, and it can be evaluated as an assurance for compliance, ease of communication, vitality in the organization, and sustainability among customers and stakeholders (Dailey and Reuschling, 1980; Ford and McLaughlin, 1986; Barmash, 1986; Abdalla, Maghrabi and Raggad, 1995). Adam Bellow (2003) mentions that planned nepotism exists in the success of many companies and that failure cannot be directly attributed to nepotism in his book "In Praise of Nepotism". One of his theses is that people feel more confident and comfortable when they meet familiar names and faces (Özler, Özler and Gümüştekin, 2007: 437-438).

The results of research on nepotism and empirical indicators emphasize that conflict and nepotism in family-owned firms flow from developed countries (Charles, 2015, Anderson and Reeb et al., 2005; Batramd and Schoar, 2006; Le Breton-Miller, 2011). Conflict and nepotism point to an unhealthy environment and a shift towards inefficiencies in business outputs, especially when the family firm begins to grow, but the impact on the performance of the family firms is not fully understood especially in developing countries (Charles, 2011; Spring and Medade, 2008). Dominant "kinship culture" in developing economies, where institutionalization is low, also prevents the questioning of the performance of family or kin members. In other words, nepotism or favoritism based on kinship is often seen in countries where traditional ties, kinship and propinquity relations are deep, and the market economy is not fully developed (Özsemerci, 2002), but it is also experienced in the family firms of developed countries. Tanzania, where the trust climate is very important because the market economy is not developed and norms are not created, and Pakistan's Telecom Industry, where technology is widely used

and the industry is perceived as more institutional and nepotism based on being a relative, a fellow countryman, and a close individual is seen normal and necessary within the framework of cultural norms of the country, stand as the examples in the literature where nepotism is adopted and considered useful.

Generally speaking, in all traditional societies, social positions, statuses, individual and familial positions are determined by tradition and power. Some families have a more obvious weight, and the ruling groups and families behave according to traditions, according to their own values, and official organizations exhibit behaviors that are appropriate to the public and mostly to social values and models are created accordingly (Al-Aiban and Pearce, 1993), thus practices and understandings of nepotism may diversify.

Although the filling senior management by family members refers to a less mismatch performance in favor of the organization in the distributions of interests included in the "agency theory" (Eisenhardt, 1989), nepotism is thought to be closer to the stewardship theory, which indicates the dedication of family members, rather than the agency theory.

Especially founder-business owner executives sometimes employ family members or relatives without considering the talent, competence and added value as being out of business rules and ignore weak areas, do not use recruitment methodologies (Ateş, 2005: 12), sometimes a special position is created for family members and relatives (Ilter, 2001: 14), although rule and performance systematic are put forward according to nepotism, other employees are victimized in this case (Vural and Sohodol, 2004: 330, Dökümbilek et al., 2010: 46). Failure to institutionalize the family firm, difficulties in forming a management committee and board, family and business interference and affection, lack of authority-responsibility

balances and founder-business owner to be the only person responsible for everything, the existence of nepotism while experiencing specific problems such as the employment of family members may become one of the most challenging issues affecting performance.

Nepotism can create polarization in the workplace and cause insecurity. Labor performance will naturally be adversely affected without internal guidance and sharing of common values. This may in particular lead to the loss of valuable executives and the difficulty of acquiring new ones. The expression “the cardholder is a relative of mine” used in our country as an ironic anonymous statement is favoritism in some way and is similar to nepotism, however, it seems more realistic to describe this situation as cronyism favoritism applied to fellow countrymen, friends, interest groups and close acquaintances.

Nepotism in general, is a concept that means acting prejudiced and biased. It is keeping some employee superior to other employees during recruitment or employment. Under normal circumstances, choosing among those who are open to development and making them advantageous can be considered as a positive result for the firm both in terms of employees in general and often in terms of utilizing available resources.

In the firms where Nepotism exists, employees' trust in their institutions and employers, and their job satisfaction and organizational commitment decrease and job stress increases (Özler et al., 2007, p.437-450; Büte and Tekarslan, 2010, p.1-21; Asunakutlu and Avcı, 2010, p.94-109; Karacaoğlu and Yörük, 2012, p.43-64; Büte, 2011, p.175-184; Yıldırım, 2013: 353-380). Therefore, these negative effects limit the abilities of the employees in the firms or make it difficult for them to see their own abilities, and prevent innovativeness and following innovations, which is one of

the most important competencies of today. In a study conducted by Gök and Ekmekçi (2015), it was found that there is a negative relationship between nepotism, which is a hindrance in the selection of talented individuals, and employee performance. In other words, it is determined that as the level of nepotism increases, employee performance decreases (Demirel and Savaş, 2017: 138-139).

The management of "talent", which is defined as "ability to understand or do something, capability, aptitude; innate power, capacity in the organism to comply with a situation; the inheritance and the framing of learning and the ability to receive influence from outside" in Turkish Language Association's (TDK) Dictionary, is a new management approach based on the philosophy of providing talented employees with appropriate environments to benefit from the full performance and to train the most talented ones as strategic leaders of the future (Çelik and Zaim, 2011: 37). Corporate organizations have a number of tasks to ensure that talents are not affected by nepotism. These are identifying, measuring, and assessing employees' existing talents without discriminating in a fair manner by clearly demonstrating their specific core talents and compensation; identifying and implementing criteria such as training, rewarding, measuring and developing that can be effective in maintaining the equality of opportunity and providing equal opportunities in developing; and maintaining equity in the sharing of resources in the development process (Blass et al., 2009: 23-24, Demirel and Savaş, 2017: 134). Likewise, there are also responsibilities for family members. Family firms should institutionalize and employ family members according to their abilities and merit if they are to work in the family firm in order to protect their future, maintain their growth and prevent nepotism. Both family members and managers should think professionally and should manage family-business balance professionally based on common sense, in a

win-win perspective by acting objectively and emotionally. They should establish neutral “Audit, Internal Control” systems for recruitment, expenditure, exercise of authority and responsibility, control of promotion issues and sustainable operation.

1.9. The Significance and Actuality of the Subject

In industrial and pre-industrial societies, kinship ties have been the reason for preference between the political and economic elite circles. Bell and Harris's research shows that middle-class families in Anglo-Saxon culture have close ties to their distant relatives, and that small firms are mostly family-owned. On the other hand, although societies that transitioned into urban life produced alternatives to kinship ties, they did not eliminate them completely (Zenner-Gmelch, 1988: 225-226).

It was contemplated that observing and understanding the kinship qualities or alternatives in the urban life of Istanbul through the family firms researched could be an interesting journey for the study. As stated in the introduction part, there is no anthropological research that observes and experiences in detail the family firms that constitute the motor power of the economy, and that came from Anatolia to settle in the metropolis and foresee the growth in the metropolis (It is possible to state that urbanization and metropolitan formations show a similar trend in the world). Studies and researches on family firms in the world literature are generally conducted in business administration schools in terms of financial performance and management modeling. Research in this field is also very limited in our country.

For example, a research topic of a study titled “Family and Business Values Affecting the Continuity of Family Businesses” conducted at Akdeniz University is similar to a part of this study, and the study points out that protecting cultural compositions in family businesses prolongs the lifespan of the firm, particularly during the second generation. In this research, 45-90 minute interviews were conducted with the owners or managers of 10 small firms, and inferences were made about which values were in common discourse. (Erdem, Başer, 2008). However, a shorter study was conducted in terms of depth, duration and area, and no participatory-observational methodology was followed. This research was published in a periodical in 2010.

As stated in the "Family Businesses Congress" held in Istanbul in 2008 and 2012, there are not enough effective and reliable studies on family firms in Turkey as it is in the majority of other fields, in other words, there is not enough research on this subject as it is valid for today. This naturally leads to the lack of awareness of research and innovation in observing issues such as international business relations, the commercial core of the society, local commercial spirit, industrial or commercial kinship relations, urban life and institutionalization, as well as cultural ties. In the congress held in 2012, the list of master and doctorate theses in this field and the subject areas were given. However, it was observed that their numbers were not high and there was no anthropological research (Kultur University: 2012, “Family Businesses Congress Notes”).

White (1994), in her study of local solidarity in Istanbul, referred to “*Malatyalı”* identity through researches on a family firm whose founders emigrated from Malatya to Istanbul in her book titled “Money Makes Us Relatives” and a more in-depth study on this issue may be complementary.

There are three anthropological studies which are cited as references in the world literature. These studies include S. J. Yanagisako's study of 38 firms in the silk sector, carried out with family formations located near Lake Como, Italy, in terms of family, kinship and production orientation, the beginning of divergences in the second generation, the formation of limits, technological divergences and new formations (Yanagisako, 2002; Steward, 2013:3); J.Goody's unbiased research related to production and generational sustainability in central north Africa without distinguishing the society as primitive-developed, including property-transfer-business areas in terms of land plurality and scarcity of people and employees, and taking into account historical development (Goody, 1976; Steward, 2013:2); and a study by M.M.Hamabata, examining a family firm in detail, adaptation to Japanese culture from the perspective of an American-Japanese educated individual, the position of the family member women in a male-dominated culture, and the situations and feelings in the family firm (Hamabata, 1990; Steward, 2013:4).

Although the Italian case deals with the relationship of "kinship", which has a significant meaning in anthropology, in the field of family and family business, it examines an industry specific and non-metropolitan example despite investigating a more dominant firm. The Hamabata case also looks through American Japanese cultural perspectives and examines the position of the woman family member. Although Goody's analysis does not make a "Victorian" distinction in an agricultural structure, it articulates about economic changes and family relations in a society that is underdeveloped and suffers from property transfer (Steward, 2013).

However, these valuable studies which set an example of using kinship theory are significantly different from the institution that is subject to the research, which shows a different growth dynamic and is observed to meet the economic

performances of the day. It is stated by many researchers that it is/will be difficult and very toilsome to investigate family firms in detail. Therefore, it is believed that an original and different research will be carried out in this research subject, which uses observational research technique and aims to investigate an institution in detail.

If the research institute has a success story today, it will be tried to observe whether the reasons for this come from the values, virtue, approach and goals of the founders, and if strong feelings of such an acquisition arise at the end of the research, it can be a reference to all family businesses as an example of a strong probability of "success" with the integration of family virtues into the organization and the unmitigated application of it to everyday life. There are many successful institutions that reach the 3rd and 4th generations in Turkey. Family firms will be able to benchmark their processes and, if necessary, improve their activities in relation to these organizations or the institution researched.

The importance of virtue and values is widely accepted. The strong feelings that these values and virtues, economic development, business administration, and growth are the motor power and the realization of them in a family firm with high success graphs will attract the attention of the policymakers responsible for education and training. It is not utopian to state that contribution of virtue, value and trust to the economy will be narrated, expect these narrations to be added to the secondary school book pages. As reported in the literature, trust is the fastest problem solver and benefit producer in social life and business life, and it is one of the most important parameters of leadership and traceability.

According to the results of the World Values Survey, our society has one of the lowest values in mutual trust index. If the results of the research reveal traces of the benefits of the trust environment, a positive message will also be given to the

society. (World Values Survey, 2015, Bahcesehir University). A contribution will be made to the academic repertoire of family firms that needs research.

As a lateral issue foresaw or thought by the researcher, in case a new family holding company including new start-up firms is established and a good example about assigning new generations or other family members to this holding and the protection of the parent company from nepotism are observed, the study will be presented as an academic resource.

Strong expectations about transformation of the issue of "institutionalization in family firms", which has been studied by business administration schools, from values and integration of these values and an example of an output that makes decisions and practices into written rules and systems based on values, will also be an academic study that can be taken as a reference.

About 94-98% of the financial-commercial organizations are family firms in our country. Family firms, which are institutionalized by managing the verse of values, are the motor power of the economy in a way that will grow productively, more prestigious and healthier for generations. In this sense, if the results generate an added value, the research is carried out with this belief; it will create a sharing platform for producing and providing benefits for the national economy.

2. THE OBJECTIVE AND PROBLEMATIC OF THE RESEARCH

The main objective of this study is to investigate the internalization of values based on family values in family firms, the journey towards institutionalization by adding some values which are necessary for business life, the behavior models, approaches, feelings, orientation styles, family and institutional climate in this journey by living and observing and with an anthropological acquisition.

The first conceptual templates of these objectives include the discourses that the researcher hears directly from an entrepreneur, an insistent entrepreneur and the founder of the family firm about nine months before the date of the research. The main objective of this study is the idea to form a unique and altruistic resource for those in this field, new entrepreneurs, and the academic information pool by investigating and researching the family approach, and being an institution approach of a family that adopts the same approach, values and virtue as a principle as it is observed and explained from the outside, and an institution, which began a journey with its own family members as a small family firm with 2 machines and which reached 14 people with the participation of mainly family members after a certain period of time it, and continued this journey as a company that employs 42,000 people during the time of the research, has operation in 40 countries, climbs to the top taxpayers list each year and is expected to make a turnover of 3.5 billion USD for 2018, aims to increase this turnover by 2.5 times by 2023, attaches the essence of its decisions to its values and continues to walk and grow in this way. Also, it is worth noting the examination, sharing of the practices related to mitigating and even solving the problem of nepotism, which may be a barrier to corporate decisions,

management practices and business styles of employees, managers, and families of the family firms committed to growth and sustainability.

How did these discourses, which were thought and shared as a high school student 25 - 30 years before the current situation, affect the founder and the institution he established with another family, what kind of a journey took place, and where did the journey lead? These questions shared below, which were asked by believing in social life and social responsibility and which contain the "combatant opposites" and which were raised directly by the founder of the Family Firm, were indeed the triggers and even the source of the objective of this research:

> "*Why shouldn't our country have quality institutions and brands?, Why shouldn't our values and social responsibilities come before money?, Why not be virtuous?, Why shouldn't we earn money by paying taxes, by giving employees the rights they deserve?, Why not make it possible to please other people - employees while earning for ourselves?, Why shouldn't I be the most taxpayer?, Why not treat our environment and our employees by caring about them and not being obsessed with ego?, Why should we always continue to hear negative conversations about business people, or fabricators as it is more commonly used in the past?, Why should the bosses except for the "Hulusi Kentmen" model are always narrated badly even in the films of an era?*

In addition to these discourses, the answer to the question asked to him later in a very crowded conference is as follows;

"*It began with a single question arising from the unrest that grew up in a young man who lived in poverty for a period, who tried to understand the world in the pasture of the village and had problems in his head, who started working in an export company after graduating from university and "seeing the world" in his own way, but this question has four pieces"*

- *Why did we fall behind, can't we get anything worldwide?*
- *Why is there an inequality of opportunity?*
- *Why is there no fair management? Especially in appointments and promotions*
- *Why do bosses and executives apply or love post-modern slavery?"*

"A vision has been determined in response to the first issue, to become one of the most successful three clothing retailers in Europe by 2023. The answer to the second issue was found within the expression of the mission. "Everyone deserves to dress well", which means that the child of the minimum wage employee can be dressed as our own. Third and fourth issues were also included in our values. Serving employees with fairness and equity was determined as the basic corporate values rather than being like a boss.

After the institution began to grow, especially after entering foreign markets, some problems related to equity issues began to arise and I even thought of quitting the business, and I shared this opinion with my family."

Owning a fairly managed grocery store or owning an institution with thousands of stores that might have problems with fairness?"

Again, a question arose at this point.

"Why am I doing this business?" As the right answer to the first is "fairly managed..", when I answer the other according to this question, I realized that the issue can be resolved by raising "virtuous leaders", and "Double Winged Leadership" became my basic philosophy, on one wing there are virtues, and on the other wing there are serving leadership and having leadership skills, raising resources for their development."

(CEO, 55, Male)

In the light of the discourses mentioned above, it will be investigated whether the following fixations are valid and what these principles mean for the firm.

1) “The success story of a family firm (growth, reputation, employment and development, fairness, compliance with the law in every sense) is expressed through the discourse of virtues and values.
2) Characteristics including family values, family values transferred to the founder, stewardship, fairness and equity which are at the root of social capital in the family firm, can become corporate values as the focus of institutionalization and become a parameter to constitute a difference with other firms.
3) The value range has an indispensable place during the ascension and development stages, it is stated that trust and serving others behavior models, the existence of a serving leadership approach will bring the greatest reputation, unity and corporate trust.

3. RESEARCH METHOD AND ETHICAL EVALUATIONS

Family firm systematic, which stand as one of the local types of business under the umbrella of urbanization, and journey from values to institutionalization in this systematic are selected as anthropological research subjects. The research was initiated in the beginning of 2014 by giving priority to literature research, and as the literature enrichment continued, field observations began at the beginning of 2016. The field of study is the founding, major shareholder family and their apparent members of RCC (Readymade Clothing Company), FHC (Family Holding Company) and OHC (Original Holding Company) as it is presented in detail in the Findings section. The field survey, which was planned as 1.5 years, took approximately 2.5 years. Trust, social relations, and most importantly, the behavior, management and relationship dimensions of the founding family members brought richness to the issue and a literature research has been done also on this subject.

This study was initiated by defining the criteria for determining the suitability for institutions and organizations where fieldwork can be carried out. These criteria are as follows;

- For analyzing different characteristic in terms of value, trust, difficulty, relationships, kinship, financial and local strength from different perspectives, the family (s) should be selected among the families born and raised in Anatolia and then migrated to a metropolitan city like Istanbul.
- First and/or second generation should be the institution's management, or the firm should belong to this generation (This condition will be sought in the family firm definition).

- It is important that 360-degree interviews can be conducted in a way to include city organizations, relations with social organizations, family members, employees, customers and relations between society as much as possible. Understanding emotions of different relationship groups, emotional ownership, the trust created by the family firm and family members, leadership, participation in decision making, performance-based payments and continuity, business responsibility for growth and contributions to the sector are important for the journey from values to institutionalization. In this sense, a non-statistical research question list should be prepared, and this list should be discussed with the members of the institution.
- The institution should be able to give examples of financial success and should be in a sustainable line within the framework of this success.
- A usable and researchable example application of risk elimination to ensure the continuity of the family firm will be sought.
- The objectives of the institutions, recruitment and dismissal within or outside the family, access to financial statements, information transparency of family members and non-family members, decision-making platforms such as credit and business growth should all be auditable.
- If necessary, an in-depth questionnaire should be prepared, and this questionnaire should be used to learn more about other family organizations and firm members. It will be beneficial to have detailed questionnaires on issues such as building trust, leadership, ownership, decision-making, building team and business relationships, and experiencing difficulties (it will not be planned in the first phase and will not be used unless it is necessary).
- Narrative expressions should take place for the original country periods.

- It should be a participative, observational, and experienced family firm research in accordance with the basic research dynamics of anthropology.

It is also very important that the researcher himself works in a family firm where he can understand the basic field activity. The researcher should be very careful about the issue of "self-reflexivity", and he must apply and demonstrate individual control and impartiality, an anthropologist's attitude during the research and report writing process.

The researcher graduated as an engineer from a well-known Technical University of the country and later completed a master's degree in Business Administration. He started his career in a family firm where the founder was at work, but a professional General Manager was in the management group and after that, he worked as an engineer and middle level manager in a medium sized family firm. Subsequently, he worked in a complete family-owned firm and Turkey's second largest holding group as a middle and senior manager for a long period of time, and then, he worked for two years in the public sphere as an executive at the TUBITAK Management Sciences Institute, and also worked in various public and family firms on various projects simultaneously. He has been working as a senior executive in charge of investments and auditing activities for 9 years in a family firm, and as an additional member of the Board of Directors in the last five years. He is currently working in the same firm, which is also his research field. The research-related period has taken more than two years. He was among the three people who prepared the ethical values of the firm and the ethical agreement with its suppliers in the period before he started the research, and is a member of the Disciplinary Board, where ethical and fraud type issues are evaluated. He is also the person who has written the main frameworks of Social Responsibility and Ethical Values policy in a

large family holding company, where he previously served as the senior manager of Human Resources.

It is worth emphasizing that the Family Firm research is a difficult and comparative research field that requires experience and a longer period of time, which is emphasized in the literature, i.e. Handler (1989), and the practice confirms this argument. The real advantage at this point is to be a member of the institution and to be able to see the flow. Due to the experience in the field of ethics an advantageous situation arises in terms of business ethics (In addition, the previously completed Gestalt coaching program certificate, which aims helping one to realize one's own potential for providing solutions to others' problems, and thus creating one's own neutrality and Nirvana, provides a supportive contribution). It is difficult to conduct an observational, participant, ethnographic research without being a member of the family firm, and this is confirmed by the fact that anthropology - ethnography has only 1% in family studies. It is still on the advantage side to have access to family members and founding members.

On the other hand, being acquainted with certain aspects of the institution carries the risk of being easily caught up in interpretations like "this is so" from time to time. Since the institution is also a successful institution, the burden of looking at some issues positively and perhaps not being objective and impartial without realizing it, is on the researcher's shoulders. In a sense and sometimes even harder, this is an approach like looking from the perspective of an engineer, in a construction-based manner and being too "structuralist". The occasional benefit of this approach is that it allows reasoning to be realized in a more questioning manner. Standing neutral as a solution, asking the interviewees to be more objective, and being able to create interviews that include 180-degree different views will minimize

this disadvantage. It is also beneficial in general terms to emphasize this issue with the interviewees.

Although “anthropology” has an “interdisciplinary” specificity, as it has always been emphasized and stated in publications, the use of active “I language” is expected as a general expectation and tradition. As the ones with technical background use passive language, there is a differentiation in the writing language and becomes similar to book language. Passive language usage, which is sometimes used as a model in engineering or technical reporting jargon and aims to emphasize objective observation, may be observed in the research literature due to habits from the technical background.

During the plan phase, a detailed draft plan was prepared with at least 10 family members, at least 10 executive employees, at least two suppliers and acquaintances and in-depth interviews were conducted with 11 family members-relatives and 15 executive employees. However, in case of similar opinions and idea sharing, one of them was selected and used in the research paper. As emphasized earlier, the method is participatory, observational, and partly in-depth sharing. The participatory observation was fully utilized and although some observations were individual, different perceptions, if any, were tried to be put down on paper by asking different people. Institutional systematic issues were also tried to be understood by monitoring and discussing main processes, practices, standards, main system, audit activities and their results, financial and third-party audits, and Human Resources policies and practices.

Although some research methodologies information that was considered important in literature research and examples of experience did not include a direct ethnographic model, they were evaluated in terms of their perspectives and tried to

be benefited. The following are a series of methodologies that will contribute to the impartiality of the researcher who briefly examines the different methods that will contribute to his research method in an observational, participative, “insider”, and “halfi” manner and enrich the thinking.

There is a family and firm dichotomy in the form of conflict or contradiction between family harmony and business performance in a family firm. There are 3 subsystems according to universal thinking in family firms’ model of Harvard University Professor John Davis, “Family system, management system and ownership system”, which is also known as the framework research of the “Three-Circle Family Firm Model” presented in Figure 30.

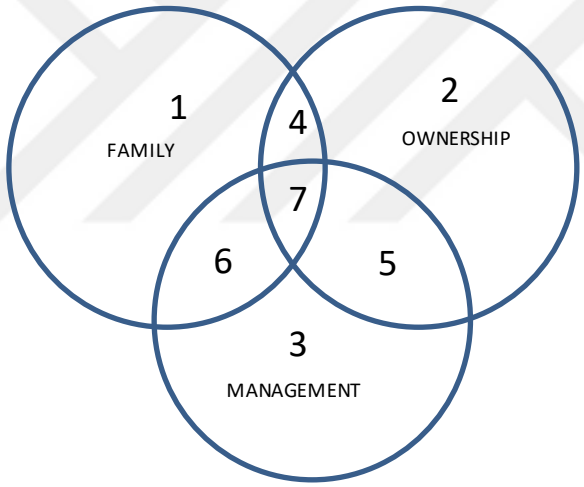


Figure 30. Three-Circle Family Firm Model

Source; Gersick, Davis, Hampton & Lasberg, 1997: 29-38; Davis, 1999

There are 7 categories in these models and positioning by category provides ease of analysis.

1 He/she is a family member. He has no shares and does not work in the company.

2 He/she is a shareholder. She/he is not a member of the family and no contribution in management.

3 He/she is the manager (or one of the managers) of a family business. He/she is not a family member and has no shares.

4 He/she is a family member and a shareholder, but he/she does not take part in management.

5 He/she is a shareholder and has a word in the management of the company.

6 He/she is a family member who does not have any shares but takes part in management.

7 He/she is a family member and a shareholder, he/she takes part in management.

(Source: Gersick, Davis, Hampton & Lasberg, 1997: 29-38; Davis, 1999)

Davis (1997-1999) integrated the three-circle model by analyzing family firms and emphasized the importance of locating key members in this triple model. There are seven regions in the model and three loops intersecting each other for the identification of family members, non-family members or shareholder members are indicated as above. Each overlapping area in the subsystems should be managed. One of the topics in the research aims to make some issues clear such as; the transfer of business to the next generation and synergy, the continuity of leadership in business and management issues, the continuity of economic value and control through ownership, and the elimination risks for maintaining family members and leadership and ensuring long-term sustainability. The following areas and questions emerge as questions in need of investigation, answers, observations, and research by being based on the Three-Circle model and "Dimensional Family Development Model" presented in Figure 31 and considering governance. Three-Circle model in a family firm is defined in terms of family, ownership, management and also deeper dimensions. For example, the ownership dimension is separated into further detail in

the form of the start-up phase, sibling partnership, cousin's consortium and distant relatives' period (Figure: 31).

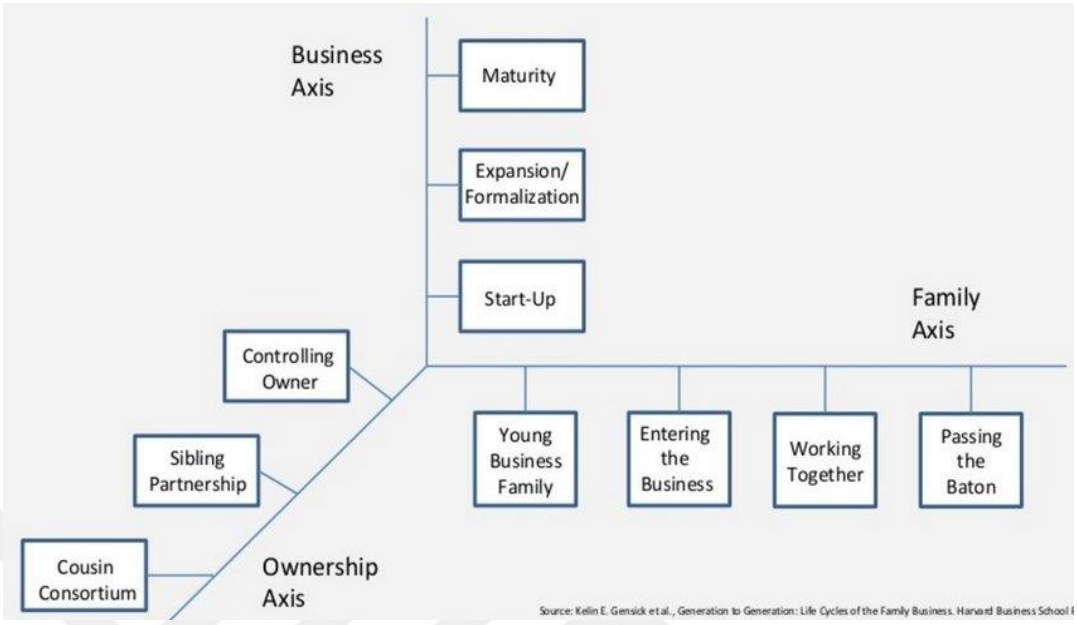


Figure 31. 3-Dimensional Family Development Model
Source: Gersick, Davis, Hampton, Lansberg, 1977: 29-38

According to Kenyon and Ward (2005: 7), the "individual" can be added as the fourth circle or a point of view. From now on the individuals' own needs, objectives, expectations constitute a thought process and it may affect other parameters.

At this point, as Santiago (2011) added, separations can be done in the form of family members, blood relation, kinship, marriage, elders, the participation of the 2nd generation, majority ownership, minority share managers and senior, moderate and absolute beginners.

Kenyon and Ward degraded the ownership dimension of the "Three Dimension" in a little more detail, as shown in Table 25, and set out a more detailed context about the Start-Up Phase, the Sibling Partnership Phase and the Cousins

Consortium Phase. The system adopts an approach from controlled management to participative management or operation. In his thesis research published by MIT, Srisomburananont examined all the phases given below in detail and enriched them with examples (Srisomburananont, 2004:10-55).

Table 25: *Family Firms Property Phases Typology*

• **Phase: Controlling Over**	• **2. Phase: Sibling Partnership**	• **3. Phase: Cousins Consortium**
• Direct decision-making from the top	• Decisions are made by consensus	• Democratic decision-making process
• Authoritarian Structure	• Intense and spotty relationships	• Scattered ownership / stockholding
• Fast decisions	• Diversity	• No one has absolute control.
• Others feel that they are not in the game	• Creativity	• Channels and defined processes are available
• Simplicity and plainness	• High risk of "conflict"	• Decreased individuality

Source: Kenyon-Rouvines, Ward, 2005: 10

Parada (2015) emphasizes that it is difficult to understand the systematic classification and governance of family firms with a triple model and requires a holistic structure. There are difficulties for a management model in terms of compliance to all organs of the family firm (Corbetta and Salvato, 2004: 119-126). It is asserted that the complexity in family firms can be approached with the theory of Social Systems through the transition from an individual focus to communication patterns, the logic behind communication and governance can be understood by turning to communication networks instead of individual roles (Von Schlippe and Hermann, 2013, Parada et al., 2015), the relationship-based communication need of the family and the decision-based communication need of business life can be

overlapped and thus the difficulty of understanding can be resolved. Institutionalization, role differentiation, management practices, communication and succession parameters approach within the framework of structural risk model (Gimeno and Coma-Cross, 2011) may create an environment for understanding of family firms better and coordinating relationships and connections (Parada, 2015).

Family firms show a wide range of administrative and structural differences from simple to complex, and sometimes complex structures may have a similar management style, although their systematic are different. On the other hand, these family firms differ in terms of epistemology, linguistics, psychology, cognitive sciences, and management science, and they truly differ in mental structure or beliefs and behavior. It is possible to assess these differences of Family Firms in six categories within the framework of the approaches mentioned above. These categories are;

"Captain, Emperor, Family Team, Professional Family, Corporate Family (Corporation) and Family Investment Group" models. Although the "Captain" includes simple business and family model and the "Emperor" includes complex business and family model, it depends more on the management, style, and values of a single person or a member(s) acting too trivial and equivalent. In the "Family Team" model, the non-complex business is work-oriented though there is a crowded family group. And professional behavior approach is essential in "Professional Family" model. The professionalization of family members and working as a team are envisaged for these formations, where there is a competition for senior positions, high probability of emerging problems despite all the more complex situations, and the CEO position is of great importance. "Corporate Family" model includes firms, which have a complex structure, where the family has weight but is not included in the

management, which is structured according to talents, where entrepreneurship spirit, behavior and practices predominate, and where all managers, including the CEO, are considered as an employee despite being family members. In the "Family Investment Group" model, the family invests in different firms, but does not take part in their management. This model may co-exist with other models simultaneously. All six models point out that there may be problems in terms of mental (beliefs, cultural), complexity and structural risks and this can be defined the "Family Firm Management Triangle" as it is shown in Figure 32 (Gimeno, Baulenas and Coma-Cros, 2010/11).

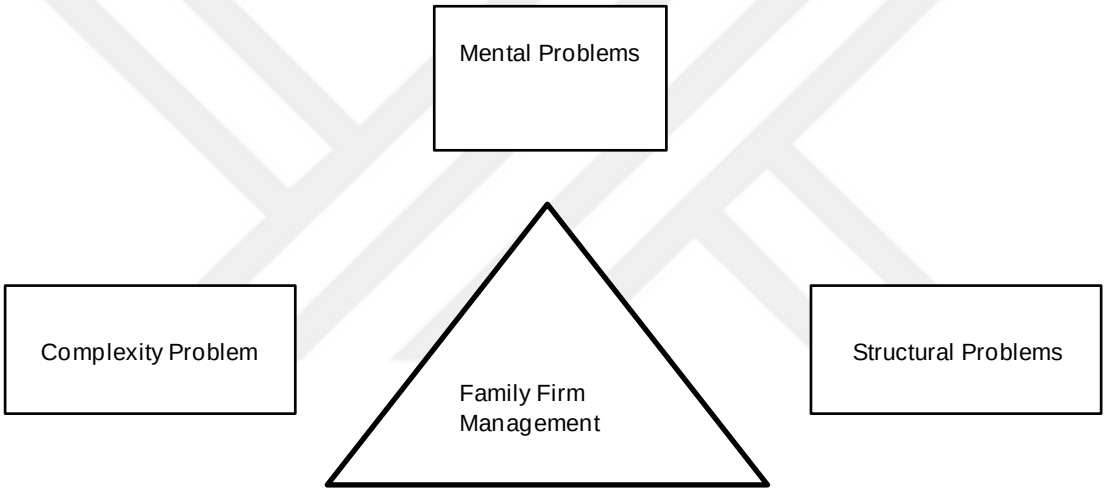


Figure 32. Family Firm Management Triangle

Source: (Gimeno, Baulenas and Coma-Cros: 2010/11)

Structural areas are related to the model in which family-business dichotomy was established. The degree of complexity or difficulty is related to the amount of family ownership, and the small number can be expected to create a better functioning. Thirdly, if the current practice or model cannot support solving future challenges and the family cannot create an environment to correct it, the family enters or has already entered to a challenging problem environment such as mental

disorders (as in the medical sense), where the solutions are truly difficult. The main reason for the disappearance of family firms is mainly related to the third group, which involves mental problems.

Issues to be taken from the three-circle family firm model such as; ownership, relationships within the family and business triangle, past and future expectations, the impact of family values on organizational structures and management styles, favoring or not favoring the family members in the business environment, effects, pressures, formations or requirements that force family businesses to change or transform, any support or barriers for changing/transforming towards institutionalization, organization structure, the change in recruitment-promotion policy, value given to employees, experiences during transition to professional management, limits of the family firm (single family or several partner families), characteristics, continuity systematic, trust and intangible capital were evaluated as areas that could be included in the interviews.

While investigating kinship and other relationships, the research aims to enrich the interviews and narratives as much as possible by adding the following facts; relationship dimension between relatives and non-relatives, direction of relations with change, assessment of the presence of close relatives in the company for the stability of financial matters, comparison of the known limits of relatives with the qualifications of unknowns (outsourcing), criteria, methods of the founders or shareholders for combating uncertainties, status of the family firm in metropolises as a hope for the ones in villages, the presence of nepotism, the emergence of perception and other stakeholders point of view on this phenomenon.

Nicholson and Björnberg, who conducted various family firm studies for "*Institute for Family Business*" at the "London Business School", point out three main

parameters for a framework for research on family sustainability and transfer to future generations. These are as follows in order and with contents:

- The bonds between new generations of family firms and the firm can be grouped as; emotional ownership, working in the firm or having other occupation outside, and perception of privilege to family members.
- Family relationships, the functioning of the backup process, the nephew - cousin relationship dimension, the outputs of conservative or liberal climate; assignment of a different and hard-to-communicate family member in the family firm, different requirements of family and business, clear positioning of spouses (including brides and grooms),
- Decision making processes; they are critical areas in the distribution of power within the family and bring autocracy or democracy with them. Age differences or similarities are also an important input for this area. Being fair together with power, being at equal distance, or briefly the status of fairness being procedural or evenly distributed is another sub-process of decision making. Finally, in the field of governance, it is the perspective of acquiring experience for new family members within the business-family dimension and having a word in some areas (Nicholson: 2007: 3-7; Gönül, Isik and Sahin, 2018: 167-169).

This “common sense”, defined above and which has emerged from different researches, or some of the “research fields” have been evaluated as a benefit area in the new research and the fields to be concentrated have been tried to be determined.

Handler (1989), on the other hand, emphasizes five important factors in family firm research such as; identification of family firm, studying with the logic of process reporting, individual self-evaluation and impartiality of the researcher,

finding assistance for individual research, getting support from different methods when necessary. Handler discusses the difficulties of accessing family firm data, and the closeness of strategies, corporate performance, and family relations in the working with the process reporting logic title. Handler quoted from Beckhand, who suggests that the researcher who will conduct a family firm research should have system knowledge and skills, a system perspective, experience in family firms, and social modeling and methods education. She also comments that psychologists and anthropologists are very good at this field and that the research process is better recorded. As a contribution to the methodological study, Handler proposes the implementation of the "3-Dimensional Family Firm Configuration" presented in Table 26 below.

Table 26: *Family Firm Configuration in 3-Dimensional Process*

Family Firm

1- Ownership – Management • Managing stakeholder • Family firm, professional management • Different shareholding structure, family management
2- Family Participation • Only founding stakeholder • Spouse • Child • Nuclear family members • Nuclear and 2-3rd Degree family members
3- Participation of future generations for the trans-generational sustainability of stakeholder families • None • Nuclear family members • Nuclear and 2-3rd Degree family members

Source: Handler, L.C.W., 1989 "Methodological Issues and Considerations in Studying Family Business", Family Business Review, Vol. no 3, 1989

As highlighted before, the researcher works in a family firm that is fast growing, on the international arena and tries to be successful, employs professional managers and does not neglect institutionalization as seen from its practices. Sharing this work as academic research began and continued with the assumption that it will be a tough, challenging, and exciting process that includes understanding firm values that are likely to come from family roots, taking a deeper journey to understand the culture, values and the impact of these values on institutionalization by conducting research with appropriate Turkish and non-Turkish employees and family members.

Two of the three founding families emigrated from Malatya to Istanbul, and some of the relatives and a part of the memories are still in Malatya. This information leads this study to White's study of "*Malatyalısın (you are from Malatya)*". In the current formation, children, siblings and relatives work in different fields of business besides ready-made clothing, which is the main area of the company. It is also interesting to examine nepotism in a basic family firm and, if possible, to observe the steps taken to mitigate it. Nepotism is considered as an approach and example that needs to be investigated on the way towards institutionalization.

While conducting this research;

Although the examples mentioned before are not complete ethnographic studies, the examples that provide useful approaches in family firm research have been kept in mind throughout the research for reducing the time lost. Experiences

such as the necessity of long-term research on family businesses, the difficulty and diversity of the subject, and the difficulty of accessing information are expressed by almost all researchers. Considering the fact that selection analysis is very important for private meetings, it was paid attention that the interviewees were selected among the people who knew the institution and the family at least for a certain period of time, family members, relatives, and fellow countrymen. Although the main topic in the interviews is certain, they were conducted within the framework of natural and objective observations and as much as possible within their own naturalness. Personality behaviors were also observed during the study and observations about family, kinship, division of labor, local solidarity, and managerial - leadership behavior models were made. As it was revealed that managerial and leadership behaviors were of great importance, this issue was emphasized in both application and literature.

Fields like values transferred from the family, course to institutionalization, corporate values, social capital-relationship dimension of the family and institution and the trust dimension, which was not previously planned but was understood while in progress, were included in the research literature. It is believed that the assessment of family members, who were in the same large structure but in different firms, also contribute to this research. The OHC CEO, who has been the best friend of the founder family since his youth, was also asked to make a different assessment of the founder member's behavior modeling and this assessment was included in the study.

An effort was performed in order to look from an internal and objective perspective. An attempt was made to focus on the process rather than the results and cultural motifs, values, perceptions, emotions, feelings and activities were tried to be highlighted. Aside from the questionnaire used in family firm studies and some

structured in-depth interviews that were relatively less used, the research tries to retrace the expectations, the memories and the values of the family members. The environment, comfort and body language in the individual narratives were particularly taken as an observation parameter with the contribution of the researcher's Gestalt model psychology coaching experience while carrying out this activity. Especially, it was possible to understand the respect and trust for these family members instantly from the body languages of those who make statements about the founder family member and older brother leadership behavior model and trust were also studied and literature research was conducted within the framework of these observations as mentioned above. However, the economic dimension and in a sense the business anthropology section has also been brought up in the perception of the firm section, in the sections related to transformation into institutional structure and mainly in the literature research section of the research.

Considering the fact that ethnography tries to explain the culture of groups and communities, institutionalization was defined as a cultural pattern in addition to other definitions and perceptions related to institutionalization were tried to be observed and understood.

During the data collection phase, some of the documents in the documentation system defined as the “Info house” of the institution, and direct and participant observation notes and interview notes were used for information purposes. And these were tried to be communicated using an appropriate title, and as mentioned above, interviews were conducted with employees who knew the family for almost 15 years.

Planned and unplanned interviews on fields like “transition from family culture to corporate culture, internalization of their values, experiences related to trust and family, behavior modeling” were conducted with family members and other

individuals. A small number of interviews were conducted in a qualitative and slightly structured way to stay focused, and in the majority of the interviews, the subject, the purpose of the interview, the method and the content were shared and the interview was allowed to flow as natural as possible, creating an environment for observing emotions, feelings and perceptions, and aiming to create anthropological value through participatory - observational practice. The voice recorder was not used because it somehow influenced the naturalness of the interview and was not generally preferred by the interviewees, instead, a quick listening and note-taking method was preferred with the permission of the interviewee. Support was provided by an employee who knows family members well, especially for the communication and interview environment with family members in different institutions of the main group. Interviews were conducted not in the home environment but in the business environment. Non-family members were tried to be selected from those who take part in daily managerial activities or from non-executive employees, but only from those who are assumed to have information about the family and the institution as much as possible. The researcher was directly involved in these interviews in order to obtain first-hand information. For the information related to the past, it was aimed to select the people who were actually involved in these past events. Especially during interviews with some senior positions and some family members, selective questions related to "leadership behavior modeling, serving leadership approach, trust building, meaning of institutionalization, remembered examples of some values" were asked. It was also tried to reveal whether the environment in which the interviews and the relations in the environment supported the shared and transmitted statements and approaches and an effort was made to feel the climate of the environment. Corridor conversations, tea queues, meetings, chat rooms, and recreational areas were also

considered as areas where comfortable conversations and informal conversations are conducted and the information that emerged in these places was included in the writing within the framework of creating meaning on the subject.

The researcher has been a member of "Family Firm Institute" for 1.5 years as well as publications after the research subject was determined and took part in Family Firms Working Group of Corporate Governance Association. He is still a member of this working group. In addition, the family firm studies and researches of 4 independent audit and consultancy companies (PWC, Deloitte, KMPG, EY), which are known as "Big Four", and Swiss-based company IMD (International Institute for Management Development) were followed from their websites and journals.

Institutions, urbanization, kinship, structuralism, habitus, domain definitions and distance from power relations, applied anthropology, business anthropology as stated by Foucault and Bourdieu's social capital studies were assumed to be useful and supportive, and these remarks were used in the study. Some examples of questions prepared in the design stage that may be used as reference in the research are presented in Appendix 27 as "Some of the questions to be asked to the second generation in field research".

4. FINDINGS

4.1. The History of Family Firms Subject to the Research

Two family firms whose values have been transferred to each other, but whose operation is completely different, have been selected for anthropological research. These institutions consist of Readymade Clothing Company (RCC), which is a single structure but has the status of large corporations, and a Family Holding Company (FHC) consisting of small family owned firms. In addition, the Holding group, which consists of a group of firms that are not in the field of research, but which constitute the original of both institutions, will also take part in this study as Original Holding Company (OHC).

Readymade Clothing Company (RCC)

The institution was founded in France in 1988 by two French designers and created the brand for the first time. The mission of the institution is “to dress people in line with their styles and budgets and make them feel good “, which is based on the belief “Everyone deserves to dress Well”, and its vision is “to become one of the most successful three clothing retailers in Europe by 2023”. This success is based on EBITDA profitability ratio, employee, customer, supplier satisfaction, social responsibility, risk management, and sustainability principles. The values of the organization are given as respect, honesty, fairness/justice, modesty, benevolence, love/compassion, learning/development, productivity, but the revision studies are still in progress. However, the institution did not abandon the values used and experienced before and continued on the basis of competencies. The partners of RCC are 3 families and its foundations were laid in 1988 in Istanbul. The first family is

from Safranbolu and the other is from Malatya. In 1997, while the organization carried out research to create its own brand, the family has decided to buy and later bought the firm which was owned by the French, developed it as a Turkish brand, and began to serve across Turkey in the same year with 21 stores. Since 2000, the company has become prominent with its retailer identity and has only grown to open its own stores. In 2000, it established a separate brand for teenagers over the age of 15 who follow fashion closely. In 2009, it opened its first store in Europe in Romania and has reached 38 countries towards the end of 2017. The legal/corporate name of RCC was changed in 2000 and in 2012 it was brought to the same name with its brand," the company adopted to act in accordance with its mission and vision, and it has become the market leader in the Turkish ready-made clothing retail industry and currently in 16 countries. The organization entered a new category in 2016 and became an important player in home textile products. Finally, it has entered the Sub-Saharan Africa and South East Asia continent with countries such as Indonesia and Kenya. RCC aims to offer quality to its customers at an affordable price as a market leader in the Turkish ready-made clothing industry. The firm offers quality to its customers not only with its rich product range and merchandising services and but also works continuously to increase and grow its services. The firm tries to make no concessions from its values and is engaged in efforts and it clearly declares that it applies applications that cover employees, customers, suppliers and the whole society in universal issues, product policy, occupational health and safety issues, and it is home to the culture of 40 different nations. The firm is determined to serve its stakeholders and states that it tries maintain practices like "respect for different ideas, cultural approaches and differences", "Management with Values" approach, differentiating itself with management quality and sustaining leadership,

Double Winged Leadership in the form of virtues on one wing, leadership skills and practices on the other one wing, serving leadership, and "multi-dimensional leadership" as a tool for development. Although it is not spoken in any way and in a subject like minority-majority shares, a family has more shares, and the main decision responsibility belongs to the CEO as stated in the company contract and in the official newspaper and the organization is managed in a trust atmosphere. The second large family does not interfere with management and has full confidence in the other family for management. One member of this family also serves as a member of the Board of Directors. But the majority of the Board of Directors consists of professional managers. The brand of the organization has become one of the most popular brands in the country, it has become the most popular brand, the sincerest brand and the most preferred brand in its industry.

Quality Policy of the Institution;

"It aims to produce market products that are convenient to the style and budget of the consumer, at the desired quality and time, which do not harm human health and the environment, in line with the needs and expectations of the consumer. The quality approach prescribes the improvement of all processes in accordance with the purpose and developing expectations, and when necessary, the redesigning and systematic recording processes.

Social Assistance Policy;

In line with its social responsibility policy, the institution has identified its main objective as dressing those in need, particularly orphans, and contributing to their education life. The company has decided to allocate 10% of its net profit to social assistance each year in accordance with this objective and to provide these

benefits through official and ministry-approved foundations, in particular Social Assistance Foundations attached to the Governorships and District Governorships and the Red Crescent. The amount of aid has been increased each year in line with this decision and in the last academic year, 13,618 students have been given educational support through the foundations affiliated to the Governorships and District Governorships and the Red Crescent. Clothing aid was provided to all 81 provinces through these foundations and the Red Crescent. In 2017, a total of 8,783,732 clothing products were delivered free of charge to the needy.

Information Security Policy;

"It prescribes protecting reputation and brand equity in the presence of employees, customers, suppliers; continuous improvement of the information security management system by managing information security risks of information assets related to "privacy", "integrity" and "utility" in order to the objective of being compliant with the third parties (business partners, customers, suppliers).

Ecology Policy of the Institution;

It emphasizes "the verification of manufacturing in a way that the world resources are naturally inherited to the next generations and ensuring discreet transparency based on data and information transfer in order to produce products in healthy conditions and in accordance with the health of consumers". In this context, as it is shared with the public;

- Sharing environmental and ecological product policies with all suppliers, sub-suppliers, employees and customers, contributing to community awareness through studies and notifications,

- Creating a new value chain with suppliers and manufacturers who adopt corporate values until 2023 and meet transparent, ecological, environmental and human health criteria,
- Identifying the improvable areas of suppliers about issues that are determined to adversely affect ecology and products in its own studies and standards, while being compliant with the laws and promoting continuous development,
- Conducting the necessary tests for the compliance of the products offered to consumers to human health with sampling test frequencies determined within the framework of scientific risk analyzes and not providing inappropriate (risky for human health) products to consumers,
- Making improvements to reduce the resources used, creating new business models designed to replace the resources used.

Actions of the Institution are as follows;

- Transferring the adopted principles to all manufacturers and suppliers in such a way that there is no ambiguous point for ensuring that the ecological product and environmental policy are clearly understood, providing the necessary education on this subject and raising awareness,
- On-site auditing of all risky producers and suppliers through audit mechanism and creating a value chain risk map,
- Ensuring the safety of products with comprehensive and systematic test modeling,
- Creating traceable systems by controlling the use of natural resources such as water and energy (electricity, natural gas) on the basis of processes and using these systems effectively,

- Ensuring that less waste is generated and that it is possible to recover these wastes by maintaining the controlled use of raw materials at the beginning of the process, reducing pollution by ensuring proper disposal of non-recyclable wastes.
- Determining and improving the chemical footprint while calculating the carbon and water footprint,
- Calculating carbon and water footprint starting from own centers, improving the current situation and organizing activities,
- Ensuring that raw materials that may adversely affect the environment and human health are reduced/not used at source according to risk analysis.

The institution became the 6th Turkish brand to be accepted in "2018 Global Challengers" report published by the prestigious The Boston Consulting Group (BCG), following Koç Holding, Sabancı Holding, Turkish Airlines, Yıldız Holding and Pegasus Airlines (bcg.com:2018).

Family Holding Company (FHC)

FHC is a small group of firms owned by a family from Malatya. The business lines of the firms are offset printing, digital printing, self-adhesive label production, corrugated cardboard boxes, socks production, catering service, textile production, energy, construction, and decoration and renovation services. The managing partners of the firms consist of relatives of the family such as siblings, sons, and brothers-in-law.

The RCC and the FHC are dual family firm business models in two different business groups. RCC is a large-scale establishment that creates economic value. The organization focuses on growth by providing services both in its own country

and in the international arena and by paying attention to social values. The FHC, which is composed of small enterprises managed by family members, is operated with the aim of acquiring management experience for family members and adding value to society by growing the business in a sustainable manner. This dissertation focuses on two synergies created by this model:

Ensuring that family members focus on their responsibilities, rather than active participation within the RCC and to provide resources for family members to create their future. Better backup planning and the ability to allow the employment of non-relative professionals; ensure the long-term sustainability of the RCC. Family members in FHC firms direct their organizations to focus on growth, development and new business fields. As a model, family members first receive internship and work at the RCC for a period of about six months. Family members actually worked in various fields during the early stages of the RCC'S development and they were either involved in OHC or the family holding FHC depending on the requirements. In case of establishing a new firm, a unique interview with the family member is conducted, values and business styles are shared again and the necessity of working only within the framework of these values is told, a certain amount of capital is allocated as a source for the establishment of the specified business, the member is made a shareholder without the majority of shares and he/she is ensured to take responsibility. The verse of values is almost the same and it is observed that cosmetic changes are allowed depending on the business line and requirements.

The establishment of this Holding was decided especially in the serious 2000 crisis and it was formed under the leadership and capital weight of two brothers who are the Chairman of the BOD and the CEO. The brother, who is the Chairman of the BOD of the firm, is also the Chairman of the BOD of this Holding.

FHC basic values are as follows;

- Being fair and honest in all relationships
- Being open to continuous learning by not being content with what is known
- Using data-based scientific methods in decisions and applications
- Believing the fact that nothing is impossible
- Respecting different cultural, ethnic, national and spiritual values
- Doing business fondly and trying to make it fun
- Conducting activities in accordance with legislations
- Being sensitive to human health and environment
- Helping those who need help
- Being flexible in practices, being open to change and innovation
- Being able to transfer all of these features to all areas of their lives

Original Holding Company (OHC)

OHC is a group of establishments that produce and supply garments to international readymade clothing companies.

The partners of this holding, which was the first holding, are the same 3 families and it consists of 16 small and medium-sized companies that are established in Turkey, Egypt, and Bangladesh. It is engaged in the production of different garments, clothes dyeing, chemical finishing, which can be identified as vertical integration. Since it is considered as a completely separate organization from RCC, this organization is not directly included in the research, but due to the fact that the executives are family members and it is the original institution from which RCC emerge, it is naturally included in the relationship and observation dimension. The

values and business style of this Holding have similar characteristics; the main stakeholders are also the stakeholders of the RCC. The CEO management of the company is also carried out by a school term classmate, roommate, and close friend of the founding member of the RCC and the CEO directly manage the business as one of the most trusted members of both the shareholder family from Safranbolu and the family form Malatya. In terms of business style, it is carried out entirely within the framework of his own decisions and this model produces successful financial results.

The values of the OHC are as follows;

- Goodwill and honesty in all relationships,
- Achieving the impossible
- Ongoing learning and development at all stages and sharing of information
- Using a scientific approach for decisions and practices
- Respect for different cultural values

And its vision is "*to become a first league player in the global clothing industry*".

The unique values of a member Company, which is affiliated to this Holding, in which the close family member is the General Manager and a shareholder, and which is located in Çerkezköy and is a leading company in its field, are as follows;

1. Occupational safety and health are top priority
2. Respecting and valuing people

3. Being scientific
4. Respecting every idea
5. Being innovative
6. Sharing information
7. Being honest
8. Respecting the environment
9. Contributing to society
10. Working with team spirit
11. Protecting the rights of suppliers
12. Never compromising on “corporate family” awareness that makes us who we are

Family:

Two families and then two families with small participation form the founding family of the firm. More observations and interviews were conducted with the family members who are still working in the management. The eldest of this family lives in their hometown and has been the Mayor for a period. They have 6 children; the older brother is the Chairman of the BOD and the following brother is the CEO as founding family members. Other siblings are usually in business life around the Family Holding. The elder of the brothers has three sons and the CEO has three daughters. The third children of both are still studying at the university; all the others are university graduates and well-educated individuals. The brother has two and the CEO has three grandchildren. Wives are also educated and took responsibility for maintaining the family order, relationship management and development and education of children. One child of each brother is still in education. During their student years, they gained experience during some days of

the summer holidays and after completing their schools they had long term internship at the main institution. Afterwards, they were directed to entrepreneurial institutions without being in the main institution.

In the other founding family, the father, who is not directly involved in the management, but supports within the framework of external trust and is a shareholder, is involved in various social projects in his hometown despite his advancing age. He achieves really useful results and finally manages the construction of a hotel. He has lost his wife three years ago. He also has a well-educated son and daughter and three grandchildren. He is interested in areas such as OHC, real estate, shopping center ownership, trade in some retail areas and energy. In addition to be a shareholder, one member of the family also serves on the Board of Directors.

Both families have a generic Turkish family philosophy. The family structure, which started out as large families, was later transformed into a nuclear family model when the founders immigrated to Istanbul, each sibling lives in separate houses with his nuclear family. Each family consists of mother, father and children, and the father spends most of his time on business and needs related to home-family, family relationships, and the management of the economic life of the house is carried out by the mother, and a significant weight of the mother is observed in the educational life of the children.

In this sense, it will not be accurate to state that the nuclear families are in a father-oriented structure which is generally observed in the Turkish family structure (However, a more patriarchal family model can be attributed to the father house of the founding member, brother, and siblings). There is strong division of labor,

mutual respect is essential, and values are also applied in the family. The spouse of the CEO was working in the export firm where the CEO began his first business when they first met, and then she left this job in order to be responsible for managing the family after marriage. In the architectural firm, one of the main group companies, the family member was responsible for the management of the business and his wife, who was an architect, was responsible for the creation of architectural processes, but the wife has left her position to other professionals after the birth of two children and the development of the business. In general, the children of the founding family received high school education in Turkey according to the request of their mother, but in a way that enables good education. Only the younger son of the elder brother, who is the Chairman of the BOD, has convinced the elders and is still in higher education in the UK despite beginning his education in Turkey. The son and daughter of the other large stakeholder family have also completed their education in Turkey, and then they returned to Turkey after receiving their master's degree in the USA. It is observed that family values are very similar in all households representing the family, they gather together on special occasions, and they share their ideas related to business assessment in these meetings. Especially the nephews share their experiences in these interviews, and they receive some kind of coaching and mentorship support in finding their direction. The family goes to Malatya every "bairam" and "congratulate each other's bairam" in their family home.

4.2. From Family Culture to Institutionalization Culture

The organization also listed the added values, the majority of which came from the family and were only added for direct business-related needs, shared them

in every environment, and furthermore, their decisions are made based on these values. The values that are added for business-related need are being customer oriented, choosing personnel that are suitable to business and being serving leaders. However, "stewardship" is again an indispensable value of the family, and it displays the values of being humble and subservient and the behavior of these values in practice, though being responsible for making high-level decisions. They are particularly well known in the public with these values. Interviews with many former employees emphasize in particular that this has become a cultural norm and shows that they are also applied by themselves.

For instance, the family member who serves as the Chairman of the Board of Directors used the following statements himself during the interview.

"While creating the target of opening 100+ stores abroad in 2017, I explained to our friends why this should be achieved as:"

> *"100 stores abroad make an average turnover of … USD, half of which is the cost of goods sold (approximately 50 units if 100 is used as CPM index). This means that the additional 50 are completely exports that bring added value to our country. It corresponds to a cost of living index of 20.000 people based on the average family for the realization of these exports. If it is calculated from at least thirty people in a store for this job, you will need to employ 3000-4000 people abroad, and with their families, we're talking about 20,000 people, it will create a positive atmosphere as we need and a social closeness to our country. The articles of association of the institution include the allocation of 10% of the profit to social responsibility and social assistance, it will ensure that at least 2000 students are given scholarships by the institution within the scope of the scholarship grants organized through the Directorate General of Social Assistance of the state. When this issue is considered on the basis of families, it also means addressing and reaching at least 20,000 people. Considering this mission and our mission that indicates social responsibility,*

non-trade contribution is made to approximately 40,000 people in one year and it is not difficult to estimate that this figure will reach 100,000 when we consider the suppliers. We will all live with that honor and when we apply the indispensable core values such as respect for other ideas and beliefs firstly, equity, honesty, compliance with laws and regulations, being virtuous, humble, you will see how much this honor is exalted A total of 40,000 foreign people know our country, understand us and contribute to maintaining our togetherness. I believe that you will successfully achieve this challenging but obtainable objective, I trust you" (Chairman of the BOD, 57, Male, 06/2017).

In the interview held with one of the executive employees, the "Index of Values", which the CEO and founder member of the organization conveyed to the organization in 2010, has reached the number of 79-item suggestions and it is presented in Appendix 28 with the original handwriting of the CEO. And this was attempted to be categorized by the researcher as values that come from the family as much as possible, personality approaches, and business-related values and styles, without changing the content and words.

The first 22 items out of 79, which came from the family and were later transferred to the business life, were also found to be corporate values in the long-term perspective. Values between 23 and 54 are approaches that shed light-on the description of personality and behavior as reflection of values, and values between 55 and 79 are approaches that shed light to the parameters of business life, business styles reflected from values and behavior models. It reveals the feeling related to the idea of going towards the rules that will serve as a model and basis for institutionalization.

The verse of values for the opposition between business and family life, "Business Partnership and Family Partnership" particularly includes different

approaches. Practical applications suitable to these values, but difficult and in an area where emotions are not easy to manage, have indicators about the compliance with these values.

Business partnership and family partnership issues are also highlighted below.

- Keep your partner's interests and rights ahead of yours. Agree on the roles of partners and the processes or firms in which the partnership will lead.
- Determine and write down which partners will be managers, and which will be financial or strategic partners and determine their roles, powers and responsibilities.
- Write and agree on the partnership constitution at the beginning of the partnership process.
- Carry out employment and appointments according to merit, not by kinship.
- Do not employ relatives and spouses in the joint business as much as possible.
- Select your non-business friends from people other than partners as much as possible.
- If there is a need for work for relatives, spouses, and children, set up separate businesses outside the partnership.

Talking about some examples about values discussed and experienced;

Perceptions of an executive who had worked in three family firms before and who worked in the research subject family firm for the last seven years are as follows;

"These are the institutions where family members make significant decisions about managing, projecting and maintaining the business, even if

there are professionals, the professionals are at the forefront in daily incidents and family members in important decisions."

"And my "value perspective" is in the form of "an abstract perception system which makes me feel bad and uncomfortable in its absence". Values create my behavior and decision models, decision-making models, with or without my awareness. Values tell me something that I have not judged over time, that I have learned that they are as natural as personality and something sincere and that cannot be learned. Values sometimes come to us externally and become the foundation of culture, if external values (e.g. institution values) suit me, I feel the comfort. And if the external is appropriate for me, does not create negative situations for me, my environment, and my posture, in short, if it has a positive effect, I would try to act appropriately, and I even try to adopt it for my life.

However, if there are values that are contrary and do not comply with what I have adopted (e.g. values that do not care about ethical approach), I would never pretend and ignore, and I can even consider leaving my position according to my economic realities.

For example, as a person who is totally against the death penalty, I can demand the death penalty for an example like 'Özgecan' (the narrator refers to a dramatic life story here). I believe that value become important with true life experience."

This manager took a period of time to think before conveying her thoughts about values in the current institutional situation and she firstly asked himself,

"*Do families have values?*"

several times out loud,

"Yes, there are values where there are humans."

She has continued with the approach related to the presence of human and institution.

> *"Considering the inferences from the life experiences of our institution and experience of being a family firm; the values that first comes to my mind, and which come from the founding family in my opinion and that I fully internalize, are humility which is a necessity for human nature, fairness, honesty, respect for beliefs and differences, sensitivity to human health and the environment, struggle against difficulties, not being content present condition, and freedom of expression and criticism without insult. Above all, I would like to emphasize that internalizing "struggle against difficulties" value, which suits my character, is an element of courage" (NÖ, 48, Female, 01/2017, 12/2017, 04 /2018).*

She presented a special emphasis on these statements.

She continued her discourse about the values required with the transition of the family to business life and determining business processes as follows; *"Customer orientation, valuing employees, being competitive without compromising on quality, being flexible, situational and fast, applying a scientific approach, working instead of complaining, believing in own competence and conducting activities in accordance with legal and ethical rules are values that are more institution-oriented".*

Values increase employee loyalty, thus better, more adopted, internalized business styles emerge, and it positively reflects credit upon the customer, product, and relations with the society.

> *"Values, if they exist, should be on the basis of all kinds of processes and decisions, all procedures and rules within the organization must be made in*

accordance with them, it is possible to say clearly and emphasize that this is done in the institution we work for. There is strong pressure to base these values on every decision taken in the institution. These are surely considered, but as a result of the fact that the majority of the people in the firm usually comes from new employment, different values and cultures, I believe that there is more time for absolute harmony. In my opinion, since the senior management is aware of this, especially the family members in the management are directly involved in many decisions, reviewing is requested at every opportunity since it will be a long-term institution. However, in general, it is not realistic to say that there is a 100% application of values yet" (NÖ, 48, Female, 01 / 2017,04 / 2017,12 / 2017).

When considered from a family perspective, the second generation naturally has different personalities, so it can be imagined that there may be differences. However, the basis of family values will probably no change, there may be new small-scale additions or changes. Considering that the members of the family want the existing values to become rules at the same time, she exemplified an approach, an idea unique to business life by stating that she has the opinion that it is not wrong to foresee that new values can come up when they are related to adaptation to cultural and economic conditions and that some of them will never change.

"'Nothing is impossible' is valid for all the members of the family, because they have always experienced this parameter for the most part since the establishment of the institution."

The discourse of the second-generation family member, who defines the family firm as an entity which consists of family members' shareholding, patronage, and management to a certain extent, that are general, but which shed light on the essence of the story and the steps based on the past are as follows:

"Grandfather Mehmet is the person who created the core values of the family. My father's grandfather, especially in times of famine, he acts as the village headman and is a kind of employer, who helps, provides resources, shares and fully applies the culture of the guests of God to foreigners. The

origin of generosity is Mehmet Dede. Helpfulness is the cornerstone and an element of motivation. Honesty, helpfulness, fairness, division of labor in sharing brings respect for partners based on sharing with them. My father and uncle spend their childhood and adolescence together with Mehmet Dede and the values that they give to the institution today, that they constantly internalize, and the energies that enable them to integrate into the institution, come from this childhood in my opinion. As I and many others have expressed in a similar sense today, even if there are differences in individual personalities, they are fully partners in common values. The other family with whom they have partnership has very similar values and dignity, thus a complete trust has been established between them, and we are completely like this.

As far as I know, at first, family members took part in different positions in the institution, although individual errors existed they could be tolerated, but favorism in business life may cause differences in sensuality and professionalism balance and regardless of which direction these differences occur, there is concern that they will harm others. I guess this concern has caused the founding family members other than the CEO and the Chairman of BOD to be directed towards businesses that are external to the organization. Here, they acted on the principle of 'know your own faults before blaming others for theirs', and they naturally received a great reaction from the family at first. It was a pretty brave behavior in my opinion. In the meantime, they also supported other family members to become entrepreneurs in different businesses, and I think they even forced them. They somehow made them learn to swim by throwing them into the sea. Today, these family members, who received support, increased their living standards very seriously and created new economies for themselves and I think they contribute to the country in their business fields; they prevent imports in their fields. The results clearly state that they are doing the right job both for themselves and for the organization. In my opinion, there should be no more than three family members in an institution which is a family firm, I think solely family members would be very tiring" (AK, 28, Male, 02/2017, 04/2018 (29)).

The opinions of the General Director and the family member of one of the institutions in the Family Holding are given below with different approaches. Only

10-15% of the products and services produced by the Family Holding Company, of which he currently manages, are made in group firms or the main garment firm which has the flagship position. The Holding is a 12-year-old corporation consisting of approximately 100 people and is committed to continuous growth and service, it serves and provides services to approximately 300 well-known companies in various industries, such as pharmaceuticals, fast moving consumer goods, white appliances, energy, personal care products, cosmetics, etc.

According to the discourse of the manager, brother, and family member interviewed, the founding family member sees General Coordinator and the CEO as the leader, and the elder brother sees the Chairman of the Board of Directors as the leader. The elder brother leader is also the Chairman of the Board of Directors of the Family Holding.

> *"The leader is always the first and most important one, because the leader's culture is also engrained in those who follow him/her and the sense of justice, keeping one's word, honesty, good morality, sharing within the bounds of possibilities are the characteristics that make up human beings and if the leader has them, he/she surely conveys them to others, and expects them to behave in accordance and internalize. We are lucky in this sense. Secondly, it is important that the followers adapt to it and be open and accepting about it. When you are equipped with sublime and moral values, followership is not difficult" (KK, 37, Male, 09/2017).*

One can understand the significance given to this issue from the repeated emphasis he has given to "Being able to support others" motto, which comes from parents, being one of the greatest sources of motivation.

Once again, two sentences first told by the family leader who was the CEO and then by the leader brother who was the chairman of BOD, during the

establishment of the Family Holding Company which the leader brother currently manages, and which they have always adopted as a principle in business life, are shared with sincere and in a convincing discourse supported by their body language.

"We will be setting our standards of living not according to the money in our pocket, but according to our standards and values beyond unpretentious and unaccountable spending".

"If you cannot pay your debt in normal flow, you will sell your car, your wristwatch and you will pay your debt, you will be very loyal to your debt".

We began with these discourses and thoughts and carried this culture to our institutions, we spend our earnings to grow, develop and support our business as much as possible. I believe the thing what we think we do differently, is the values, sublime values, and virtues that nurture us and that we apply, we attach importance to their application, and we work with. Of course, we have small or big problems occasionally, usually on the business side. Our basic approach here is the "consultation culture". In case of problems, we bring together everyone who has interest and knowledge and we determine a path togetherness, unity in the sharing environment, we even use the Chinese proverb "None of us is as smart as all of us", this field comes from the family, to tell the truth, our institutions are on a slightly different level in this field, but what we know is true, keeping the consultation culture alive in the business environment is one of the main pillars of the phenomenon of ownership in employees.

We're trying to disintegrate business and family. For example, I am the only family member in our institution despite the fact that the business is a Family Holding. You know, local solidarity comes after the family. We believe that what is essential is merit from today's point of view and we are trying to implement it. For example, in a group of 100 people, only 4 people came from our own country and only because they needed it. We expect them to work in accordance with their capacities and to provide maximum performance and we keep track of them. In the first stage, I started to work in the parent family

company. According to the decision taken by our leader, a separate Family Holding was structured due to the problems that may arise in the future, as all members of the family being on the way to institutionalization, partly because the whole family was not in one job, as financial crisis occur continuously. But the separation process, which was a difficult one for family members and was partially uncertain, took place before. I didn't have much trouble because I thought it would happen. The fact that there is an entrepreneurial culture in the family has also helped the shift to new fields and when we look back today, we see that the leader's decision was very correct, and we sincerely strive to continue this approach. Since we all have an entrepreneurial culture that comes from the family, we are on the way to be one of the best companies of small or big sector. For example, we are one of the two important players of our sector. Similarly, the tasks within the family were also distributed, the spouses are mainly involved in family processes (HÇ, 45, Male, 08/2017).

While interviewing him, he emphasized that family and family members who manage the institution in Family Holding and experienced managers in business life create a pact for establishing and maintaining relationships in the fields of value, institutionalization, values and behaviors and the name given to this pact is known as "trust, trust building". Here is a brief sharing;

"Without trust, you certainly cannot be a long-term person, a long-term family or a long-term institution".

"A few years ago, I came up with "trust" while I was asking what the spirit of this business is. Human relationships matter, if you choose the right individuals and give them trust, and if you are keeping the word, behaving fairly, and not lying, it doesn't matter when they are used both for themselves and for others, this gives you a great added value for both the family and the institution, you solve even the biggest problems without realizing it, otherwise you walk around like a sleuth and can't progress. Trust is of course not limited with the employee, you must give the same trust to your family members, customers, society, your country, and your suppliers and you should be reliable.

The key to being institutional and to operate the institutionalization process is trust, trust, trust. For example, you need to deliver the identity card of the products and services that have not yet appeared in relation to the brand of the organization that wants to work with us in our business, and you must be incredibly reliable. When we realized this, we made investments in the most difficult and critical time to eliminate the risk, and it happened to be very effective. Your ability to deliver the desired product and service to the customer just in time, and to deliver error-free products and services to the customer reinforces this trust. I believe we are in a position to reassure both our family name and our corporate name and we are comfortable. When the regional managers of the international companies we work with in Turkey come to the audit from the headquarters and wanted to visit our suppliers, they directly bring it to us, this gives us honor, we are open and respectful, we take it from our family values and spread it to the institution continuously. For example, before the company was established and the processes were formed, and the mechanical systems were decided, a total of 13 people, including myself and a newly hired friend, experienced in the field, gathered around a table and talked and consulted for hours. We assumed that the most sensitive sector of our prospective customers would be the pharmaceuticals and we thought that if we set up systems accordingly, we can provide good service to all our customers. We invited experienced auditors from the pharmaceutical sector and had a virtual audit. We have transformed all of these issues into investment plans and applied systems in the process. We remember this different application, which we have done approximately 10-11 years ago with the first group, with a smile on our face and from time to time we talk about the power of being able to decide together, consult and trust each other. Trust is essential in normal life and in the family. There is no unity unless the siblings trust each other. The biggest problem in family firms is the loss of trust, and the way to prevent it is related to core values, sublime thought, and going to the seeds. On the way to institutionalization, the problems that emerge in the third generation and that are always present in family firms disappear, it is important that generations progress gradually in this process and absolute "merit" should be sought. Merit and leadership must complement each other. In the Ottomans, the first sultans were always chosen by merit and this was an important parameter in

the process of progress, later, the problems began to grow as we always know when they changed the model" (HÇ 45, Male, 08/2017).

As we roam the institution with the same executive family member, he shared some information about the characteristics of the first investment machines, while he was showing their growth in about 10 years, their recognition in their sectors and their new machine park, he expressed that growth, quality growth is all about the way of thinking, the way you look ahead. About the place of deployment, the location, he stated that the proximity to technology, the stakeholders and the suppliers, particularly the customers and the employees with business experience are at the top rankings in terms of significance and being in the center of population and being able to access resources more easily create advantages, as shared below with his own narrative language.

"In my hometown, Malatya, as far as I know, we are seen as a structure and a family that gains favor for the country, has never changed its essence, has always continued to help the needy, does not like showing off, and most importantly as trustful in terms of words and stance. So, why are we here and not in Malatya? If you are going to do business with the world, sell products and services to world companies and foreign customers, be in a relationship with them, it is of course a great advantage to be deployed in a metropolis, in a big city or in industrial areas where there are resources related to communication, legislation, logistics, easy access by others, convenient employment in your line of business, easy access by suppliers, and infrastructure services. Despite some rapid growth and crowd problems, Istanbul is one of the most suitable regions and centers for us in this respect. We also attach great importance to our hometown where we were born, but Istanbul is leading the way for our growth, development and vision. Our important overseas customers can also reach us very easily here and I think, as

one of the steps of agility, we can communicate better, and can easily keep track of and produce the new" (HÇ 45, Male, 08/2017).

In an interview conducted with the General Manager of one of the Family Holding Companies, who is also a shareholder and fellow family member, who worked in many jobs during the initial periods of the institution and who worked in the Halaskargazi depot which was initially deployed as a wholesale depot, who left the parent company with the radical decision that foresees the separation of family members to different institutions except for the founding member and the Chairman of the BOD older brother, he made the following statements about the family, the emotions he felt while leaving the parent company, trusting the word of family elders, separating business and family, the importance, necessity of using values that come from the family, and their contribution to institutionalization and corporate objectives:

"Each family member came to produce something. As a brother, I think you start easily as the closest, most trusted person, but then you take on responsibilities such as learning and practicing business well, especially if the institution grows. You need to learn and take on new responsibilities; I then headed towards the marketing group, which I thought would suit me more. During the business period, a brother-sister approach was not present. The institution has made many radical decisions so far, but one of the most radical decisions of the two decisions was to exit and abolish the "dealership" system in the 2000 crisis (we had a dealership network because our system was wholesale), and the other decision was to make family members leave the main institution. Our older brother, who is the CEO and General Coordinator, told us the reasons for the family to be separated into different firms and shared that we should not be on the same ship. At first, I was very surprised and angry,

even wanted to convey my complaint to my father, but then I gave up. They told me that I would understand what that meant in the future. Respect for the elder is essential to us. Meanwhile, my other CEO-General Coordinator brother, who is younger, is the brain of the family and our business leader, and the older brother, who is the Chairman of the BOD of the Institution and Family Holding, is our natural leader. The more we see the truth, the more our respect increases. They made us feel what we could do on our own and helped us break our shells. Now we can see how hard this radical movement was made 20 years ago, but how well it has been made and its benefits. One of our most important sensitivities is not to embarrass our brothers. His love of service comes from his father; my father and my older brother have the same names" (KK, 37, Male, 09-10 / 2017).

The founding member, the father of the brothers, the eldest of the family is still the mayor of Malatya Dogansehir, the family's hometown. The founding family member, CEO, laughs while he talks about his father;

"My father has worked in various fields, he has done farming, engaged in small-scale trade for a period, but now he has found his absolute duty, he likes to deliver service to others and receive prayer" (CEO, 55, Male, 02/2016).

The view was interesting when I went to visit him in his office at the Malatya Dogansehir Municipality Building. When the attendants found out that I came from the institution in Istanbul, they let me in. It was a large room with pictures on the back and side walls and a large Turkish flag on one side, three seats were placed backward from each side ends of the table, and five people were sitting, so I settled on the 6th chair. Each person was telling his subject, to tell the truth, his problem, for an average of ten minutes, he listened each of them carefully, sometimes he expressed whether it could be done, and sometimes he took notes. He also made phone calls about the subjects several times. In the meantime, vacant seats from

those who have left were filled by new people. Just before my turn, the attendant who took me inside told him that I came from Istanbul and the institution by pointing at me, I would especially like to emphasize his smile towards me and his dignity. After a certain acquaintance conversation and asking about the course of the institution, he shared his ideas related to his own issues. He stated that they are working with infrastructure services which is still the most important requirement in Doğanşehir, although it is a work that naturally bothers the public in terms of digging roads and dust formation; he stated that the public is pleased with this work and that they have almost completed the natural gas issue. One of the most important impressions while I was talking to others "is that his coordination", which is one of the most important problems of our geography, his ability to coordinate resources, his ability to coordinate public and private sector resources together are truly strong. He can resolve problems that seem to be irresolvable, impractical, and perhaps most seem bigger than actually what they are, by being able to combine needs with the right resources and keeping track of them. The part that I remembered well and that was underlined in my notes was his expressions about his children.

> *"They are successfully drawing their own path, and I am proud of them. They work hard. It's even hard for them to go on a vacation."*

He laughs at this point;

> *"They shouldn't think they are the only ones who work all the time, look, we're really working here. Tell them about my work tempo you see here with my greetings. Their father is still working"* (VK, 76, Male, 02/2018).

After this special interview note and sharing of views with the father, we will continue with the discourse of member of the fellow family;

"My father lives with the thought that "I cannot say no to the person who comes to me that I should help those who ask for help". He always tells us and others, 'Do not bring anything that is unfair and unjust'.

He is currently working for the good and beautification of our town, he is vigorous and astute. He is engaged in bringing natural gas to the town and installing infrastructure systems. The path, the intention of our family is certain and will not change, we are what we are and will continue to be.

It is important to be open to criticism and to take notes in our meetings in our own institution, transparency helps us in finding our fields, it is forbidden to make excuses, and the problem and the proposal are expected together, and it is expected to determine whether the problem belongs to the person or the institution. We also attach importance to the line between gossip and complaint, we don't like gossip. To create employment, to have social responsibility, to support the person coming to our door as much as possible are our behavior models. For example, if the person needs a job and we do not have space to use him/her, we can give suggestions, we say, 'I do what I have to do to you, but not here' and do what we can. Kinship or local solidarity is not the criterion for our internal structure, although we are a family firm. For example, it took one year for me to learn that one of our specialists was from our country and our town. We were employing the relatives-members of two politically competitive, but respected families and we were not aware of this because we did not have such a criterion, and these people show a good team performance together.

We have a responsibility to create new jobs, which brings growth with it. If we make a mistake or unable to improve ourselves, we are also responsible for that. We share the good results and stories that are reached and obtained with all teams. Another example; when we share a letter of thanks to the Chairman of the Board of Directors for a help we made, a very authentic, different atmosphere is created, meaning integrity is realized, it makes serious contributions to business efficiency and ownership. We don't normally talk about the helps we made; help is more valuable as long as it is covered. Trade is not the only goal, it is important not to say no to the needy. Helping is truly a

relief. As we have learned from our family elders and leaders, the family structure must be really important and accurate, and open to actuality and knowledge. Devotion to spirituality and values is also essential. I think one of the parts that make our family sustainable and that we have assimilated is; living for society, without the greed of money, without being arrogant and selfish, without living only for ourselves. Wealth is unique to this world. Our resources are clear, as well as our targets. Meanwhile, one of the issues we are responsible to our leaders is to create new firms from the Holding Company (s) we are responsible for. We have recently launched another firm from our Company. Speaking in general, there has never been any person thinking or practicing differently about these issues in the whole extended family concept. Believe me, our new generation is brought up with these values. Our natural leader is constantly sharing these in the family social media group. Our spouses are engaged in family communication, tasks, education and development and order, and we do the division of tasks for business areas. There is a very stable family order. Meanwhile, I want to end my words with an irony that sheds light on today's business life. I asked my mother what kind of difference was present between my two brothers. And she said "Your father would give the same amount to both brothers. Your older brother would immediately spend the money as it was, and your younger brother would first change it, and then spent piece by piece". As stated in the Main management matrix of the articles of association of the Company; the kitchen of business, creating collections and planning belongs to the CEO younger brother, and managing external affairs, leasing, recognizing customer expectations and social relationship management belong to the Chairman of the Board and the fact that they do not interfere with each other's business with respect reminds me of a similar projection" (KK, 37, Male, 09-10 / 2017).

The open discourse of a family member who was originally an educator, education manager, and who clearly shared that he has always wanted to be an entrepreneur, who was living in a certain order and being satisfied with his life in his country and found himself in Istanbul somehow in 1993 and started to work in the staff department of the institution, related to issues like difficulties of working in a

family firm as a family member, family relations, trust, kinship and local solidarity relationships with merit, and the importance of values, particularly fairness, respect, benevolence, and modesty, are as follows;

"It is not easy to work in the family firms. The conditions were challenging at the beginning, we both learned and developed the business. Both of our leaders gave their support in this process. We always go on the line in the family firm, there is a social partnership. But the conditions are always challenging, on the other hand as business develops and new generations come into play, challenges still arise, and it becomes difficult to achieve equality. Equality though may make things easier, but life works in a different way. And "trust" is the only thing that will surpass everything. We fought in good faith and are in the top three in our industry, these three companies can change their rankings according to periods, but we are always in the top three".

Of course, being a relative and being a family member has multidimensional benefits, but on the other hand, when you look at it as a family member in terms of external comparisons, the tolerance shown to you is naturally less. The tolerance shown to a stranger is less reflected on you. Above all, you can be harmed in a variable country economy, and you have serious difficulties with uncertainties. Even if you make good efforts, they may not reflect on the results due to parameters apart from you, parameters that you have no chance of changing".

His ideas about values, family values and trust that stand on the basis of values, the traceable source of family values and the values of the current family leaders, are as follows:

"Our values are extremely important. Mehmet Dede was like a legend, he was very giving and sharing, he was even criticized a little bit for it, but he was a big

brother who had spiritual richness. His son is both the father of our leaders, my father-in-law and my uncle. We certainly did not begin as a rich family, but we were rich in value and goodwill and transparency was always essential. I look like a tough guy and heat up late like diesel engines, but the family values are also my values and we adapt these values to business. As I have already emphasized, "trust" is at the heart of these values. Once, the haunting issues in my mind about the integrity of decision-making in a managerial sense became a bit of a problem, and I end up at our leader's door. He gave me the written document we made when we commenced this job, some sort of contract, and said that "as long as they are adhered to, there is no problem, but if it doesn't suit you, let's close the existing one and, if you want, make a new contract in a completely new field, in a new way on the same subject". Of course, under these conditions, my objection could not continue, and I went back to work. However, I believe that some rules need to be updated over time, the decision-making mechanisms should be reviewed and shared in a transparent way. I offered a different approach in this matter, believing that I am straightforward and clear and that I am a person of benevolence, which is one of the core values of our family and We have found a method to be in the family holding by being accepted by two or even three of our leaders. As you deserve and work, you search for becoming more of a decision-maker within the organization, particularly as the requirements of the job, being able to be powerful in terms of work and being a decision maker produce benefits. Although our family leader is very strong in terms of share, knowledge, and experience, and being accepted in this way, he is fairer than all of us, he administers equity, he is giving, more helpful and more tolerant than all of us.

He expressed the following statements about the family future of the firm he manages;

> *"As a family member of the Family Holding Company I am managing, one of my two daughters are an Industrial Engineer and works in production planning, we are trying to support her and help her learn. My other daughter is not in our institution and has chosen to work in another job. We don't have an approach that favors local solidarity in our institution. We are purely based on "merit" and this is valid for all of us. But if there is a need for a job, maybe it can only be a reason of choice in case of equality. Other than that, helpfulness, which is a family systematic, is already going on" (MC, 45, Male, 12/2017).*

The conference organized by the Common Values Movement, which was initiated by the biggest media group of the country in 2018 and where various academics and artists participated, was concluded with a common view; "internal values should be our business values". Some declarations here can be clustered as follows: 'The business is not only profit; you cannot create benefit unless you add value to the business. The national income of the country, whose common values increase, also increases. You can become the most successful brand in the world by keeping people from different views together. We need a healthy relationship with religion. The person should first apply the value he/she expects from society. Values unite people and dogmatic thoughts (in a definite judgment) divide people, values should be the center of life'. The founding family member, CEO, who was a participant and speaker, shared the following with the community.

> *"-I did an accounting when I began business. We have written that the country needs a world brand and we need to aim it. Everyone deserves to dress well, we said. We paid in advance to the supplier to ensure equity. We wanted the turnover to exceed 10 billion USD in 2023 to be assertive. We shared all this with the employees. The eyes of everyone in our country got wet, both the*

conservative and the liberal. When you enter our store, you'll see Turkey; our conservative customers do not want separate aisles, so they do not want discrimination. You can become the most successful brand in the world by keeping people with different opinions together and sharing values" (CEO, 55, Male, 09/2017).

At this point, an expression observed during the research and started to be expressed by the corporate management at equivalent times becomes prominent. Especially, the time and orientation necessary for teaching and keeping the values to the new recruits could not be provided due to the rapid growth of the business in the last two years, and a large number of new recruits (1000+ only in the headquarters) and differences in behaviors began to be observed. And thus, at the end of 2016 and by receiving academic support, efforts were made to redefine corporate values and express meaning integrity and to integrate them with all employees and stakeholders, the main framework was revealed. The second stage, as stated by the Institution's Academy, is to ensure that these outputs are fully internalized by supporting them with various programs. Since there are 5 values in the first stage of this study, or since they are all universal values, it would not be wrong to express them as virtues, and they were defined by short definitions and their meanings were tried to be revealed in several sentences. The aim here is to keep them memorable even in a short narrative, to make them countable and to enable internalization of them by all employees. These definitions will be referred after approximately 10 values which are still in the system and which are the basis for the business practices. Existing values, their explanations and their way of perception were tried to be shared as below.

4.3. The Transformation of Family Values in Family Firms to Institutional Values

In an interview, the CEO emphasized that the most important thing for him is compliance with universal values, virtues, business and social laws and regulations, and the importance of people, institutions, brands, and performance orientation being equivalent and synchronous, in his narrative on how the values have changed from family values to corporate values and his feelings and perceptions on this issue. He also laid emphasis on that good morality, equity, and fairness were always at the top of all these. He stated that money can always be earned, but this does not and will not mean anything to him in the absence of the aforementioned values. It is important for him to apply the following issues;

> *"It is possible to create, maintain and enlarge the institution and to achieve success in the issues raised in the research problem by achieving harmony with these values in the activities and decisions taken without compromising the values and the virtues accepted all over the world, by not compromising rights, by bringing development to forefront, creating employment, being helpful, providing benefit to the country, producing a "brand", and by creating a balance between stakeholders"(CEO, 55, Male, continuously).*

These values, their meanings, their meaning and importance for the institution, and observation examples were tried to be shared below.

Being Fair and Honest

The principle of fairness and honesty is one of the most important values of the institution that come from the family and all consecutive firms related to the institution as emphasized in the interview with the founder family member.

> *"We believe that we will ensure continuity of success, peace in business environment, and trust of employees, suppliers, partners and customers, only to the extent that we treat our employees, managers, customers, suppliers fairly and honestly"*

he expressed. In addition to this belief, he states that in a global matrix where uncertainties and relationship intensities are difficult to isolate, it is realized that it is very difficult to achieve fairness as a hundred percent, he expresses the purpose as follows from the manifestation of this awareness; to protect the rights of all parties by using all available data and assessment tools to make as fair a decision as possible. Emotional behavior should be avoided and realistic assessments according to objective criteria are expected in order not to cause an injustice in competence and performance evaluations for promotion or change of competence level, which are some of the important indicators of fairness, and supplier evaluations for order placement.

The feeling of inequality in terms of equivalent parameters that occasionally come from suppliers and is related to this concept and promotion requests from employees are evaluated at various boards and committees or management levels, and great importance is attached to these evaluations, and the results are specifically monitored by the General Coordinator, CEO, and Chairman of the Board of Directors, who are members of the Firm's management. All payments of the institution are made at the promised times and in a shorter time than the sector averages, importance is given to the "rightful share". This creates a perception of

how important this value is. There are no other family members in the management except for the two senior managers mentioned above.

It is also stated in the interviews and opinion sharing that the opinions of the employees of the institution were formed as follows two years before the research period; managers' expectations from employees were sometimes unfair, employees, who did not have enough work experience, were expected to work beyond their experience and issues beyond which they have not yet achieved sufficient job skills, and the necessary responsibility environments were not, could not be created for the employees who have a certain level of competence and are able to make decisions on their own business subjects.

The institution management decided two years ago in order to stand behind this value and to take a corporate stance in its executive behaviors. It was decided to introduce a model called “Multi-Dimensional Leadership”, which includes the issues of diagnosis, flexibility, partnership for performance of all managers at the institution level. Diagnosis regulates the determination of a four-staged development level, which is variable according to the parameters of the individual's competence (demonstrable and transferable skills) and commitment (motivation and self-confidence) dimensions. And flexibility defines the abilities to show different managerial behaviors to people with varying developmental levels in terms of objective and purpose, in a flexible manner and according to the conditions of the situation. This behavioral modeling, which goes from doing to delegating, addresses to the flows of how directive and supportive behavior models are implemented by the executive. And the third pillar of this model consists of the partnership dimension of performance in a way that combines diagnosis and flexibility. Employees and executives conduct periodic meetings and work in close relationship

in line with the purpose, task and target. These are filtered from the goals and objectives of the institution and then flow to the departments and then to the groups and individuals. These periodic meetings are defined and implemented as weekly interviews since the last quarter of 2016. The dissemination of these practices is investigated through one on one interviews by the audit group of the institution and reported including the top manager. Employees and executives interviewed in the research also declare that they are satisfied with this practice and that the injustices in the announced issues and the practices they deemed unfair were gradually disappearing.

And the concept of honesty is explained as *"to take the responsibility of a mistake, to tell the truth, and to avoid false statements, even if it is against ourselves or our business unit"*.

The comments of an executive, who has worked with the family for many years, including the first years of the business, related to values and their projections are as follows;

> *"I can think of value expression as "life itself", its bitterness and sweetness, difficulty, shortness and the keystones of human and his life. Values reveal being human, respect and love. Love is essential in my opinion. For example, it is very important for me to "smile at life with love" and I feel myself alive in such an environment.*
>
> *As the core values of the founding families and their members, I can always express that they are humble, and their sensuality and honesty values are very high, and their spirituality is very strong, that adherence to traditions is important and persistent and that their stance including these values has never changed. Likewise, fairness, valuing-respecting differences, tolerance are again, at least as strong as, even stronger than the ones I have mentioned*

before. Humility, honesty, fairness, respect for differences and different ideas and beliefs and tolerance are among the values that are tried to be given to the institution without ever getting bored and they are reflected on decisions. As the institution grows; education and learning, adding different cultures-individuals of cultures, giving more importance to customer values and dimension increase. However, as new participation increases over time, it may not be possible to fully absorb these values from the family. Mechanization can also occur, and in case of not accepting it, the "back noise" also reduces. While the organization was smaller, the practices from some values and rules were more stringent, and growth can create weakening. In order to prevent this, these values must be written, and they must be expected to be followed, if values are believed to contribute to the growth, development of the institution which I know that it is believed by employees of the organization including myself, I witness it. The institution is also doing it and I think it is called institutionalization, professional management, and I think something good is happening. Considering the results, we see that we are growing and developing, and many of our acquaintances say that we are an organization full of humility and reputation. In my opinion, one of the most important issues should be that we constantly maintain these values that improve us." (TE, 50, Female, 02/2018)

As the organization grows time to time when institutions grow, they may lose flexibility, quickness, and agility compared to when they were smaller. As shared by a manager who experienced this situation;

"The emergence of stagnation at the first moment is a situation that can be observed in institutions in general not only in terms of technical product and services but also in terms of values and behaviors that are inherent in the company both as a legal entity and as the behavior, belief and business styles of its employees. However, we can comment that the thing what is essential here is the institution's ability to take measures by being aware of the situation, its persistent efforts to protect the original essence, its ability to re-implement and use it.

An executive, who has been in business life for about 28 years, who began her business life in his husband's family firm for the first time, who is a reliable family friend in a family firm in which the inexperienced second generation came to management as the founder attempted another business for a period of time in 2000, who is assigned as a guide for the second generation, who has also worked in different international organizations, who was accepted after applying to the institution in 2007 and still works in the institution, shared the following ideas about fairness and honesty and the climate they bring;

"The point I was hesitating about while applying was that the institution was a local institution and a dominant family firm.

I met with the CEO twice, but my drawbacks above did not bother me at all and I remember very clearly that there was a sincere desire to work. I think the most important thing was the "positive atmosphere" that I saw or felt when I walked in the door and the charm of that atmosphere. In my opinion, "climate" is more important than whether an institutional structure is formed or not, what you feel is important, as far as I know, the climate of the environment, unlike corporate culture, is about how people feel. The people I met had a business intellect, respect, and sincerity, it was more than a job interview, and it was as if I was among friends, at their dinner table. I felt a high-level greeting, and I thought that the institution had a culture, that there were appropriate people, people with values. One thing that I see by living is that those who have values, whose institutions and their values overlap remain permanent, and there are also those who "pretend", but they leave after a period of time.

Acting fairly and honestly and believing in ethical and legal rules are the most important things in the organization. For example, I can't work in an institution that employs uninsured workers and creates tax problems. There is a clear overlap between my own human values, of which I want to add creating a learning environment, giving opportunity, and aiming to learn. These are usually

originated from "the founder(s)". The sum of values contributes to the creation of environment, climate and "trust". In my opinion, the foundation of the two founding families (one in management and the other in supporting position) working together is unconditional respect and trust. I'm the one who believes that if there's no trust, there's no success. I can't go on without giving an example of humility that affects me a lot. After working for a while, I worked without knowing that an employee, whom I worked with for six (6) months, was the child of the partner founding family. It sounds like a joke; she never mentioned such stockholding and neither made me feel that. She later become, and now, a board member." (GT, 53, Female, 03/2017, 03/2018)

Respect for Differences

It is a value that describes that employees are free in their different views, ideas, beliefs and intellectual ideologies in an appropriate manner. The same approach is applicable for customers, suppliers and all segments of society. The institution currently has stores in more than 35 countries, and the top managers of these stores, except in some countries, are also constituted and selected from local employees, thus respect for differences is strengthened.

For example, the employees at the Headquarters are able to dress freely in a highly mature and interdisciplinary mode of operation, without sharp exaggeration, and different from the country mosaic and therefore, they can only engage in their business, excluding the "community pressure" approach, which is the agenda item in many places. The firm approaches its customers from this value and creates collection categories like "conservative" and "liberal", the headquarters extends the value dimension it applies in the workplace to the country and to all countries with retail stores. Failure to respect differences that cause disintegration and intolerance in many organizations or environments, contrary to intolerance, this environment of

tolerance, which appears in the central units, stores, and which gains the corporate dimension of the family firm from the family, is triggered by “respect for differences”, and this environment is perceived as a fabulous “role model value” for all institutions, communities, groups, and organizations.

The institution shows a similar approach to this value and beliefs, everyone's faith is respected, and religious holidays of different religions are considered as holidays in the framework of care for special occasions (For example, Christmas holidays, and Bairam holidays with changing start days). During the month of Ramadan, in an environment where the researcher is actually involved, it became a serious incident that an employee and a guest of different religious beliefs could not eat at the Institution's cafeteria, as he didn't have the lunch voucher given only to non-fasters in order to determine the number of meals to be released. Especially, the founding member of the family showed a great reaction and emphasized the importance of giving food to people at the cafeteria of the institution with great weight and in an unquestionable institutional dimension, regardless of who came to eat. This example alone is a good example that shows the great importance of this value and its presence as an essential value for the institution. The institution has also allocated small but sufficient places of worship particularly for the needs of its foreign employees and suppliers, considering whole day work.

Freedom in thought dimension is also within the scope of this value provided that it does not turn into action and does not harm people's environment of tolerance. In other words, based on this value, employees can share their opinions without having to argue about different ideas, opinions, beliefs and ideologies. However, no one can try to impose his/her own views, beliefs and ideologies on others. The competencies required by the job and employee tendencies (personality, motivation,

etc.) are taken into consideration in recruitment, promotions, and appointments. Candidates are not examined in terms of their religion, race, nationality, culture, sect, political views and physical differences. This value is also valid for disabled employees, disabled employees find themselves in a truly respectable environment. The "Barrier-free", "*RCC Engelsiz*" project group that has been triggered by this value has done very useful work, has adopted the "barrier-free minds for all of us" approach, carried out many activities involving physically disabled people to a great extent, and made moves towards integrity and institutionalization. A number of activities, in which the researcher has also been involved, were carried out. Building a library, reading books for the visually impaired, working with the paralyzed, joining a marathon as a community, creating a wide range of educational programs, increasing the presenting, expressing and sharing competencies of all disabled and volunteer participants by enabling them to make presentations, and holding a caricature exhibition are among these activities. The results of this value are explained very clearly and are accepted as perception in detailed interviews with some of the individuals.

The institution has also allocated a sufficient number of "lactation rooms" to ensure that female employees are more comfortable, especially after birth. In fact, the institutional satisfaction towards this situation is high in the interviews conducted the institution is also approaching the issue of "gender", which is one of the recent issues of anthropology, in a sensitive manner. In the first quarter of 2016, the institution received the award of being the second firm with the highest number of female employees and the first firm employing the highest number of female executives, based on the number of female employees and has made it an institutional methodology to maintain this agenda.

Being Humble

"We believe that people who are arrogant, self-righteous, proud of their past successes, people who humiliate others, look at employees from the power and position they hold cannot be respected and trusted and cannot be regarded as true leaders"

This institutional emphasis describes this value. This value emphasizes the importance of humility, which has been transferred to the institution by family members, for humanity over and over again. It is a value that is expected to be reflected in business styles and that is believed to solve the general problems or the problems that are reproduced among people with this behavior style. As a standard, this value is emphasized as being assimilated with family member founders in the interviews conducted with people outside the institution. They reflect humility in their individuality in every communication they make inside and outside the institution, in opinion sharing and in speeches. In the comments made on the social media about the "3rd company with the most employees" award of the institution in December 2016, the humble and modest stance of the institution and its executives is most prominent.

"Double Winged Leadership" and "Serving Leadership" management approaches, which will be discussed in detail in another section, form the basis for these and the above-mentioned values and they set good examples of the journey "from values to institutionalization". Ego and arrogance, the opposite of being humble, are risky phenomena for the institution or a good deal of institutions. Since there is a continuous new recruitment to the institution, especially due to growth, the sharing and internalization of these values takes time.

Starting from this humility value and belief, especially those who climb to the top levels of managerial or specialist positions are expected to be humble and to avoid keeping their distance from other employees and to anticipate privileged treatment among other employees. The mission of the institution also includes a depth of social responsibility. The founding family member who is still working as the General Coordinator and the family member who still serves as the Chairman of the BOD, express their most important approach as "to create an environment in which any boss who has reached economic prosperity and his/her driver's child are dressed in such a way that they can be equivalent at least at the level of corporate products on economic and quality basis" in all Executive Boards held periodically and attended by top executives. They emphasize the necessity of this, and demand and direct applications, pricing and procurement within this framework. In this sense, the institution's products are offered to its customers with a price tag that is behind the annual inflation ratio and sometimes even without annual increases.

In 2016, a well-known magazine and Bloomberg TV channel, known for its evaluations on the world economy, reported news about the wealthy people in Turkey, and they featured the founding family member of the institution, the CEO, and referred him as "a man who travels from sheepherding to wealth of dollars". About two weeks after the news came out; the CEO expressed the following in a modest meeting in a hotel hall, attended by 600 people.

> *"They published the English news about me that you see on the screen right now. Our Corporate Communications executive came to me after the publication of this news and told me that this news was published without our knowledge, that it could be given better, that we could request a correction if I wanted to. I told him that there was absolutely no need for such a thing, and I just smiled and told him that the news had some inaccuracies. I am very*

honored to have been a shepherd in the past, however, I wasn't a sheep shepherd, I was a cowherd".

(CEO, 53, Male, 06/2016)

With this discourse, the reason why all the participants in the hall were standing and applauding for about five minutes could probably be evaluated with the "humility" approach. The value of humility appears to be interpretable in the way that values and management lead to a commitment, a cohesion and close vision, as well as in its internalized state, especially in the case of founders.

The CEO, founder member, expressed similar issues in a dinner organization where those who have completed 20 working years will be honored. An organization was prepared in which details could be observed to be finely planned. The honoring gifts would be given by the CEO before the meal and then people would have lunch together.

Next to him is the doctor of the institution, who is successful in his field and is originally from the same hometown. When a certain number of employees were reached in the institution and the need for a doctor emerged, he was invited to come from his institution and his clinic about 20 years ago for serving the institution, and then he began to work at the institution. He has a special place with his personality, stance, and experience in the Center buildings, which have exceeded the size of a large town with the number of employees and the square meters used. However, almost nobody knows that he is actually from the same hometown, and both the founders and it has never been heard that neither the founders nor he spoke about it. In an intimate environment, the topics are opening up new topics, and it seems that the grandfathers of the doctor and the CEO are lords of heart who are "equivalent

aligned". The CEO's grandfather Mehmet is in the village and the doctor's grandfather is in the district and they compete specifically for "hospitality", and they are commemorated with their honesty and helpfulness. Their lordship and dignity are about "the unexpected guest of God", which is an inseparable part of the culture at that time, and feeding all people, giving support for their problems and creating common benefits. They do not have large soils as the feudal structure first suggests, on the contrary they have very little land ownership. The issue comes to their father, the CEO's father still serves as the mayor of the district and he continues with the same disparity as he saw from his father, the cooking boiler of their homes is constantly boiling for others. Helpfulness and disparity continue as the way they come from family values. You can observe that the CEO's brother, the Chairman of the Board of Directors, proceeded in exactly the same way as his family background. These are clearly identifiable from the employees' approach, statistical figures, appreciation messages from all over the country, and the ability to manage social assistance from a separate unit. These values are reflected in some way as "helpfulness" as the virtue of the institution. The 10% of the institution profit is delivered to the needy, schools, law enforcement and social institutions through the official social assistance security channels of the state, as it is mentioned in another section. After the death of their grandfather, the doctor's father confronted his two sons in high school and asked them the following question;

"Will you continue to be lords or school students?"

, and especially with the partial insistence of the mother,

He said, *"we support going to school"* in an authoritarian manner and the two sons decided on school and said, *"we will go to school" (RD, 58, Male, 07/2017, 02/2018)*, and the country has won two doctors with this decision.

You can associate that growing up in the village is a projection of the people who were considered to be a shepherd in the conditions of that period from the things that are told, and from the questions asked in business life, in the first part of the research. Considering the competencies required for business life in addition to values, while listening and observing you can observe that these competencies come from there, like patience, seeking solutions, being able to look lean in the conditions of nature, relationship management, status quo analysis, and partial analytical thinking. While he was talking with the doctor, you can observe that he was living his childhood moments and reviewing his journey to these days from both his discourses and his expressions.

The CEO himself also told that he was always thinking about enhancement issues while waiting for cattle in the field. For example, he said that he once asked himself *"what shall we do to make it better?"* contemplating different uses of poplar trees, their rapid growth and cutting.

This question is similar to the basic strong question of today's coaching approach, "What shall we do now to make it better here?".

Helpfulness

Helpfulness is the most important but least talked about value or virtue within the organization, Family Holding and Original Holding Company. The family keeps helpfulness in the highest category, but they do not desire advertising their helpfulness. There is a special welfare section for these kinds of activities. This section evaluates the requests objectively and makes observations on the spot if

necessary. The aids are in particular in the form of clothing, education and material aid directly to the ones that are needy. As highlighted in the findings section, 10% of the corporate profit is allocated to social assistance. The amount of aid is more than the turnover of many companies in the country.

The discourse and sharing of a newly graduated architect, who has started to work in the institution, is given as a good example in order to see a closer look at the subject and its applications. This is discourse is about family, her education life, the climate inside the institution, and the fact that there is an available development field about value internalization.

> *"I am an architect who has just graduated from school and started working at the institution. I am from the same district as the family and we are distantly to the family. All relations are built on trust in our district and in our village, which can also be described as a neighborhood of the district, a few kilometers away. The family is known for their approach, relationships, and helpfulness to people. The father is one of the most famous people. It is also appreciated and encouraged that they build schools and health centers, send gifts to school children, and give support to needy businesspeople or institutions that represent our hometown or our hometown in Istanbul. They also provide individual assistance but did not share or publish it. I'm not really close, I'm quite a distant relative, however, I see and feel both families' elders in the institution as close as my uncle. They are talked about as a family that does not forget where they were born, and they are sincere when you are engaged with them. Whoever you ask in our neighborhood, they are known as a "reliable family".*

> *Frankly, I'm thinking if anyone ever criticized them, but I never heard. When we talk to them and ask for support, they do the best they can. It is known that the eldest son of the Chairman works for Malatyaspor, however the third generation, between the ages of 20 and 32, is less well known than*

grandparents and their sons. The Chairman of the BOD, the CEO and the other brothers had to put more burden and hard work, and they are still working hard.

After graduating from high school, I did not choose a university and continued a private preparatory school, because I wanted to study medicine. And they contributed to a portion of my private tuition expenses. Then, I got into the Architecture Department of Yıldız Technical University and came to Istanbul and met the CEO and Chairman family members. I felt that they were very pleased that one person from their hometown got accepted into a school. They gave me their phone number, they helped for some of my tuition and accommodation, they gave me a special scholarship from their income. In the meantime, I learned that they were also supporting other needy friends at the same school. My father suffered from serious lumbar ache and could not work recently, I learned from my uncle that he entrusted me to them before he passed away. Meanwhile, I started working part-time in the store, however, it was impossible for the store and the school to continue together, and I could not continue and tried to deduct my school expenses by giving private lessons and taking photos. Since it was architecture, my tuition was really high. When I came to have a talk about internship in the institution in the 3rd grade, I was very happy to be told that I could work part-time and 1,5 days a week. After finishing school and becoming an architect, I was re-evaluated and accepted with my work and personality characteristics in order to get the job. I have been working as an architect for six months. I'm really and sincerely happy to be here. I'm trying to give something to an institution that has done something for me; I try to do my best without considering the concept of overtime. I also would like to be a light for someone in the future; they built this feeling in me.

Our CEO likes to try everything about business issues and he definitely wants to try and see and to get results. To tell the truth sincerely, as I hear from the employees when I walk through the various sections for architectural settlements, sometimes the employees actually testify that these trials exhaust them. There are reproaches about issues such as working in details, trials, different and variable studies, filling excessive forms, they say "why are we doing this, there are easier ways", but, when it comes to the CEO's personality,

the form and style of speech changes completely. They say that he is precious, he is fully trustful, and trust is in front of everything, he is a good serving leader, he creates a very good learning environment and he listens to everyone, he is humble and modest and state that bringing the institution to its current state is to "achieve the impossible".

Helpfulness, necessity of conducting honest business, reliability and trust, modesty that comes from personality, and the fact that the rights will be given, reflect on the processes of the firm and its recognition. Learning and development looks good in the corporate sense. But objectively speaking, there is also a field within the organization where individuals and employees can develop clearly in respect of each other, simplicity and cooperation" (ZA, 25, Female, 06-09/2017, 02/2018).

Continuous Learning and Development

For all institutions that are family or non-family firms that have to live in today's global business world, those who learn faster and adapt quickly to their processes and activities, and institutions that can provide internal and external collaborations quickly become advantageous. Learning and development are now seen and observed as an indispensable privilege and investment area among the institutions that struggle for their existence in financial issues and aim at continuous growth.

The research institution also attaches great importance to learning and development in this sense, the budget spent, the programs, the feelings and evaluations in the interviews conducted with the executives and employees confirm this argument. Some examples of corporate learning and development objectives in 2017 are as follows; "increasing the integrity-consistency, intent, competence and result generation index, in other words the trust index score to over 80%; increasing

the internalization of values and appropriate attitude-behavior score by 10% every year; increasing the culture or perception of leaning and continuous improvement in organizations and processes to over 80%; identifying and developing specific professional knowledge, skills and competencies on the basis of some specific organizational positions, or briefly increasing professional specialization score on the basis of positions to over 80%; increasing the success rate of initiatives and projects to produce results above 70% and to realize them on time.

Regardless of the rank and position, it is believed that the necessity of the responsibilities undertaken cannot be fulfilled with the knowledge, skills and experiences learned only from the experiences, as the responsibility and competition increase. The staff is expected not to limit their learning and development requirements with the opportunities offered by the company or the suggestions of their executives, and they need to act individually and explore and evaluate opportunities to learn and practice what they have learned. Additionally, the creation and evaluation of learning and development opportunities are expected from both employees and all executives responsible for preparing them for challenging competition. In order to create such learning environments and to increase the skills in these areas, especially starting from the top executives; all relevant managers are encouraged to participate in management skills, multidimensional leadership, inspirational leadership, individual coaching, team coaching and various managerial content programs and these programs are monitored and evaluated. The institution also trains and uses internal trainers in order to make these efforts and programs last longer.

"Learning and development" is the main pillar of the BSC (Balanced Score Card) tool, which is used within the framework of corporate approach. In this

respect, the overlap between value and institutionalism occurs. The institution invests mostly in this parameter and it goes beyond the benefit and cost approach and exerts great effort on individual and group development activities that will form the basis of corporate development, and it uses a large budget for this. The Department of Education was transformed into a "Corporate Academy" two years ago, so that activities distributed to separate sections were gathered under a single roof. Corporate Academy provides leadership, coaching, group coaching, coaching leadership, collection, design, planning certification programs created with joint programs with various universities, managerial development, distance learning sets, project management and generating solution skills development programs, special development conferences, and many other development activities. For example, *"We are Raising Retail Leaders"*, *"Buying Certification Program"*, and *"Merchandising Orientation Program"* for the managers of the retail group are certification programs made in partnership with the specialized universities this year and the programs produced their first graduates and are still going on. More than 800 managers, who worked in stores or sales departments in Turkey or abroad, have participated to the *"Trainer Manager"* program. The participants were first given the specific training and then, they were involved in training sets, which they have also contributed, such as communication, regulation, customer satisfaction, occupational safety, hygiene, and representation, and they trained the units that they managed and provided a learning environment. A great sense of pride and satisfaction is easily understood from the interviews conducted with some who were coordinating and actively giving and receiving training. According to the narratives, there were also shyness, discourses that it may not be done well or that other works are too intense, partial resistances, and feedbacks to perform this work at the first time. However, the fact

> that the family member, who is the Chairman of the Board of Directors, was uncompromisingly behind the instruction of the fulfillment of this activity and that he was actually involved in it, showed positive results. The initial results have created a very serious motivation; those who have been in the position of trainer managers have clearly stated that the best learning takes place by narrating them to their employees.

The institution places great emphasis on the training of its own trainers, managers are expected to train their staff as it is shared in "expectations from managers", the institution is experiencing the richness of having an internal trainer staff consisting of more than 300 managers and experts.

The organization has been celebrating "24th of November Teachers' - Internal Trainers Day" as a new corporate ritual for several years with the aim of honoring these internal trainers, training, learning and being with the country. Firstly, it is explained that the Teacher's Day started in 1981, head teacher Mustafa Kemal Atatürk is commemorated, and a brief one-year assessment of education and learning is shared with successful applications.

For example, it was shared in 2017 that the *"Coaching Leadership"* program, which is the first in the country, registered and approved by the International Coach Federation. Such a registration in the "coaching" industry is a great reputation parameter. Five coaches and managers working in the institution were honored in the same year. The program started with a breakfast invitation to all internal trainers, and all trainers were given books and badge gifts to remember the day. In addition, plaques were presented to the most successful trainers in the subjects such as those providing the most training, those providing the most satisfaction, and those who created new training subjects.

"First of all, I would like to commemorate our first teachers, our parents. I wish our living parents a healthy long life, and I wish the lost ones to 'rest in peace'. I would like to thank our teachers; of course, one day is not enough to remember them. They are those who bring us to these days. They made sacred labor to make us know and do what we don't know, to make and transform inefficient, non-productive to efficient and useful, and to prepare us for life. Then we kept on learning things every day. In terms of business life, we are learning effective listening, problem solving techniques, trying to read the economy, customer expectations, how to be able to serve better, how to become a better leader, how to manage our feelings better, how to become a good serving leader, how to internalize the management skills, how to make a better design. There is no end to this and the greatest necessity to develop is to learn. Yes, in this way, we develop in the field of leadership, professional and social field and meaning and we even create wisdom in some fields.

Where are we now? What do we have that is good first? Considering the firm, if we are one of the most popular brands, the most admired institutions and brands, and if we are able to sell, we definitely owe it to our teachers and trainers. On the other hand, we see that we're not so lucky overall. Sadly, as I have read and heard recently, we came in the last place among the countries equivalent to our economic size in PISA results and teamwork. What are we doing, what should we do to reverse it, what we need to do differently, we need to think about and study this situation. Our Corporate Academy has a role and duty here. We should aim to further develop our environment and suppliers and contribute to our country. We should share "the way of teaching, learning and educating the good", as I have already emphasized, we should contribute to our country and be part of the development. Information received in the classroom may not be sufficient in some fields naturally. Transforming information into practice by doing, observing, supporting current situation analysis with the right observations, working, reaching new information that is/will be needed, is always the necessity of development. In this regard, we especially expect and demand managers to continuously improve their employees and lead them to go beyond their levels. Each manager must also undertake a good trainer mission. This requires loving mankind, to love its development, to make it find its

meaning, and to take pleasure from it. If there is no meaning, it is a dream to wait for development.
If I have to express for myself, we have done different jobs, established companies, we got good, successful results, we have earned money, but none of them gave me as much pleasure as when I described something to an employee, when I contributed to his/her learning, and he/she got good results by applying it.
Thank you." (CEO, 53, Male, 11/2017)

This speech consists of notes taken from the CEO's speech to approximately 300-350 people on this particular ritual day. There is no budget for well-defined educational and learning environments which are believed to benefit the institution. In other words, there is a limited budget.

The Chairman of the BOD also stated in a clear and concise manner that the institution made various investments in education and development, but that the most important investments were not only in the employee but also in the mankind. This investment includes human investments not only in our country but also in other countries and he told the audience that these investments also increase our country's prestige. He emphasized that the "Trainer Manager" program was put into practice with many different applications this year and he also stressed that this program has created great awareness and satisfaction and has developed a trainer feature for managers who were in the trainer positions. He also communicated the quotes whose emphases are important, and which are prepared in such a way as to draw the attention of listeners and employees. These quotes are summarized below.

"Teachers are the one and only people who save nations. A nation without teachers and tutors does not deserve the title of a nation." M.K. Atatürk
"I am slave of the person who has taught me even a single word." Hz. Ali
"A candle doesn't lose its light, by enlightening another candle." Rumi

"Real education consists in drawing the best out of yourself." M. Gandhi
"Science without religion is lame, religion without science is blind." Albert Einstein
"If you want one year of prosperity, grow grain. If you want ten years of prosperity, grow trees. If you want one hundred years of prosperity, grow people." Chinese Proverb
"The true test of civilization is not the census, nor the size of the cities, nor the crops – no, but the kind of man the country turns out." Ralph Emerson (BOD Chmn., 57, Male, 11/2017)

A ritual related to this issue in the family is that all the children and relatives of the family members who want to enter the business life must spend approximately 6 months of internship period in one of the family firms or in the parent family company and then if they are suitable to the business, they work in different companies in accordance with their suitability.

A good example of narrative sharing related to living and learning of an executive who had worked in several family firms before, began to work at the initial stage of the research institution and especially worked in the early periods when the family members were generally more involved in the business units, as naturally emphasized in the literature are, is as follows;

"I define the family firm as a business with family members in key and powerful positions, as an organization in which private family traditions can also be reflected in the institution. Movements, speeches-wording, addressing can be freer and easier. Since only the family member took part in the beginning, you could hear them addressing like "brother-sister-uncle" more. For example, the food given to the employee can be selected in accordance with their own taste, it is possible to ask for a lahmacun with onion for lunch and it can be executed in a very natural way. If you have a friendly relationship with family members, the business environment may also be friendly. If the opposite

happens, the exclusion in the business life is more rapid. Although not included in the job descriptions, additional duties of family may be requested. Working hours are quite long and instantaneous changes are more and unplanned, and disappointments can also be more. In the early stages of the organization, a family member or family friend who will be an alternative to you can be hired without your knowledge. And instead of competence and professionalism, personal relationships come to the fore.

Joys, sorrows are experienced in a fevered manner. The concept of being in the family is more felt. You're on a more emotional and spiritual side, but the negative side is that you may not be objective, and you feel yourself in a negative position to ensure the development fully." (CÖ, 45, Female, 01/2016, 08/2017)

Nothing is Impossible

It is believed that objectives that seem difficult or even impossible will be achieved when subordinate objectives are set to enable employees to use their mental skills and to set their hearts on, and appropriate environments and support are provided to employees in order to achieve these divine objectives (objectives that make a difference and benefit the community).

The founding family member, CEO, told that when he set the organization's 2010 turnover target as one (1) billion TL (while it has a turnover of 15 million TL) in the early 2000s, nobody believed it and they "laughed up their sleeves" with a classic cultural definition. The turnover at the end of 2009 and at the beginning of 2010 was one billion and ten million TL. It has become the first Turkish company in the sector to exceed one billion TL, which was seen as "impossible". The 2023 vision set by the CEO in 2014 is a turnover target of USD 10 billion. Interestingly, the employees, who have been working for 3-5 years, sincerely believe in this target,

which is hard to believe even by him, considering the stability variability of the economy. This belief can be regarded as a sign that some values, words, credibility and corporate leadership have gained considerable depth.

The idea sharing, narratives and evaluations about family, family firm, nepotism, trust, business power, and values of the brother-in-law of the founding family member, who has been working as a General Manager of a firm in the first Holding, OHC, for more than 20 years, who continues to receive education and learning during his working life and shares his knowledge and experience in NGOs, high schools, institutions and media organs in the Thrace region close to Istanbul, who had completed an academic PhD in quality and management quality about 15 years ago, are as follows in his own words;

"The first thing I will say is trust. In my opinion, it is not possible for a business to continue, to be put together and to be efficient without trust.

'Trust is what makes the impossible possible.'

Where there is no trust, everyone begins to think about himself. It is the most important thing in the workplace. When there is no trust, subordinates start to fear their superiors. If the subordinate does not trust his superior, if privileges are requested or occur, if he doesn't trust his boss, business processes suffer from it. When personal concerns triggered by a lack or absence of trust increase, business processes are also affected, personal interests stand out, and corporate interests begin to fall into ruins. I'm from the family, but I came from outside, I'm more of a professional. I have a big brother role in the family, but in the business environment, our founding member is both my manager and my boss, and we never mix up family relations with business. Being a family member is both pleasant and difficult. It is good because it is good for me and the shareholders, 'trust' is literally taking place and there is never personal concern. It is hard because tolerance to other stakeholders and other employees is/cannot shown to you, since there is kinship and family membership. When you have relatives, when you have family members, you have difficulty in making decisions. I have a nephew who

works in our head office and I feel the same difficulty. I had another nephew who worked, she was successful in business, but she left after giving birth. She's reproachful to me. Because we didn't present her anything that we didn't and couldn't do to our other employees.

One of the main issues that sometimes challenge family firms is generation differences, difference in choice and views of life. The new generations are much better educated and up to date in general and very naturally, but their willingness, determination to work and inner willingness and visions are not as deep as the first generation. This issue is important for both institutionalization and leader-managers. In addition, a large part of the new generation wants to work in metropolises, not to be outside the metropolis and to be in social environments and have their own lives as well as business. Why should quality, correct, successful, well-educated people come to the family firm that I manage or other family firms? The family firm should pay attention to this and seek answers to the question of why they should come here out of material things.

Apart from money, young people want to be in places that can give them something, make them find meaning, listen to their word and are believed to contribute them. They want a professional approach and less nepotism in family firms rather than bossism. We are really trying to implement it here.

One of our founding family members, our CEO is very special in terms of working, he works in 12-14 hours/7 days mode." (AT, 60, Male, 09/2017, 11/2017)

At this point, it would be useful to cite another comment reported to the researcher. This comment or narration is about the question asked by the founder of a well-known and respected consulting institute that organizes the Retail Days and Congress to the Chairman of the Institution, the CEO's older brother, and the dialogue between them,

"-Where is your brother, we haven't seen him here for seven years, we missed him"

"-He is now working in the Company to improve the organization and eliminate problems if there are any, struggling, if he did not work so useful and productive, some of my executives and me and my team with me would not be here in such a comfortable way" (BOD Chmn., 57, Male), (cited 05/2017)

Family member executive, who is one of OHC General Managers, continue;

He relaxes while he is working, he enjoys while he is working, and he likes to solve a business problem rather than going to the theater. He has a regular bedtime and does his sport every morning. I think his pleasure from the work is more than others' pleasure from alternatives such as theater, cinema, sports, music, and travel. His energy is high, and God bless him, he is healthy enough to work so hard. In this regard, this must be achieving the impossible. He wasn't going on vacation at all, but they've been going to vacations with his family for a few years, though he also works there, but it's still good, and I think my coercion contributed a bit to this vacation phenomenon.

It may not be right to ask the second generation why you are not like our CEO. Instead of being one-to-one like him, family members should follow his as an example, be his versions, as it is hard to be able to be equivalent. They can use life a little more balanced, but young people of the family should apprehend and apply the valid values of him and the family. We see this in different family institutions, the following generations are trying to take the place of the hero of the family, I think it's not right, it is important to take the principles and the behaviors of the hero that lead to success instead of his place. I believe that our family generally takes the approach of taking principles and acting within the framework of values".

The founder family member's comments on learning and provision of a learning environment are also summarized as follows;

"Another important point is that our founding family member provides the learning environment, and really provides these opportunities to those who

demonstrate their learning motive and attaches great importance to development. I was in charge of the permanent exhibition stand of the main institution in Karaköy before 1996, and then I began to work at the institution where I am currently working. The main institution implemented very strict training programs for all employees including all general managers working in different companies as it is now. I was only able to catch up in the middle of that process, the contributions of those days continue for me even today. I went to the central building for a matter. They said that the person I was looking for was in education and when I learned that it was education; I went to the training hall and reported the institution I had just started and stated that I absolutely wanted to participate. I reproachfully asked the trainer why they didn't take me to education, in a sense I broke into the classroom, so there were laughing participants. The trainer shared that it was an ongoing training, that they would start a new program and that I could be evaluated in that group. They later told the CEO about this issue, my willingness to receive training. After this incident and recognition of this motive in me, he sent me to lots of original and even expensive courses, he directed me on this issue. Today, I try to apply the same sensitivity to those who work in our institution and who demonstrate the motivation to learn. That's what management learning is. It is similar to passing values from generation to generation".

His expressions about the way of doing business, its culture, trust, tolerance, kinship and family functioning of the institution or its subsidiaries, are as follows;

"People are exaggerating their superiors, bosses, professional managers in the workplace a little too much. Of course, managers also exaggerate themselves, thus, they are not trying for the right job, but for the liking of the supervisor and the boss. This applies to non-family businesses. Mistakes are made and hidden in the "Error culture". People can make mistakes, but they need not be afraid of mistakes and learn from them, it is said everywhere, but the situation in practice is often not as in this positive thinking and the opposite may happen. Mistakes can be made; it is important to improve people and processes so that they don't make the same mistake all the time. We need to mention the "tolerance" culture here. Tolerance and respect for people are among our values. But to use

tolerance intelligently means finding methodologies that prevent the repetition of the same mistakes. If you want to build trust, you should value and even reward those who find faulty processes, errors, and come up and tell about the mistake they made. This is all about "trust". If you are building trust, which is a crucial issue now and our family value, quality, fastness, and coordination become self-induced. What is really important is the performance of the business processes. The long-term benefit of managers or bosses to the liking of the boss is very controversial; in short it is not very useful. In our organization, we are evaluating process performance instead of personal performance to serve this reason.

Recently, the Production Manager who reported to me came and shared that they had made a mistake. A technician at the weighing station has found out an error regarding preparing an important paint preparation recipe signed by the intermediate and first level managers including him. We asked our executive to find a way to prevent the recurrence of similar errors and we honored our technician who found the error in a special environment where the whole group participated and gave him a special award. We shared the importance of not hiding the mistakes, we told everyone not to repeat the same mistakes. The result is the consolidation of trust, 'trust' is 'everything' as we have mentioned before."

"It doesn't matter who you are if you're the right person. I am talking about local solidarity or kinship. Even if you have difficulty deciding especially in kinship, it really doesn't matter if you are the right person. But if it's not the right person, problems may emerge such as being nervous as a long-tailed cat in a room full of rocking chairs, you may disrupt the system, therefore granting privileges is definitely not our model. My son is an industrial engineer doing a double major master's degree in the USA. If there are open positions, we certainly do not allow the opening of new positions, if there is a position and he met the requirements of the position, he can be employed. Here it is important to be very honest, to apply justice at work. Being fair is one of the main factors that create the basis of trust building and reliability.

The institution I am managing is a sector leader and it is an institution that succeeds to become a role model with its experiences and actions. I don't think I'm just a member of the family, while I have been managing this institution for

21 years. It's probably because of our performance. I have to say that in different family firms we know, family membership is quite ahead of the performance, unlike our practices. There is absolutely no nepotism in our business. One of the main reasons for the establishment of the Family Holding is to prevent nepotism in the parent institution. I think I am the only relative and family member in the OHC. Financial assistance to relatives can be provided if they need it, but they can't be employed in a job that they are not successful in. "This is our understanding". In addition, my personal opinion is that if the bosses want to keep their relatives in the company, they can assign them to the BOD, not in the professional positions, in a separate structure, such as the Board of Directors of shareholders or a similar board of shareholders. I do not think there will be any weakness in their work as they work like professionals if they have adopted the values and competency. They can be professional first and then relatives. I emphasize again, trust is very important here, and relatives must be trustworthy with their business and values, or organizational frictions, segregations and increasing performance issues begin to emerge.

General Manager, CEO, and managers can only assume these duties if they are very competent in a company or in family firms. Though, the same applies to non-family organizations. We are somewhat reminiscent of Turkey mosaic on the employment of the spouses. We attach great importance to raising the children. They manage the maintenance and management of the family and their external relations. If you already have children and do not have a financial constraint, the spouse is more interested in the family. We have a more regular life and we don't really have any problems with this issue.

I also recommend that members of the Family Firms get psychological counseling for the development of new generations. Because it is very important for the family members to be able to make the right decision first and at once, in order to ensure the sustainability of the institution and to move forward, especially in the employment and business delegations of the family members. So, the impossible ceases to be impossible" (AT, 60, Male, 09/2017, 11/2017).

Being Customer-Oriented

It is believed that the organization can create a sustainable success graph to the extent that it can meet the demands and expectations of customers better than its competitors, and meet them at a faster, better and more cost-effective manner than its competitors and be able to make presentations to its customers and all employees are expected to be “customer-oriented”. The employees working in the support processes are also expected to serve their "internal customers" and to perform efforts at the most appropriate quality level. Considering this belief and value, institutions try to get to know customers well, understand the different expectations and requirements of different customer groups, predict changes in future demands and meet them in better conditions than their competitors.

While making decisions, it is believed that they should be made after first considering whether they are compatible with the values, and then thinking about how it will affect the customer and being sure for the increasing customer satisfaction. As it is presented in the value of learning and development, corporate objectives that enrich and maintain being customer oriented are also given. The following 2017 targets can be given as an example; “to increase the perception of meeting minimum wage customers' clothing needs”, “to realize store concepts that will create more experience environments” and “to increase online shopping occasions with continuous innovations”. In order to integrate this value and the business life into the corporate life by triggering from this value, the institution practically tries to provide it by organizing “focus” groups and “in-depth” interview environment, creating online sharing environments, increasing the competence and skills of store staff within the framework of this value, operating price-quality-timely presentation in a good manner, tracking and creating trends, and attaching

importance to special occasions and it is at a very prosperous level according to independent analysts.

All relevant groups that create collections, planners, store-allocating units, interested parties from different support units usually visit stores every Friday. In the meantime, they also conduct direct interviews with customers in the store and monitor the market. We are even working on the organization of a representative product manager who will constantly be in the store. Recently, a series of studies aiming to capture customer perception, regional and cultural parameters more deeply with participatory observer approach almost similar to ethnographic research have been conducted with professional groups and experts within the organization in order to understand the customer analytics, their conceptual approach and the way they make choices without going to the store. This activity is also attempted to be carried out in different countries in terms of being always close to the customer, being one of the main business parameters and the value of being customer oriented.

Particular attention is given to today's rapidly rising e-commerce applications that some customers prefer. This service is being provided in approximately 15 countries. Currently, the highest number of e-commerce transactions in our country is carried out by the research institution. In the customer step of Balance Scorecard, one of the basic methodologies applied in the institution as a performance and management style tools, the institution keeps basic fields such as presenting products according to customers' styles and budgets, developing new designs, creating comfort areas in its stores, predicting requirements, preparing special collections for special occasions (i.e. mother's day, April 23, etc.) within 1-3 years of strategic objectives and it is continuously makes assessments and it seems that it is taking great steps towards institutionalization especially with its systematic in this field.

The institution receives various awards and honors, which are shared on websites such as “the brand that is most admired by its customers, the sincerest brand, and the most remembered brand name” in evaluations carried out by different institutions such as magazines, organizations and independent institutes.

Being Serving Executives

The institution expects executives to lead their teams, as it is expected in various similar institutions. This is being defined as raising and moving the levels of processes in which one of the key areas of leadership for business is responsible, to the desired places and levels. It is believed that it is possible to meet all the needs of the teams responsible for making progress, including equipment, in the framework of learning, development, and guidance, accessibility and benefit-cost analysis, by the executives who serve the team with the "serving leadership" approach.

Based on this belief, executives are expected to;

- Show their employees the future and give clear objectives, that is, explain what a well-done job would look like,
- Clearly define the duties, roles, and limits of authority of everyone in the team,
- Create environments where employees can acquire the necessary knowledge and skills,
- Allow employees to come up with ideas on how to use their mental skills on how to achieve the goal on this journey, and even force them to do so.
- Provide mentoring or coaching to employees in overcoming obstacles that they could not overcome.

- Listen to their employees and keep employee engagement high by making them feel that they value their ideas and opinions and that they will be there when they need them,
- Recognize and appreciate not only successful business results, but also positive behavior,
- Follow developments and behaviors closely, provide feedback without delay and apply situational leadership approach to achieve the objective,
- Gain the trust of their employees and internal customers by acting in accordance with the firm values that all employees are expected to comply with.

As it is explained in another section, the combination of Multi-Dimensional Leadership, which introduces behavioral modeling according to developmental levels, Double Winged Lean Leadership skills, where being virtuous stands out, and values where the eco (ecosystem) is prioritized instead the ego, such as modesty, helpfulness and respecting differences, having self-confidence, create the “serving leadership”. It is to ask, to understand, to support, and to be part. Some executives shared that the concept of serving leadership was used as “steward leadership” at some point and it was misinterpreted by the employees and that they were actually seen as “stewards” by the teams. Later on, the term was discussed and accepted in the Executive Committee with the participation of the executives, to be pronounced as "serving leadership - virtuous leadership".

The interview conducted with the CEO of Original Holding Company, which was initially established and subsequently formed the core of the parent institution and which consists of the main retail group firms, created an interesting and valuable

exchange for understanding the past and monitoring the flow of a trust-based journey. He quoted the following ideas and story related to the success story of the institution, the behavior and business manner models, and the things that matter in the journey that started during his time as a Mechanical Engineering student and extended to today. Since he is the person who knows the founder family member best without being a family member, he carried out a special study about himself and about "Serving Leadership", which was especially emphasized in the literature section.

> *"The CEO of the parent institution is the person I have trusted the most, respected and have been with since my youth.*
> *In the first year of the university, the faculty member, who taught mathematics while studying Mechanical Engineering in Konya, asked students to introduce themselves, including their hometown. That's where we learned that we were from the same city and our friendship began. Then, I transferred to Istanbul Technical University, ITU, but our friendship continued even though there was a distance between us. When he started his master's degree at ITU after graduation, our paths crossed again as graduate students in Istanbul and we even shared the same student house together for a period.*
> *Our founder can be given as an example of the journey of excellence. You can find him either at work or with his family. He is a very good family man. But if you ask in terms of time, the business definitely takes priority; you may see him more in the workplace. His wife is very good at organizing all the work related to home and family. She identifies the propulsive and driving forces of the family and makes a great contribution.*
> *He even came to his wedding after finishing his work. At the birth of his first child, he left the hospital organization to his brother-in-law and came to work to manage the shipment of a small but very important customer at that time, after completing the work, he returned to the hospital and the birth already took place. His principles on this issue are very precise and indisputable".*

The CEO of OHC emphasizes that the point reached today is beyond his own dreams and emphasizes the vision of the parent company CEO with the following sentences;

"Our founder is truly visionary."

"The primary issue is never material things, on the contrary, material things do not mean much to him. However, progress, development, self-transcendence, brand creation, employment, growth, and compliance with values are important. He is never content and always looks for more and is eager to acknowledge the unknown subject himself first. He also receives the required training and consultancy for this, organizes and systematizes them according to himself, his ideas and beliefs. He always writes systematic himself, creates them as training documents and strives to achieve their targeted implementation".

His discourse based on real experiences about values and competencies such as behavior and business models, helpfulness, initiative, equity, appreciation of efforts, respect, and decision-making processes are as follows;

"The CEO, the founder family member, takes great care not to intermingle the corporate vault with his private wallet. The company pays the purchases in its own pocket. He always pays the purchases in matters not related to the institution from his own pocket. One of the most important issues I have ever remembered about his values, after his master's degree, he became a shareholder in a small firm different from the current partnership, but the promises made to employees or suppliers were not kept and timely payments were not made, the institution did not adopt stewardship and the serving leadership was injured, so he left the firm without getting his share.
Then we have become partners in a small business. We continued for a long time for free, but we have always known that our unwritten constitution includes balance and protection of rights. We make our own decisions in the business and no one really interferes with these decisions. However, the person making

the decision must be living there. Apart from these, he is loyal and devoted to his spiritual values and does not show this much and does not keep it visible. Rather than leaving the responsibility to others, he usually keeps it for himself and he sees himself primarily responsible in negative situations and looks at more intentions and efforts by accepting people as they usually are. He gives direction and hope to others in times of crisis without despair, that's why the institution has always grown strong after the crises.

One of the most striking examples of taking initiatives is our decision to halt our dealership system and switch to our own stores, all of us concerned about the consequences because the dealership system was our main business structures during the 2000 crisis. The institution initially fell to one-fifth/quarter of its turnover, but this was a very visionary perspective, later it has shown incredible growth. He really listens to others and always makes his decisions according to his ideas. He receives opinions about the implementation and makes the necessary changes and revisions. His giver personality and helpfulness come from the family. For example, everyone likes to host a dinner or to wine and dine people in public interpretation. However, I have not seen one who served as privileged to his guests as much as their father. He makes a different service in a willing manner without sitting down. I think their family culture is always like this and has completely passed on to corporate values. A sincere effort is being carried out in order to feed employees and provide service" (İHK, 55, Male, 08-09/2017).

The four principal issues in the corporate dimension, which the CEO of OHC sees on his own and internalizes with full faith, are as follows;

- Most importantly "trust" and "respect"
- Clear distribution of tasks and not interfering each other's field
- Equity and being able to get what you deserve
- Being helpfulness.

"Trust is a magical feeling and in order for trust to exist, it should include some issues like honesty, fairness, entrustment, personal integrity, coherence, being a man of promise, ability to finish a job, being good-natured, behaving steadily, and not making promises that cannot be made and have to leave a positive mark on these assessments"

He stated that the division of labor is important for the functioning model in the family, as in the business life, as in the social arena, and that it also applies to his own family, and emphasized the issue as follows;

"Our wives are usually responsible for the family, and we believe that when spouses and children are involved with the business in a complicated order, it may cause difficulty for institutions. We know many family businesses that operate in this type of multi-system. Of course, this is not the case for all of them, but, for example, in some firms, the same luxury car has to be bought for everyone. As the preferences and expectations are different, the disputes are beginning to increase in a way and unfortunately, these firms experience difficulty in a couple of generations. Of course, the second and third generations should be developed very well in the meantime. Mothers shoulder a great responsibility in this duty and make a serious contribution to their preparation for the future by making them learn the family values well."
(İHK, 55, Male, 08-09/2017)

The group questions from an academic study prepared for empirical data and interpretability on "Serving Leadership" were asked to the CEO and his opinions were taken. He has been working with the founder for many years, shared a common fate as a friend and managed the first structured Holding, the OHC, and his opinions were also quoted above. The purpose here is not to create statistical data but to get the first thoughts and to understand the value structure of the first founding family member, whether they come from the family, their behavior styles and the perception related to

these behavior styles and the relationship of these behaviors with "serving leadership".

In this academic study, the questions were categorized as follows;

- Valuing people; accepting people as they are, thinking of others before oneself, listening without prejudice,
- Developing others; providing learning and development opportunities, being a role model,
- Constructing public opinion; supporting team work, creating relationships and connections, collaborating, valuing others' thoughts and personalities,
- Being authentic; being open, transparent, and aware, open to receiving feedback, being honest and principled and behaving ethically,
- Being a leader; being able to introduce a vision, taking initiative and clearly setting goals in line with vision,
- Sharing leadership; being able to share power and authorize.

64 questions were asked to different firms and employees for the total of these categories.

The highest rating category is 7 on the scale of 7. Of the 64 questions, the first 42 were evaluated as “7, 6.5, 6 and 5.5” respectively. The first 13 were evaluated as “7”, 14-17 as “6.5”, 18-39 as “6” and 40-42 as “5.5”.

Without sharing the ranking and evaluation, these 42 criteria (without specifying 42 criteria and the average value given in the study) were asked during the interview as it is presented in Table 29 “The CEO’s Evaluation of Serving Leadership” and the evaluations were taken in the first column below and the data obtained as a result of the research in the lateral right column were added later.

Table 29: *The CEO's Evaluation of Serving Leadership*

	Evaluation Expressions	The CEO	Overall Average
1	Respects people	7.0	7.0
2	Authorizes others by sharing power	7.0	7.0
3	Creates value for people by encouraging and enabling them to feel their presence	7.0	7.0
4	Is reliable	7.0	7.0
5	Trusts others	7.0	7.0
6	Builds public opinion, togetherness, and team	5.0	7.0
7	Shares leadership	5.0	7.0
8	Is a good listener and values the person speaking	7.0	7.0
9	Has high ethical values and therefore has high moral values and morale in practice	7.0	7.0
10	Has a high consistency and honesty degree	7.0	7.0
11	Uses personal influence instead of authority from his position	7.0	7.0
12	Becomes a role model by displaying appropriate behaviors	7.0	7.0
13	Keeps people pleasant	6.5	7.0
14	Avoids putting himself in the forefront (Leads for the general, not for the personal benefit)	7.0	6.5
15	Establishes good relationships with others	6.5	6.5
16	Shows love and compassion to others	6.0	6.5
17	Instills hope and prospect to others (Especially in times of crisis **7+**)	7.0	6.5
18	Has a vision for the future	7.0	6.0

19	Takes responsibility and consequently initiative	7.0	6.0
20	Believes that everyone has unlimited potential	6.0	6.0
21	Accepts people as they are	7.0	6.0
22	Tolerates people's limits and mistakes	7.0	6.0
23	Tries to develop people to reach their potential	6.0	6.0
24	Enhancing relationship management in people's business-social life	6.0	6.0
25	Supports open communication and information sharing	6.0	6.0
26	Open to learning from others	7.0+	6.0
27	Feels responsibility to others	6.5	6.0
28	Is sensitive to the needs of others	6.0	6.0
29	Does not in need of any distinction due to leadership	6.5	6.0
30	Uses power and authority for the benefit of others	7.0	6.0
31	Some of his leadership is based on loyalty, fidelity and morality	7.0	6.0
32	Is brave	7.0	6.0
33	Is aware of his/her development areas	6.0	6.0
34	Has high self-confidence	6.5	6.0
35	Is neutral and starts from himself first	6.5	6.0
36	Creates a climate that encourages learning	7.0	6.0
37	Puts persuasion in the forefront instead of coercion or repression		
38	Is modest and humble	7.0+	6.0
39	Is competent, has sufficient knowledge and skills, constantly improves himself	7.0	6.0
40	Sets clear targets and directions	7.0	5.5
41	Works together not distant from others	6.0	5.5

42	Values differences	7.0	5.5

Source: Organized by the researcher based on the research of Laub (1999)

As a researcher who asks and answers questions here, I would like to share clearly that I have found that observations are believed to be completely or as impartial as possible in the framework of numerical evaluation and mutual observation.

Within this framework, it is understood that the Serving Leadership model, which is one of the main triggers of development and which is tried to be applied in an institutional way, is tried to be implemented completely from the top.

Selection of Competent and Suitable Employee

Learning and development is one of the areas where the institution allocates a great amount of resources. However, by looking at the outputs of the overall performance evaluations in the managerial sense, it is believed that even though a considerable amount of effort and resources are spent to develop the employees whose skills and orientation are not suitable for the job they are assigned to, these employees will not be as happy as the ones whose skill and orientation are suitable for the job. Considering this belief, one of the most important tasks of executives and related recruitment units is to determine the competencies and orientations required for each job and to make appropriate assessment techniques and necessary efforts to select the appropriate employees for these tasks. Being aware of the fact that interviews and evaluations are as important as the technical analyzes used in many

institutions in general terms, the institution makes efforts and transfers resources to develop its employees, who are directly responsible for the job as well as all its executives, who are also an important party in this field, and to follow the application-position and prospective expectations pattern. Considering the intense recruitment graph and the expectation from these recruitment of the Institution, which is the 3rd institution with the highest number of employees in 2016 based on official records, it is clear that this corporate value is very important and that fulfillment of this value will add a huge surplus value to the institution both concrete and abstract and will cause a positive increase in intellectual capital.

This value and competence in a sense has been added to the “Key Responsibility Areas” of the executives and has become a management systematic. Each executive should determine the technical competency requirements and levels of the position, share this with the relevant units, determine which behavioral competencies are required and prepared, prior to any recruitment interview. The mutual assessment of this approach is carried out both by the Human Resources units directly responsible for the recruitment and by the premise assessments of the new employee's two, four and six months. In the recruitment of top executives, external independent evaluation, behavioral harmony, and representation and reference assessments are particularly conducted and applications are given importance. These are similar in many institutions.

Data and Analysis Based Decision Making

“Uncertainty", which affects family firms as well as all other organizations, has become more pronounced with the increasing impact of the global economy, leads to the emergence of innovative, new applications, new business systems and the rapid

change in the approaches in the dog-eat-dog world. Within this perspective, it will be necessary to accept that intuition and feelings became important in some decisions that need to be made rapidly. However, the Institution management believes that decisions based on intuition and feelings are also debatable and often wrong. Hence, important decisions are expected to be made after conducting the necessary research, evaluating the situation from different viewpoints, getting the opinions of relevant stakeholders and analyzing the collected data with appropriate methods. E-Commerce can be given as one of the important decisions. As it is gathered from the interviews conducted with executives, it is believed that the applications made, or in the marketing language "word of mouth" applications, which are believed to redound on the customer more have brought great success in recent years and have contributed to the growth. The institution partially avoided "e-commerce" and "online" activities at first with this intuitive and sentimental approach, but a decision was made to collect data and benchmarking studies were also demanded.

According to the results of the research, the data showed that this feeling was in the opposite direction. The trends were confirmed to be in a flow towards “E-commerce” and the institution has decided to make investments by starting to recognize "E-Commerce" as a channel. The growth is still continuing, and the studies are continuing. The analysis included not only the national scale but also the world trade and a series of technical analysis and data were collected on issues like logistic modeling, the countries it has developed more, long-term prospective research and analysis in 10-15 years and methods to take back invoices as a result of the increase in return rates in an online relationship. Analyzes envisaged that two out of 5 items sent in such a trade are likely to be returned. The investment was decided primarily on a country-by-country basis, the implementation was extended to 15 countries within

two years, starting from Romania, and a very assertive target, 20% of the turnover has been set.

Acting in Accordance with Legislations

It is believed that failure to comply with legal regulations will harm both the reputation of the institution and its financial results in the medium and long term and all employees are expected to know, be aware of, and behave in accordance with the relevant legislation.

As a similar issue is discussed in another section, not doing business without meeting all the requirements of laws or regulations is one of the most established and internalized values and it has transformed into a cultural parameter.

It is possible to give many examples when the information obtained from the interviews with the executives, agenda items etc. are combined. There is a special department in the institution that monitors, controls and adapts the legislation and financial portfolio. The construction of a building without a building permit is never allowed. Considerable effort has been made to avoid the occasional drawing similarities used in print design and efforts are being made particularly to protect ethical values.

The institution has an “ethical line” that is open to the public in order to ensure the sustainability of laws, regulations, regulations and ethical values on a national and global basis. The same sensitivity is shown at the highest level in the financial field and the rightful shares of the people, the society and the state are tried to be protected. According to the management of the institution, one of the most honored outcome expectations is to raise its place in the list of the highest taxpayers before the turnover.

Although the institution is in a lower risk group than industrial organizations, occupational safety and health issues are also tried to be applied beyond the laws.

Although executives are directly responsible for the risks involved in their own processes, they are responsible for supporting the management of financial, operational and strategic risks as well as complementary legal issues. There is a Risk Management department, which is managed directly by an executive who is also a member of the Board of Directors, and the Law group is also included in this unit. As the issues grow, inter-country transactions increase in line with the growth of the institution and new countries come into play, compliance with the legal laws and regulations of these countries is a very challenging process that requires learning in a short time. The institution makes great efforts to expose a complete systematic institutional stance and behavior on these issues and to comply with the measures special to each country in its contracts and practices.

4.4. Internalization of Family Values by the Family Firm

An ongoing study regarding the values is being carried out for easier recognition, internalization, and especially for employees who have recently started working in the institution, started their working life in post-modernist currents and are mostly Y generation employees.

5 key values, which were directly referred by the CEO to a group of approximately 100 employees, were defined in a few sentences in the Executive Committee. These values, which are defined as respect, honesty, modesty, equity, and benevolence, can be expressed as “virtues” because they adhere to the universal meaning in the literature. The other values that have been defined and expressed previously have been preserved in the main competencies’ matrix.

Brief descriptions of these values-virtues are also given as follows, and it was emphasized by the CEO that he expects executives to disseminate these values and to ensure that they are internalized by all employees in the institution.

Respect: Being open to different ideas, respecting different identities, respecting different values and beliefs,

Honesty: Keeping his/her word, having one's heart on one's sleeve, not engaging in opportunism or abuse,

Equity: Making the best of the work done, making the best of the work commissioned, giving the customer his/her due,

Modesty: Not acting superior, not bragging about the things done, accepting the mistake, apologizing where necessary,

Helpfulness: Giving financial assistance, helping in his/her job, sharing information

It is also stated that the field study related to these values, which are also defined as "virtue" in the literature, is ongoing and being followed. This study also covers the literature study. As a matter of fact, approximately 4-6 months after this narration, it has also begun to come to the agenda that it would be more accurate to include some values, which were thought to be included in the competencies group within the presence of management, in the integrity of "values". A new draft was forwarded to the top and middle executives by the CEO and their opinions were asked.

The outcomes of the relevant working groups on the values also continue to be discussed. Most recently, the results of the study were shared in the expanded

Executive Committee, which involved approximately 120 people. According to this study, the values of the Institution are as follows;

- virtuous attitudes and behavior (the virtues herein are respect, honesty, modesty, equity, and helpfulness-altruism, as mentioned above),
- cooperation and focusing on achieving together (this have inner shares in the form of accomplishing it together, valuing different ideas, making people feel valued),
- challenging difficulties with continuous development (this challenge does not mean unrelated, meaningless heroism, but a constructive and developmental challenge and it emphasizes courage, tenacity, and reliance),
- planned and systematic work with customer orientation and stakeholder sensitivity (wondering customer requirements and preferences, priority is given to customer requirements and stakeholder sensitivity),
- In-depth expertise (professional specialization, specialization in problem solving and specialization in providing guidance-training). For example, professional specialization is to reach the level of thorough application abilities and expertise by developing the skills and competencies with continuous and repeated applications in the area and processes in which there is responsibility. It is one of the values that can lead the institution forward most, especially during growth periods, and the CEO had received individual commitments from all senior executives about what could be done for this issue.

Cooperation, desire to succeed, planning and coordination, and customer orientation are among issues that were included in value or corporate competencies. These are expressed as values that need to appear again in the foreground and further

internalized as values in the rearrangement. The "stakeholders" term used in stakeholder sensitivity corresponds to the employees of the institution, suppliers, customers, shareholders and the society itself. It is to be able to guard the requirements and expectations of the affected matrix before the action and the decision. If we open up some subjects, for example, "accomplishing together" means not putting forward oneself or individualizing success but putting forward team success and the will to succeed together. The courage here corresponds to "what I can do" about the problems that the majority complains but do not take the initiative to solve, and the ability to take the initiative and responsibility in this direction. What is emphasized from faith is the approach to success in the end by applying the "plan, do, check, act", PDCA steps with determination and patience. Helpfulness, in addition to the above explanation, is to show sensitivity to those who do not have the same opportunities, to care for the benefit of others as much as his/her own benefits, and to exhibit behavior that will be contributing. Humility, again similar to the above description, is to be open to feedback and to act without boasting of knowledge and achievements, without superiority, and without underestimating others.

During the meeting with the CEO, opinions and feelings about values were taken directly from the first word and all of them were compiled from his own statements, which are about which values have been transferred from the family and therefore from himself or which values that come from him were integrated in the family, which of them emerged later in family-business integration and internalization levels of these values. Table 30 "Business-Family Values" below provides a summary of these feelings. It is understood that some values that come

from the family and transferred to the institution are internalized within the institution and, for some values; there is still a long way to go.

Particularly, being customer-oriented, being competitive without compromising on quality, being situational and fast, being quality-oriented, not in terms of values but in terms of competencies, being process-oriented, speaking with data, acting in accordance with laws and regulations, and using scientific approach and technology properly are values and competencies that come from business life. However, ethics, acting in accordance with the law and using science and technology properly are also among the values that come from the family.

Although it is wrong to make generalizations, especially in the geography of the country, in my opinion, in accordance with our growing styles and cultural motifs imposed on us, particularly, being tolerant, being sensitive to human and environmental health, believing that anything worthy of success can be achieved by challenging difficulties, and showing will and courage to take action instead of complaining are the areas that are difficult to fully internalize and are being studied

Table 30. *Business-Family Values*

Source: Compiled by the researcher from interviews with the Institution's CEO

VALUES	INSTITUTION	FAMILY
Customer-orientation	△	√
Being fair and honest	√	√
Respecting beliefs and differences	√	√
Being humble, tolerant and helpful	△	√
Adding value to employees	△	√
Being sensitive to human health and environment	△	√
Being competitive without compromising on quality	√	√
Being flexible, situational and fast	√	√
Not being content with the present, seeking continous development and improvement	△	√
Demonstrating a scientific approach and using technology effectively	√	√
Challenging difficulties, believing that anything worthy of success can be achieved	△	√
Believing that there are no untalented people, only there are talents that are incompatible with the position sought	√	√
Demonstrating the will and courage to take action instead of complaining	△	√
Ensuring freedom of expression and criticism without insult	√	√
Conducting activities in accordance with ethics and laws	√	√

△: There is need for development.

Management Approach and Principles of the Institution on the Way to Institutionalization:

The corporate constitution defines the mission, vision, corporate objectives, values, basic management principles and the basic behaviors expected of the employees and aims to share these with the employees. In practice, these are tried to be followed starting from the top executive, the corporate constitution is read before the contract is signed with new recruitments. The personal vision, mission, values and management understanding of the candidate and whether or not the organization complies with the candidate are consulted with the candidate. In case the candidate's personal vision, mission, values and management understanding are not suitable it is shared with him/her and the recruitment process is terminated. The candidates who are found suitable at this stage are explained the necessity of this vision, mission, values, management principles and expected behaviors if they are recruited and the candidate employee is required to sign the constitution of the institution and to undertake to act in compliance with them.

Every employee working in the institution is expected to know and act in accordance with the mission, vision, corporate objectives, values, basic management principles and basic behavior expected of employees and it is emphasized that the most important area is to act in accordance with values. The basic approach of the institution towards institutionalization can also be expressed as "management by values".

The institution has made its mission with group work including the social responsibility dimension and it is determined as "to dress people in line with their styles and budgets and make them feel good" based on the "everyone deserves to dress well" belief.

The vision, which is one of the original parameters in the way of institutionalization, is expressed as “to become one of the most successful three clothing retailers in Europe by 2023”, the year also correspond to the 100th anniversary of the establishment of the country. EBIDTA profitability rate, employee, supplier, and customer satisfaction, social responsibility, risk management and sustainability are the areas of success according to the share of ideas within the institution.

As the main parameter of the family firm in the journey towards institutionalization, the family should be aware that they are not isolated and alone in the family firm formation, they can learn from others, the journey towards institutional is composed of similar processes, but each journey includes different road maps depending on the preference, value, experience, togetherness and long-term objectives of each family.

The institution, which is researched, first determined its values, made efforts for corporate acceptance that is still ongoing, determined and published the targets for 2000, 2010, 2023, shared them with its stakeholders, implemented a radical decision that prevented nepotism, but introduced a “Family Holding” model that was able to renew itself in a similar way to ensure sustainability. The institution has developed fair recruitment and promotion systematic appropriate to the competence in the growing institution instead of recruiting family members and when it could not find competent professional buyers in the country it has hired foreign buyers and has tried to train its own professionals who will nurture the learning-education environment with the experience of these buyers and this is still ongoing. In particular, the responsibilities and powers of the CEO and Chairman of the Board of Directors, a second-generation family member and 5 other professional members

were defined in the articles of association and published in the commercial registry gazette. 5 out of 8 board memberships consist of professional managers. In this model, even though the institution appears at the "Siblings" stage, it can be considered as a model in which the institution has a corporate approach, where the Family Firms in Professional Management or Family Firms with Strategic Partnership are also foreseen and seen to have quite a number of applications. General issues, in which family firms have problems, are; selection of heirs, financing of growth, collaboration of non-family member executives-employees, a fair remuneration-income system including the conditions of family members and participation of family members in business life. Good communication and planning are also in the most important categories.

The model is reinforced instead of their selection. Family members are guided to new areas where they can become entrepreneurs in the Family Holding, not in the parent institution. The second generation is gaining experience in other jobs. They will act as shareholders when the time comes, and possibly professionals will manage the institution and report to the shareholders in management or be inspected by the objective audit bodies within the framework of corporate governance principles and be “accountable". The firm uses its own resources and it can find appropriate sources of finance because it grows in a healthy manner, and even maintains a small amount of external finance as reserve vital support not only as an obligation but also for using it when necessary. Compliance with values and compliance with corporate citizenship are tried to be looked after in professional management and merit-based recruitment and promotions. In case of any problem, there is a clear problem-transmission mechanism, an ethical line as described in corporate titles. It can be said that the institutionalization culture begins to emerge

when the institution and founding family members' commitment to the values are added to this, or in short when fairness, equity, honesty, helpfulness, respect begin to be implemented, which are already being implemented. This culture presents the image of an "institutionalization culture pattern" through continuous learning, working and development foresight, and reviewing and improving the disturbances with strategies that strengthen and target this foresight.

The institution has also established a "Quality Policy" that encircles product, service and management systems on the way to institutionalization, and "Information Security Policies" that envisage protecting the information it produces and its communication with its units in different states in accordance with the current actualities and the risk management standards recommended by the business systems and the institution has strengthened these matters with certificates. These certificates are issued by organizations called independent third parties that evaluate and conduct audits to monitor the achievement of requirements. Both certificates were renewed after a third-party independent audit in 2018 for a further three years. The institution also has a regulation on “Ecological Product Procurement” for the parameters which are the healthiest and which should be checked in order to prevent any harm to health of customers. Different rules have been defined for the control of the quality and ecological compliance of the product and laboratories have been established in three countries. In observations and studies, it is observed that this sensitivity emerges in supplier organizations that provide products to the institution. The examined figures confirm this argument.

The firm conducts audits including social compliance rules, such as the business style, compliance with universal rules, health, hygiene, elimination of child Labor, and guarantee of social rights in the firms that supply products, materials, and

services both in Turkey and abroad. Support is provided for improvement efforts, but cooperation with suppliers who do not reach a certain level and are not willing to do so is terminated. Two separate organizational units are employed to carry out these duties.

The Quality Policy of the Institution begins with an expression that begins with “to produce and market products that are convenient to the style and budget of the consumer, at the desired quality and time; that do not harm human health and the environment, in line with the needs and expectations of the consumer”. In line with this aim and the changes in continuous stakeholder requirements, the policy emphasizes the improvement, development of all processes within the scope of the objective range of all activities, the need to redesign all flow dynamics if necessary, and the systematic “recording of applications in written form”. As well as the written or unwritten rules of the applicable values base of the institutionalization, the written documentation for transparency and accountability is "essential" and must be implemented in detail in the institution.

The documentation system is defined as the "Document Center" within the intranet system of the institution and it is currently available and open. In parallel with the growth of the institution abroad, the growth of its systems and the development of the organization, the need to develop the content of the "Document Center" in order to assist the institutionalization has emerged and a project group was established and started to work, search engine creation for needs, software, and accessibility, and user experience studies were finalized.

The logo has been changed to "Info house" since it will be used by all domestic and international organizations. Documents are categorized as regulations, procedures, standards, instructions, and job orders in a hierarchy depending on the

size of the audience, authority responsibility matrix, and populace to be addressed and as circulars, announcements, internal memos and meeting notes according to their social content also in a hierarchy. A good and large capacity archive was also added to the agenda. All contracts, legal agreements, invoices and similar printed documents that were not previously included in the Document Center model were also stored in this new archive center through electronic scanning.

Particularly with the introduction of information age technologies, the use of electronic media such as "cloud" instead of paper for information storage and the protection of idiosyncratic information due to competition, and the transition to the "Internet of things" period, the importance of information security has increased and has become an institutional parameter. The institution has decided to comply with a globally accepted standard on the way to being institutionalized and it has been audited after the study and been authorized to hold the ISO 27001 standard certificate. The institution's "Information Security Policy" includes a written expression like "It prescribes protecting reputation and brand equity in the presence of employees, customers, suppliers; continuous improvement of the information security management system by managing information security risks of information assets related to "privacy", "integrity" and "utility" in order to the objective of being compliant with the third parties (business partners, customers, suppliers)"and this has also been announced by the use of various communication tools. These and other Corporate Governance principles and approaches are published on the website of the institution and are open to internal and external sharing. Another application came into the agenda with the Personal Data Protection Law (PDPL), the Law Department of the institution has launched a major project with all departments and all data have been reviewed and classified. Employees of all departments were given training and

information within the framework of presentation and distance learning model and re-authorizations have been made to access files where some personal data is stored. Both national and foreign contracts were reexamined, and related additions were made to all contracts. The documents signed by both the institution and the counterpart representatives were added to the ongoing contracts with the protocols. In addition, infrastructure equipment investments have been made.

The opinions of some of the employees of the institution on the way of institutionalization are given below in original and in summary.

> *"I believe that when values are rules, they certainly contribute to the corporate structure. This significantly strengthens the corporate governance requirements of accountability, transparency and responsibility and keeps them strong as structures. Since institutions are weak due to their nature of being legal entities, values protect the institution in this sense and ensure their sustainability. They bring advantage to the institution" (MM, 46, Male, 01-02/2018).*

As the researcher, "I" define institutionalism as *"an organization, a sustainable structure that is specific, governed by professional people as much as possible, adhered to rules that are written and independent of individuals, a more reliable structure, a cultural composition and pattern, where there are objectives and those who pursue these objectives, the implementation outcomes are monitored, reviewed, measures are taken where necessary, improvements or redesigns are made"*, especially when viewed from an external eye, such as a customer.

If an institution has financial power, it can access financial resources more easily, regardless of being a family or institutional. Nevertheless, the credibility of the family firm owner or his/her partners in business are always known to make a unique difference, it is shared in applications and considered important by financial institutions.

And if the next generation in the family that will take over the business, will ensure sustainability, be well-trained, and reliable and if there will be no conflict, institutionalism may not be so important. The greatest risk here is that in the event of a problem, the change of a professional manager will be easy, but the change of a family member will be difficult. When an executive considers the long term for the organization, she states;

> *"I foresee that the family will only be in the Board of Directors, will continue to engage in the decision-making process in fundamental strategies, but after the 2023s, there will be a high level of institutionalization, a complete institutionalization based on values, and a successful management style will continue" "(NÖ, 49, Female, 12/2017, 01/2018).*

The opinions of a family member about institutionalization are;

> *"When it comes to institutionalization, I understand making the rules and ways of doing business as written as possible, reflecting the general standards expected from the external relations, being able to transcribe the firm culture, and being able to apply and measure what is written" (AK, 28, Male, 12/2017).*

The expressions of a second-generation family member, who also manages a family firm and tries to utilize his family values and achievements in his own workplace after a long internship at the institution after graduating from university in summer terms, are as follows;

"The firm goes ahead with these experiences, we have not yet achieved the desired speed of institutionalization, but there is absolutely no deviation from the target. If you are already working with big institutions in a way, it is essential to accomplish certain norms immediately. You are institutionalizing under the leadership of your values".

Another manager expresses his views and thoughts regarding the meaning and practices of institutionalization as follows;

"When you look in terms of Turkey only, I believe that an institutional structure may not be a direction, how you feel and equity matters. For those who want to expand abroad and those who want to be big in the same sector, there is a desire for a specific standardization and an institutional structure, and there is even a little necessity. Capital and power are still important in Turkey; however, people need to see and comprehend that the parameters had changed for taking part in foreign markets. There are many corporate examples in global organizations. If you're staring at the world and want to achieve a certain size, I think these examples will naturally draw you there. However, even if you are corporate, values should always remain important and kept alive.

One of the issues that triggered our founder is to eradicate the belief that a firm from this country cannot exit and reach certain sizes alongside global giants in the industry. I consider that the belief that "nothing is impossible" is changing the belief in helplessness and reaching to these days as an outcome of commitment to values and consistently paced work, which, of course, makes us all strong as an employee of the institution"

(MA, 44, Male, 01/2018)

Expecting all executives employed in the institution to know and apply Multi-Dimensional Leadership and Double Winged Lean Leadership approaches in order to improve the competencies of employees and to keep their commitment high:

Two or two and a half years ago, one of the main areas of distress in the institution, which employees complained about and shared with top executives on different platforms was that executives did not approach employees according to their progress and experience. Employees who have not yet had sufficient experience in their field of work are expected to have performance and work outputs beyond their know-how, experience, and capabilities, which leads to unusual stress. The executives argue that they are obliged to do this and that the work must be done in the fast-growing environment. Some of the employees experienced in their fields also state that they are not delegated by the executives in the fields, where they are experienced and believe they could get the right work outputs, because they are not believed by the executives and they communicate their expectations that they want to be trusted.

In this sense, the management has formed groups and carried out studies to provide the behaviors, which respect the values but also exhibit a corporate stance, to the professional platform as much as possible. Different models have been studied and family member General Coordinator, the CEO has decided to choose the "Situational Leadership" or in other words the MDL, Multi-Dimensional Leadership model. After the initial evaluation and warm-up, the top executives first received this training, but SMART is mandatory for the use of the model, and it requires understandable, measurable, reachable, and timely objective setting, clear definition

of key areas of responsibility and division of roles, revision of position requirements, clarification of some strategies and a finance-customer-process -learning and development categorization in four dimensions, as well as the requirements and lateral alignment of an institutional modeling.

The fact that more than one model is in operation at the same time, especially considering the new technical and social dynamics brought with rapid growth, naturally makes some inherent resistances and leaving the job to future occasionally visible. In an interview conducted with the two top executives, this issue was declared as an area that absolutely needs improvement, rapid deactivation, and overcoming. In the meantime, support was received from a consultant institution and this consultancy support group has trained 6 executive level employees from within the institution and this high-priced training has started to be provided in-house. A large number of executives in the institution with at least 300 in the central group and 800+ managers in their stores continued to participate in this program during the research period, so far, 80% of them have participated in a two-day program and have begun to implement and try to implement this in their work. In a recent assessment, it is observed and shared that 80% of the executives have started to create this application in an organized manner mutually with their employees.

In very recent time, the firm, which patented the MDL II program, announced that the third version of the program has been completed and that this program can be given to management trainers for certification by an instructor based abroad, this is accepted by the institution and 6 executives are certified in this area.

Multi-Dimensional Leadership, which was selected as a tool for improving the behavior and leadership skills and for the purpose of corporate development, consists of steps and stages like goalsetting, diagnosis, flexibility, and partnership for

performance. Diagnosis refers to the fact that a patient is going to a doctor to analyze the problem or condition to detect it and to perform examinations, flexibility refers to the determination of correct treatment methods by a good and experienced physician based on the data and experiences gained from one's own narratives, and partnership for performance refers to the agreement and cooperation between the patient and the doctor continue on the treatment and its requirements for the successful implementation of the treatment, and controls at defined periods.

Diagnosis is divided into two as competence and commitment. Competence does not consist of the potential, but transferable and demonstrable skills at present. The transferable skills are those of the person who already possessed the skills appropriate or similar for that objective, task, and purpose. And the demonstrable skills are related to whether or not a similar direct experience has been experienced before for the relevant objective or task in that organization. Commitment is divided into two as motivation and self-confidence, motivation is related to the enthusiasm and willingness of the relevant objective or task, and self-confidence is related to the belief of the person that the objective or task can be achieved. These criteria are determined according to low-minor-moderate-high levels and four levels of development are defined. Flexibility is also referred to as directive or supportive behavior styles according to these four levels of development.

There are 4 styles that are changeable according to the situation in the related objective or task, beginning with the inexperienced but enthusiastic employee. Flexibility makes sense with the correct application of low directive / low support leadership styles in the 4th field where high directive-high directive/high support-high support and expertise occurs. Identifying the level of competence and commitment of each employee based on proven and transferable knowledge and

skills, on the basis of aim, critical task or objective, agreeing on these with employees, and maintaining and preserving the competency and commitment level of the employees to the desired level by displaying leadership styles and behaviors suitable to the level of competence and commitment, form the basis of Multi-Dimensional Leadership model.

One of the good examples of how management or leadership behaviors are triggered by values in corporate behavioral models is the "Double Winged Lean Leadership" approach. One wing is leadership skills, which are identical to Multi-Dimensional Leadership skills and the other wing is the virtuous leadership wing. Virtue is the combination of values that the organization attaches most importance to, and refers to wisdom, honesty, equity, helpfulness, modesty or being humble, development, respect for people and differences and tolerance. Competences are also included in this wing. The eagle figure is used as the descriptive metaphor, the body of the eagle depicts professional skills and competencies, and its head depicts the vision and mission.

At first, the executives criticized the fact that everything has to be written on the forms, that there were too many repetitions, and that they primarily saw this as a structure that puts them in excess dependence. All the executives participating in the program underwent a written assessment of the information obtained and questioned with examples and tested for clarity, this caused a fluctuation and excitement about "what if we don't succeed". After the first periods passed, the applications in the system slowly began to produce satisfaction, especially for the employees. The issues were assessed in the Executive Committee of the Institution for approximately six months with the presence of the top executives of nearly 40 people. Additions and subtractions were published as standard, and after determining the state of the

study and organization with a questionnaire, it was decided that the Multi-Dimensional Leadership approach would be a corporate asset for the Institution.

There is the development of leadership skills in one wing and the values-virtues in the other wing of the Double Winged metaphor and its body part is enhanced with the development of technical skills related to the profession and its head part consists of the vision and the mission. This was first shared with the executives on the Executive Committee and subsequently with all employees via the executives and the intranet. Since mid-2017, three development and certification programs have been organized with the participation of approximately 20 middle-level executives. Coaching sessions were also added to these programs different from the others, and three coaching interviews were conducted with each participant. These coaches are in-house, and they are about 10 senior executives who have completed the coaching program approved by the International Coach Federation. In the first quarter of 2018, the Firm employed 8 experienced corporate development mentors and coaches added a new organization within the Corporate Academy.

The purpose is to support and enrich the individual and corporate development of employees, middle and senior executives. In the last quarter of 2017, the Institution also employed new executives to implement some different and previously prepared management methods. In order to meet the evolving logistics management requirements, to increase efficiency and to do this as a corporate quality, it was decided by the founding family member to try and implement an application similar to the “lean” model of the world's largest automotive company, which has made a difference with its systematic and efficiency model and he has employed some managers who have worked in this institution before. Experience

transfer studies from experienced trainers and consultants in this field are still ongoing and contribution measurements and certification studies are in progress.

All the top executives were trained on lean philosophy first and they performed applications. Although they had an "observer from the sideline"' and "trying to understand" stagnation at first, as it is always the case, this period is about to be overwhelmed with the determination of the founding family member. Since the operators are mainly employed in the Logistics Center, productivity applications have started to be carried out integrally in the field. The executives or operators interviewed clearly state in their presentation that this model will benefit them.

The improvement efforts they make are defined as “A3”, the reason why it is called A3 is that it is presented in A3 paper format in the automotive company. They write the current situation analysis, improvement objectives, new action steps to accomplish the improvement objectives, a simple time plan and, if any, the root cause of the problem on a paper of this size and share it as a team.

With the lean approach, the Double Winged Leadership metaphor has been called the Double Winged Lean Leadership metaphor, and the name of a broad program that has been started to be implemented especially in the transition to the administrative stage of the institution's Corporate Academy development programs has also been identified as “Double Winged Lean Leadership”. In addition, a certification process and assessment criteria have been determined and applied recently for the A3 methodology that is mentioned above. As another area, project groups have been established which contribute to the efficiency and simplification of the small businesses that supply products, and positive results were obtained in pilot implementations and a decision was made to popularize them.

Expectation related to the necessity of all executives in the organization to align their departmental objectives and activities with the corporate and internal customer strategic objectives:

There is a process structuring in the institution in parallel with the field of operation and the sector in general, with some forms of doing business and the meanings given being different. In this sense, in a journey that can be defined as a journey of institutionalization, the institution tries to get up to date or even get ahead, by continuously improving its organization, sometimes by establishing new departments, sometimes by changing the purpose and functional aims of the departments established considering the need.

The organizational structure is based on the 'supply' structure, which includes all procurement services and activities including 'head office', 'store', 'logistics operations' and overseas offices, including store management in Turkey and abroad. The design, planning, product management, resourcing process for the product, which is referred to as "buying" in a holistic approach, is emphasized as the core processes of procurement and merchandising (the process of delivering products and services to the customer, consumer).

Areas such as; solution analysis-oriented decision-making systematic and business style supported by deeper and more analytical data, adding a separate meaning to planning and spending intensive work on demand forecasting, which is especially not resolved in the world-wide yet, dynamics of product selection algorithms, are considered differently than the sector and are given meaning. Being based on data makes its presence felt in design processes that may include more

conceptual dimensions. Core process holders, from the top process holders, chief executives to the operational steps in which first-level managers or employees are generally responsible, should set their strategies, action plans, barriers and targets in a synchronized directory in line with the institution's major objectives and strategies (these objectives are defined in the mission of the organization, why we exist and in the vision, where we are heading towards dimensions), based on financial, customer, internal process and learning, and development perspectives.

At the beginning of each year, executives and leaders identify the financial, customer, internal processes, development-learning objectives and performance indicators for these objectives and submit them in the written form, within the framework of the Balance Score Card methodology formulated by R. Kaplan and D. Norton in the literature, at the beginning of each year in accordance with the approval flow to the department that monitors the work on behalf of the organization. At the end of the performance period, achievements are measured as metric as possible and evaluations are made, the link is established to a certain extent until premium applications are reached.

The other processes of the organization are referred to as support processes. Corporate processes such as finance, administration, audit, information processing and technologies, investment, human resources, risk management, law, procurement, corporate academy and development processes are included in this group. The support process holders and those who are responsible also act within the same approach, and concentrate solely on internal departments or employees, defined as internal customers, rather than external customers, the customer processes defined in the core business processes. Naturally, they are also indirectly related to external customers.

Access to human resources, recruitment, payments, external contracts, collaborations and activities in public spaces can be given as examples in such fields.

The groups that are within the groups defined above and which carry out institutionalization outside the supplier-customer fields are the employee relations and personal management, law, administrative process, corporate communication groups etc. that coordinate compliance with all laws and regulations related to social compliance, audit, risk management, and business life. Merchandising, logistic operations and three Disciplinary Boards located in the headquarters, which assess compliance with internal and external rules and values, are also among the institutions of the corporate journey. Each department tries to carry out periodic, problem-solving, contact, management meetings and share different experiences within the framework of its own departmental subjects or common subjects with other departments and to make different experiences institutional memory by sharing them, and to popularize the new applications that they have learned and deemed useful as much as possible.

On the other hand, these meetings and evaluation meetings are being made more effective within the framework of the simplification policy. Intense traffic is managed with customers and suppliers, such as more systematic focus meetings, special design assessments, sample evaluation interviews, producer inspection and social cohesion associations, and store days.

For the Quality and Information Security fields, whose certifications are granted by independent third parties, the "Guidance Committees" work and meet quarterly to review and evaluate the operations and activities performed on an institutional basis. There is also logistical operation, merchandising and central Executive Committees for managerial alignment and reviewing strategies. These groups usually meet and evaluate strategic objectives on a quarterly basis. Although

the merchandising and logistics operations committees are composed of department managers, there is management participation in the Central Executive Committee of 90-110 people, 50 of whom are senior executives, from all departments. For instance, the Executive Committee held in the first quarter of 2018 carried out both one-year and last three-month assessments together. A seminar on "Lean Strategic Management and Strategy A3" was held within three hours of the morning part of this full-time meeting. The business performance year of the Institution commences at the beginning of March of the previous year and finishes at the beginning of March (at the end of February) of the following year within the framework of the approach to the sales and presentation of seasonal garments to customers in line with the field of operation and sector. Particularly due to the fact that the seasonal conditions are quite different from the expected seasonal conditions in the last three months and the tensions in some potential countries also affect the exchange rate fluctuations partially, although not too bad, expected, predicted objectives could not be achieved. This was very clear in the financial presentation, with detailed justification and possible analysis and reasons for each outcome related to fluctuations in both the income and expense budget. The CEO of the institution that manages the meeting first handwritten the subject and reason summary statements of the executives wishing to share their opinions on the flipchart and he ensured a re-analysis together, and then asked for the solution ideas. Executives also tried to convey their views related to solutions. One of the opinions that attracted the attention in the hall as it was effective and accentuated came from the family member Chairman of the Board.

> *"We have reached this level by means of all of us. Although the impact of external factors on these results is great, these are not great issues that we cannot overcome or cannot correct. But I would like to talk about other dangers*

awaiting us at the level we have come. So much so that sometimes some of our applications unintentionally require us to be really careful about these issues, we are not only a family firm but also an institution that has become a public figure from now on.

Wastefulness, ego and arrogance, being arrogant, arrogance with the growth atmosphere, arrogance in the form of nothing would happen to us even if there is fluctuation, considering ourselves above our stakeholders and even dealing with more bureaucracy than necessary, may create big problems and unexpected results. We should never, ever desist from our values. They will always show us the correct behavior styles. Ego, arrogance, and waste will be our greatest dangers" (BOD Chmn., 57, Male, 04/2018)

A top executive who grew up in our country and became the CEO of a multinational company, which operates in approximately 210 countries and is one of the most well-known brands in the world, has made a similar discourse for his establishment.

"We are one of the most well-known corporations and brands in the world. We are in very good positions, but only the biggest risk that awaits us is the size of the position we come from and the risk of arrogance that this situation will create" (Muhtar Kent, Male, 2017, Istanbul).

Naturally, in a large organization, risk analysis assessments with different approaches and different ideas can be found. However, the aforementioned issues, the A3 Strategy and solution implementations that are tried to be implemented, seem to be directly proportional to the virtues that are the main wings of the Double Winged Lean Leadership, in other words to the approach of making processes simpler, reducing losses, thus reducing waste, simplicity, minimizing ego and arrogance in an environment where virtues and values are internalized. In the processes of the

institution, the following statement mentioned in the same meeting, actually expressed by the Chairman of the Board and supported and strengthened by the CEO; *"as our growth increases, we try to deal with and solve more complex problems, but, in the meantime, solving simple mathematical problems, which will make serious contributions to our productivity, should not be disrupted"* and the approach of agreeing on these issues and actualizing their implementations was also widely accepted.

Some of the impetuosities of rapid growth, small issues that were initially shifted with the idea that "we can solve them somehow" were shared by other participants as issues causing loss of productivity and the necessity of addressing this has emerged as a decision.

Expectation to apply participative management principles in decision-making processes from executives or employees who have reached the level of expertise:

General corporate perception on participative management principle is "to obtain the opinions of stakeholders who may contribute to and be affected by the decision before making any decision".

In the participative management model, executives ask for opinions from employees, other executives, consultants and related stakeholders who may be affected before they make a specific decision according to the participation policy. If the executive is expected to evaluate the opinions and suggestions conveyed to him together with his own opinions and to draft the decision that he finds closest to the

truth, the approval of the senior management is expected before the decision is announced. And after a decision is made, unless the relevant executive changes this decision, the necessity of the decision to be fulfilled and respected is manifested, if there is an objection, feedback should be given about the decision taken in the appropriate style or brought to the Executive Committee within the knowledge of the relevant executive.

This approach naturally works in the form of making decisions on some imminent and urgent issues and then notifying the stakeholders.

As mentioned in the interviews with employees, doing business by reaching out directly to the founder family member and the Chairman of the Board of Directors is continuing. While this situation produces positive results in terms of the speed of the business, it can also be considered as a corporate risk from another perspective. Directly reaching to top executives and searching for solutions with strong leadership, deep knowledge of the content of the work, experience, and having a weight of shareholding, making verifications by taking verbal approval and bypassing the steps in the business process, doing business without recognizing or receiving an opinion from the affected people at the first moment and sometimes being open to mistakes are expansions of this risk. This application, which was very successful and made a difference in practice when the company was small (its size has been spoken for the last six years), in spite of the size and the institutional weight, it shows that the ultimate level of institutionalization is practically not yet fully achieved in current life in some subjects and areas, since it cannot be changed completely in the employees yet.

In the meantime, in order to avoid any habits, misunderstandings and situational variations, such as the necessity of making all kinds of decisions as a

group, the management has made additional approaches that the participative management principle that is to be applied should not be understood as “the necessity of satisfying everyone in every decision to be made or the necessity of making every decision by consensus”. This issue was indeed shared with the relevant management levels by the General Coordinator - CEO in the Executive Committee. If we need to open up this issue; the decision-making authority rests with the executives that are authorized to execute this authority, all other employees should respect the decision of the executive if the decision does not contradict the firm's core values, policies, and objectives, and it is stated that it should be communicated to the concerned in a constructive way and language if there is any criticism or suggestion about the decision.

To be more specific, any employee has the right to forward the matter to a higher-level executive if he/she is not convinced of the explanations or arrangements made after communicating the criticism or amendment suggestions to the decision-making executive. If the higher-level executive cannot solve the problem or the employee is not convinced, he/she can reach the CEO by following the management hierarchy until he/she finds a solution to the problem. When the employee cannot solve the problem with his/her executive, he/she can also communicate his/her problem to the Employee Relations or related Human Resources departments before going to the higher-level executive and get support from these departments about how to proceed. There are three separate Human Resources units, which are at the Headquarters, Merchandising Unit, and Logistics Distribution Center.

However, this freedom to reach the top executive does not include the right to criticize and disseminate negative energy around third parties. Similarly, instead of enduring in silence and working reluctantly, they are expected to share the issues

in a way that will be regarded as one of the improvement inputs of the system in a manner that is sincere and befits the corporate environment. In spite of any kind of sharing attempt, if employee expectations and corporate weight do not match and he/she cannot be convinced, the desire of in-house relocation or leaving the organization is respected and the necessary facilities are provided.

Basic Behaviors Expected from All Employees:

Reviewing and Questioning Decisions, Plans, Objectives, Job Descriptions, Instructions and Procedures with a Constructive Approach and the Necessity of Submitting the Proposed Changes and Justifications to the Related Person

In order to achieve its vision and objectives, the firm shares the strategies, decisions, plans, instructions, procedures, and methods that are required to be implemented with employees in every environment, where they must be understandable by employees, applicable and in line with the firm's strategic objectives and values.

In general, and in practice, before executives publish objectives, job descriptions, procedures, instructions, significant changes in processes, or business plans, they prepare their drafts and share them with employees and stakeholders who will use, implement and be affected by them, they receive opinions and suggestions from employees and relevant stakeholders before they are published. Employees are also expected to question whether these draft texts are in line with the vision, values and strategies, priorities and objectives of the firm, in a critical but constructive manner, and to submit written corrections to the relevant parties, together with their

justifications, thus, it is assumed that a two-way communication will be beneficial for the system improvements and will contribute to the corporate benefit. The necessary systematic information or pre-publication support is provided to the relevant copywriter and the first author by the corporate documentation process owner or department employees in this process.

Documentation department employees, who see this best, state that in practice, the requests of change proposals submitted by the employees or themselves in format or content are evaluated by the executives who will publish them and the necessary changes concerning the ones that are endorsed are implemented.

The Necessity of Submitting the Written Form of Important Requests, Instructions, and Complaints that were Verbally Communicated

In order to prevent misunderstandings, forgetting and negative situations that may arise, writing verbally transmitted instructions, important complaints, and even suggestions will also be beneficial for the formation of the corporate purpose and this issue is shared with the employees in various environments. The important items of business meetings are recorded and published by a preselected employee.

As a result of this necessity, important instructions, requests, and objections given on foot or by telephone are expected to be written and communicated to the addressee without delay; this communication is also given importance. In the event of a dispute, employees are expected to be aware that instructions, complaints, suggestions and requests given orally and not documented cannot be proven unless the other party agrees. The necessity of internalizing this issue and its relation to being transformed into institutional systematic and institutional memory, instead of

overlapping it with trust, is narrated starting from the first recruits and from the beginning of the orientation program.

Researching and Learning the Reasons Before Criticizing or Suggesting about a Specific Decision, Policy or Practice

Before any criticism is made about the policies, strategies, instructions or practices that the management wishes to follow, why such a decision has been made, why such an instruction or procedure has been established, and that it is open to learning by the decision-makers themselves is clearly expressed in every environment, and this is endeavored to be a culture parameter.

Persuasion, sharing and most importantly listening, and learning from others within the framework of serving leadership approach, can be traced and observed as part of the culture practiced and lived. If the explanations are not considered sufficient or an atmosphere of persuasion cannot be created, it is also expected that constructive criticisms about the shortcomings in the practices or instructions and any solution recommendations, if any, are delivered to the concerned.

Particularly new recruits are expected to understand the systematic and to share their approaches that may be the source of improvement, development and minimization of different risks, after learning the past experiences, requirements and reasons for the implementation of procedures or policies, and without making any criticism as a result of their habits, experiences and different practices in a different business culture.

Submitting Uncompromising Issues between Different Units to an Upper-Level Executive

In case of disputes between the executives or employees of different units in a document or application published in the framework of corporate governance approach, it is stated that it is appropriate to try to settle the disputes by firstly referring to the written policies, instructions, regulations and job descriptions in force, instead of discussing the problem, to solve the problem by negotiation method or to turn it into an agreement. If there are details that cannot be settled, the issues are expected to be delivered to the agenda of the higher authority with reports of both units, before the discussion is brought to a level that would damage the relations. Due to the hesitation behavior among employees, such as *"will we engage senior management or take such simple issues to senior management every time*", it is shared with employees that the behavior of not occupying the top management, which is perceived to be in good faith, can do more harm than good.

It is expressed that one of the important tasks of the top management is to provide solutions to the problems that the sub-units cannot solve among themselves, to share the right directions and that these problems are expected to be transmitted to the top executives immediately. The observations and views shared indicate that the issue works in accordance with the expectations.

Implementation of Practices in Accordance with Legislations

One of the most sensitive areas and one of the strategic objectives of the institution, as triggered by family values, is to fully comply with the legal regulations in all applications and even to exceed these standards and regulations.

Among the basic and indispensable rules are that the newly rented, purchased, and constructed real estates must be licensed for construction and operation, and comply with fire regulations, energy conservation, and environmental regulations. The behavior and practices of the institution in financial, administrative, occupational safety, health, labor legislation and social security issues require at least full compliance with the legislation. It is essential to ensure that timely payments are made to the personnel, to the suppliers and business partners in the framework of purchase or contracts and to the institutions it receives services. In the research period, the answers and feelings given to the question of whether there is a problem about payments or how the perception took place, were always carried out completely, that there were no problems and that the market perception of the institution was completely positive.

In case it is determined that an application, which is not predominantly in compliance with the laws and regulations, conducted inadvertently, unwittingly, due to not following the schedule in some way, due to lack of experience, due to not understanding cultural differences in countries with completely different legislations despite the support from local law firms and on the basis of an error, it is made a mandatory rule to make the necessary corrections and undertake legal penalties, not create different methodologies to avoid paying fines.

Particularly for countries where customs legislation is applied differently, the interviewees stated that the incomplete applications which have been punished and paid according to the country legislation on the product labels have been developed in a way to prevent the recurrence of errors in accordance with institutional systematic. It has been found that several countries have undergone deficient testing in customs, and shortcomings were immediately completed. In the meantime, employees proudly explained that they completely internalized this kind of corporate practice and that they could really solve the dispositions that different firms had difficulty in exceeding.

The sensitivity shown in the compliance to the laws and regulations of both the own country and the relevant country in the inter-country practices makes the institution in a very special position at different conditions in different countries and makes it reliable. Even in cases of economic problems in these countries, the firm forces the conditions to the end and considers the customer instead of profitability for a certain period of time and makes it reliable. An example of this situation can be expressed as; in a period where a crisis between our country and another country, which we are currently in good relations, the institution has been the institution that displayed trust to the country by continuing its investments, unlike many other institutions during the previous economic crisis. It was one of the few institutions that were able to maintain good economic relations in the period of political crisis. Also, in a major Central Asian country, although the country's exchange rate suffered a significant loss of value and there was significant expensiveness, the institution did not benefit from this situation, kept prices at the same level for a long

time, and this was achieved as a result of the strengthening and rooting of the institution.

Being Open to Control and Audit

While the authority and responsibility are given in line with the competency level of the employees, the authority and responsibility are supervised by the audit units and executives to ensure that they are fulfilled in accordance with firm rules, procedures, instructions, and objectives. There are internal audits, legislative audits, store counting and regularity audits, and this becomes a fully internalized way of doing business in the institution life. Employees in the audit departments do not see themselves as an auditor or a controller; they see themselves as an improvement facilitator. In case nonconformities are detected during the audit, the findings are reported to both the employee and the executive, and corrective and preventive actions are demanded. If there are violation of fundamental values, legal regulations and firm procedures, the subject is transferred to the related Disciplinary Board and evaluated in these boards. The audit unit reports to a member of the Board of Directors similar to the Risk Management unit, thus, it is able to maintain its neutrality.

The main purpose of the control and audit activities is to contribute to the continuous improvement of the processes of the institution and to create the infrastructure for the redesigning of the steps of some processes that cannot serve the functionality.

Another themed objective is to create an environment for the sharing of good examples on an institutional basis by audit groups who have the opportunity to

examine all processes in detail. And using it as a pool, for the creation of some kind of internal comparison areas and examples. Within the framework of this approach, it refers to being perceived as a development opportunity and as a measurement tool for application performance, instead of being perceived as insecurity against the audited unit or employee. Status, position and department distinction are not taken into consideration in auditing practices, and the ability to audit and report independently from the general manager to the lowest level employee can be considered as an institutional practice.

In addition to these corporate applications, by observing, by looking at both domestic and international application examples and the requirements of a corporate structure that meets global standards; elimination of child labor, which is also included in the United Nations documents, compliance with occupational health and safety regulations and laws, respect and compliance with human rights, ecological balance and environmental protection are presented in the Appendix, Table 31 with the title “Elimination of Child Labor, Worker's Health and Safety, Human Rights Harmonization, Ecological Balance and Environmental Protection”. It is carefully monitored that no child labor is used particularly in domestic and international workshops and factories and it is inspected by the “Social Cohesion” group.

Particularly due to the work done in the Logistics Group, compliance with Occupational Safety and Fire standards is important in terms of sustainable business life. The institution also carries out serious, noticeable studies abroad on this issue and on human rights issues and gives great support to Far East countries. Sustainability is considered as a strategic objective, applications related to the well-

being of the humanity, healthy growth and conservation of the earth - ecological balance are carried out by project groups.

Necessity to Avoid Practices that may be contrary to the Beliefs and Values of the Stakeholders

It is essential to avoid organizations, sponsorships, communications, advertising, and graphical applications on the products that would contradict the national and moral values of the shareholders, employees, consumers, and producers in different countries. Before starting production or sales activities in a new country or region, studies are carried out to investigate the national, spiritual and cultural values of the country or region and to identify communication strategies that do not contradict them. This issue is among the key areas of responsibility of the relevant department executives.

Since the firm operates in geographies where different languages are spoken, the dual control system is implemented especially in the use of social media, the preparation of web promotion sites and pages.

Another issue that is shown sensitivity in institutionalization is the printings and writings on the products. Particularly, the early graphics printing samples of printed products written in a foreign language are still under the supervision of the translators of the reputable institutions and their consent is taken at the design stage. The same control is carried out especially after the production of the printed and inscribed products and the accuracy is checked. At this point, it is examined whether there is a metaphorical expression as much as the actual expression of the written

expression, care is taken to ensure that slang is not used. Words and phrases that can create such sensitivity are occasionally extracted in the control stage evaluations.

Compliance with Basic Moral Principles in Workplaces and Avoiding Behavior and Relationships that will be Misunderstood

In the workplaces of the institution, especially managers are expected to avoid behaviors that are contrary to the basic moral principles, degrading or humiliating discourses, slang talking, gossiping, sauciness, and relationships and jokes that may be misunderstood or rumored by other employees even if they are well-intentioned.

Equal or subordinate employees are encouraged to try to establish a distant and professional relationship based on mutual respect with both their peers and their superiors or subordinates. However, they are also advised to avoid unprofessional behavior and excessive sincerity. Since excessive sincerity that exceeds the optimal situation between equals or subordinates may cause deviation from professionalism by emphasizing emotionality, it is shared that this situation may cause weaknesses in daily business relations, performance evaluation, feedback and establishing post-promotion authority in the future.

Employees are also expected to treat their managers with respect and stay away from humiliating actions and rumors.

Employees who are in an emotional relationship cannot work as superiors-subordinates in the same department. In case such a relationship starts between employees in the same unit or subordinate status, one of the parties is required to

request a change of department immediately. It is essential to comply with the values in this issue and solutions are created that will not harm the employees.

For example, when an emotional relationship began between two employees who perform similar tasks in a department and report to the same manager, they informed their managers with the request to remain private and not to share it yet. However, they maintained their neutral positions in line with their personalities and institutional approaches until their official ceremony. The executives also observed this situation and reported that there would be no problems and that they could work together in the related department after their marriage. They continue to work in the same department within the knowledge and approval of Senior Management and Employee Relations.

Priority Expectations of the Institution Executives and Leaders in the Journey of Compliance with values and Institutionalization

The overall evaluation consisting of interviews with founding family members, executive employees, consultations in executive boards and written rules of the institution and expectations of implementation or the corporate behaviors which are predominantly based on the core values of the organization and expected from the executives in a basic sense are tried to be grouped and defined below according to their subjects. The institution expects the internalization of a large part of these parameters by all of their employees as a behavior culture potential. Since these parameters are also a managerial behavior objective, the expressions are made in the form of an objective foresight.

Sharing vision, mission and values and being role models, explaining what is being done, the purpose, and leading the transformation of the practices into culture

Executives and leaders should;

be executives and leaders who have internalized the vision, mission, and the values and have become a role model by reflecting them on their behavior; have shared the manager-leader regulation to the newly recruited personnel and explained the importance of acting accordingly; have used objective assessment tools according to their own position and determined competencies of critical positions, personality traits and tried to identify at least two candidates for their own positions; have shared objectives with the teams in writing, and they should have created a coherence between the initiatives and the projects in line with the strategic objectives; have made Multi-Dimensional Leadership practice sustainable; have received positive emphasis from the surveys and interviews on their effectiveness; and have endeavored to develop their competencies and skills in furthering the institution.

Determination of the strategy and direction:

Executives and leaders should;

be in line with the strong field, development area, opportunities, determinations in the analysis of threats, the vision, mission, values and industry of the institution and have taken these as reference; have identified simple strategic objectives to their environment, and prioritize the work with the main strategies and priorities of the institution and monitor them in a planned way; have defined the strategic criteria and objectives of the internal processes systematically prepared in line with the corporate direction in the first two months of each year, including

efficiency, cost, quality and deadline improvement targets related to operational excellence; be in line with internal customer expectations in support processes and be provided with weekly and quarterly general reviews and significant revisions if necessary; use the solution analysis techniques including risk and opportunity analysis to make the most appropriate process flows and put them into practice, development plans according to the defined competency and skill sets according to the roles of the employees, worked and achieved results with Multi-Dimensional Leadership development levels leading to the delegation; have evaluated their important and priority work according to Pareto analysis and worked according to the Plan-Do-Study-Act cycle; have prepared “risk action plans” according to project and business risks; have shared all issues with team members, and have a systematic approach, some of which have been transformed into individual SMART objectives and agreed upon (partnership for performance).

Inspiration (stimulation, excitement, desire, motivation, sense-making)

Executives and leaders should;

set challenging and exciting, but realistic and motivating objectives; appreciate the team's achievements, positive performance, well-crafted work, sincerely and timely; should have developed a mentality of development opportunity in feedback, not in a defensive manner; encouraged employees to cross their limits and kept "nothing is impossible" value constantly on the agenda; have explained and followed why work is done, why compulsory objectives are to be accomplished and the meaning attribution with sincere, transparent and in an accountable manner (as in the example of the share of meaning that the Chairman of the Board of Directors made to the Operations Management, while the compelling target such as opening 100+ overseas stores per year is given in the "Values" section); have aligned the

objectives of financial efficiency and productivity growth in operational activities with corporate operational excellence objectives; have identified and shared well-defined job descriptions on the basis of key areas of responsibility, critical duties, and critical tasks; have created business style that includes Multi-Dimensional Leadership, A3 and for some groups Double Winged Lean Leadership training and certificates.

Creating a fair and reliable climate (keeping values alive, being a role model):

Executives and leaders are required;

to create an liberating environment for the emergence of new ideas within the team; to share their strengths, areas of development, even their mistakes and discoveries with self-confidence by observing themselves, receiving feedback from the team or from outside; to assume responsibility without making excuses for faulty processes and results and not searching for errors with an “outside enemies” approach; to ensure that the employees in their team or other teams working together feel reliability; to create a trust environment; to distribute project and action plans objectives - tasks according to the skills and competencies of the employees; to prepare Key Responsibility Areas (KRAs) within the systematic framework defined on the basis of position; to conduct risk analysis; to participate in the necessary training programs on how to carry out sponsorship tasks, especially for project sponsorships; to define process ownership and responsibilities clearly, not vaguely; to create a climate that protects the right of the good, a pattern of fairness and equity by running the relevant audit and Disciplinary Board mechanism in cases where

positive results could not be achieved and inaccurate behaviors could not be corrected, despite the warnings or coaching made in cases and behaviors that do not comply with the ethical situation, security and legal regulations.

As a narrative-based and data-based sharing on a topic that may be related to many topics on the way to institutionalization, the statements of an employee who has been working since the establishment of the firm and manages the most trusted financials of both families are as follows;

> *"Using the money as a tool, not as a purpose. When money is not the purpose, and when you know your limits, you see the risks, you don't spend without being unnecessary and considering cost-benefit, things begin to operate".*
>
> *"There are no facilities, no resources, but there are dreams, values, quests. In the 1985s and with a small warehouse and 14 people, doing textile business among rising enterprises of that period. Working in small capacities and completing the different steps of the production in different places. This systematic, which seems to be appropriate according to the current logistics systems, was very problematic at that time. Some small different machines were purchased to be used in their own services in order to strengthen the infrastructure and this decision laid the foundations of the current knitting, embroidery, dyeing, etc. group of 14 production centers, which take place in different process steps. "Speed", which is one of the important parameters of today's global world, starts to make this difference with the purchase of several machines that are effective in different production stages. In the meantime, for the question of "how we can evaluate" the surplus production that occurs when meeting orders, a store is opened in Şişli and these products are started to be directed for sale for the first time and a small design unit with a "focus on learning" is also created in line with the requirements.*

In the first crisis of 1994, with the rise of USD value from TL 14 to TL 40 (before omitting 6 zeros from TL), contrary to what many sector players have done, we make a decision to convert all the stock raw material from the previous price into the product, it is not equivalent to TL 40, but sold on a very low basis and it made a difference in the "no name" market" (YÇ, 55, Male, 01/2018)

The essence is, again, not to compromise the values and not to see money as a purpose. Another different move was the separation of the sales transactions of the production firms to the parent organization, which has become a firm with the increasing number of machines and is mainly given to the management of family members and transition to basic competition conditions. A six-month transition period was provided to firms for this period and this separation involved the separation of management and financial as well as the product movement. For wholesale and retail stores, both the dealership system and having own stores continued, but the number of stores owned by the institution was very low. In the meantime, the original company wanted to sell the brand and the brand was purchased on easy terms.

"Respect that emerges with its values and different ways of doing business make positive contributions."

In other words;

"There's a dam, but it's also raining"

In the 2001 crisis, due to the different managerial business outlook, different issues in dealer expectations and even problems, the dealership system has been removed with a very radical and different view, reducing turnover by 80% and the organization decided to open retail stores only under its own brand.

"*The sub value is to believe in the business done, to believe that nothing is impossible. Dominant and radical decisions are taken by the founding family member, the CEO, such decisions become one of the most fundamental and radical decisions in the growth and success of the Institution."*

In 2009, as a decision that changed the lifeline of the institution and triggered the increase of institutionalization, the decision to initiate overseas operation was taken in the period of stagnation, in which it was not well prepared and this movement, which started relatively slowly at first with no experience, reached 400 store levels in six years, which is a good example of "a tour de force" and in countries where conditions are not easy. There's a correct strategy; "to spread to countries where there is no organized retail and hit the top" and it is achieved.

"I think that in 2017-18, sales and operations-oriented outbound transactions, logistics and information processing infrastructure will be reshaped and the 5th move will be completed."

In the meantime, a family holding was established in order to take the institution out of the family firm atmosphere and to provide opportunities for family members in different business lines. The field of operation of the institution is continuously enriched laterally, in line with its mission, but most importantly in line with the values of the founding family members, these values turn into corporate values and become strategies. For the family members, a working environment is being prepared within the "Family Holding" and institutionalization is aimed at the parent institution.

In accordance with the mission of "everyone deserves to dress well"; “affordable price”, price policy that everyone can purchase is being implemented.

> *In both families there is an incredible integrity about fairness, getting their due, equity, and respect for others. For example, the CEO did not make any additional expenditure that he did not deserve from the corporate account even in the period when he lived in a rented house and needed a livelihood. He has never agreed to buy a car from the corporate account for his own use. Even the distribution of dividends to family members, which is really quite limited, has only been available for the last five years” (YÇ, 55, Male, 01-02/2018).*

As a step towards institutionalization of trust and to emphasize that there is trust at the basis of trust, the framework of "trust building" where individual and corporate values intersect is drawn by the institution management and since the values that are given importance in a way will also contribute to the formation of trust, the expressions embedded therein are given below as shared by the institution. The authorities of the institution have shared the following expression with all employees and even with the organizations, institutions, and stakeholders that are cooperated. In research interviews and observer approaches, you can feel the projections of this expression from the integrity of value and meaning attributed to trust in the institution, you can see that this is largely embedded in people's speech as a cultural motif. Since there are quite a large number of recruitments, only new employees have not yet spent enough time and internalized these conversations, and you can observe and feel it. Officials of the Institution state that their Corporate Academy is conducting specific studies, working hard on this issue and that they are especially focused on the Leadership by Coaching and Personal Leadership programs.

We Build Trust

The verse of values is shared as follows;

"To act fairly and honestly against the institution and everyone around it in order to contribute to the creation of an individual and corporate trust environment. To behave in an environment where everyone can freely express different ideas, beliefs, and ideologies in an appropriate manner."

Keywords and descriptions, behavior indicators are defined as follows:

We are fair: We act in a fair and consistent manner towards everyone. Even in the case of resistance and difficulty, we advocate righteous people and ideas.

We make no compromises on honesty: We ground on being honest and gaining the trust of others around us. Our discourse and behavior do not contradict each other. We fulfill our promises and commitments.

We act with humility: We act with a humble attitude without considering ourselves superior because of our knowledge, skills, position, experience or authority.

We welcome differences: We try to understand the people and cultures with which we do business. We stand against all kinds of behavior that may harm relationships such as discrimination. We avoid practices and behaviors that may be contrary to the beliefs and values of other stakeholders.

We are respectful: We act by putting ourselves in others' place. We respect people's rights. We respect the principle of confidentiality, care for confidential information and act to protect this information. We avoid accusatory attitude and behavior.

We act by taking responsibility: We are strictly committed to corporate policies and procedures. We do not hide our mistakes; we assume responsibility for them. We have high moral values, display behavior in accordance with these values in business environment and prevent gossip.

Team Development

Executives and leaders are responsible for the development of their team;

by not being content with existing practices, by making comparisons and conducting various researches; by identifying the need for technical skills, competencies and Multi-Dimensional Leadership competency development according to the proposed new process structure in order to create different options by demanding and to encourage comparison studies and to make improvements; by creating an authority - responsibility matrix for the development of the team without attempting to do each job on his own; by prioritizing individual targets according to the Pareto rule and sorting out, and also selecting the process, task or holistic objectives, the projects, the tasks among the projects that have the most impact on the result, and eliminating unnecessary expense sources; by directly creating corrective and preventive action plans for the risk and inconsistencies identified during the internal-external audit or managerial controls, where the project and team members preferably are involved in measurement, analysis, evaluation, problem-solving and decision-making or similar training, and whose usership is approved by the training, study program owner; by directing improvement studies in a good way; by using coaching and mentoring skills that enable him to give training in areas where results have been achieved, or that are relevant or beneficial for the

development of others; and at a level where the aspiration is to provide objective performance evaluation and feedback without nepotism, which is aimed at supporting team and off-team employees.

Ethical Behaviors and Approaches Expected from the Environment on the Way from Values to Institutionalization

In order to achieve the objectives of an institution that aims to grow with its vision and mission and to create a corporate and preferred formation, the institution has to implement the right strategies and the right systems, and to develop and maintain relationships with business partners, suppliers and mutually universal ethical values in accordance with its purpose.

The institution, in this sense, has adopted an approach to institutionalization about issues that are both relevant to their own values and triggered by their values and substantially overlap with universal values, it aims to commit both itself and the other party to the contract by means of the agreements it has established within the framework of all service and material relations, and also through an ethical agreement. This kind of commitment brings with it the spread of repeatable behaviors and values in a universal, institutional ethical platform in business conduct styles. In addition, the institution has put in place an ethical line, which can be reached by all employees, suppliers, and customers on the internet and assigned its operation to a large independent audit-consultancy firm in order to be unbiased. When the ethical commitments are examined, the following elements come to the forefront as some important indicators that take the strength from values and pass into professional-institutional principles.

This commitment includes conducting mutual relations with the institutions in which they cooperate within the framework of goodwill, honesty, justice, respect for moral and institutional values and related laws (i.e. financial legislation, social security legislation, occupational health and safety legislation); the abolition of unjustified personal gains, such as non-contractual assistance, scholarship, donation, wage, bribe or commission through (direct or indirect) mutual transactions between the executives, staff and subcontractor employees or benefit on behalf of family members or third parties; issues such as the fact that they will not be able to make moral pressure, that they will not make negative and groundless statements about each other and that other solution partners with whom they have business relations will not allow negative and unsupported discourse about the other party; the requirement and the fact that trade partnerships, exchange of debts and bail relationships between employees are strictly forbidden as long as both parties or parties maintain a business relationship between them; the fact that it is essential that they take into account the different views of each other and respect the differences, even if they do not accept or adopt them; that they cannot provide free samples or finished products to each other's staff or relatives, and cannot use company partners, executives, employees, relatives and co-workers as “elements of pressure" in order to provide commercial advantage before and during the commercial relationship; the fact that they cannot make language, religious, race, sect, and gender discrimination in their interrelationship and that this will never be tolerated; the fact that they cannot engage in political propaganda and do not explicitly allow such activities that may be intended by others; the fact that they cannot act in a manner that is contrary to basic moral rules or that is threatening, offensive, humiliating, degrading, insulting or misleading; the requirement to notify

the employer's representatives in writing as soon as possible in case one of the parties has determined that their relatives, close relatives or relatives of the personnel of the counter firm are employed; and the fact that the parties cannot use vehicles, offices or different company facilities for personal or family purposes outside the commercial boundaries, and emphasizes that their practices, applications, monitoring of applications and the necessity of each party to be audited in this regard are defined as one of the sensitive areas

The aforementioned items are explanations of how the verse of values that come from the family and published on an institution basis triggers institutional principles and procedures. Perceptions and discourses made on these issues were similar during the interviews. Also, in everyday life, they naturally define the business conduct model as parts of the culture and refer to “management by values” assertion.

As shared in the interviews and observed in the deposition site; gifts, which are given to departments within the scope of national culture based gift giving activities and especially on special occasions, are included in the scope of awards in cases where there is no possibility of giving back or they are transferred to the Aid Commission and those who are appropriate are directed to the needy. In accordance with this system, instead of giving individual gifts, gift donors send gifts such as desserts or candies to groups and departments so that everyone can have them in small pieces in a way that do not harm the rules. As a recent example, 6 gifts were sent to 6 people from one of the participating companies in the tender during the period in which the research was conducted, and the company was instantly called, thanked and told that the gift could not be received.

In addition to family values, as new needs and new parameters emerge in business life and business areas, rules have become a part of corporate life and have become part of culture by being made part of commitments in written form. Some of these, which are also shared in the interviews and included in the texts added to the contracts, are tried to be described below. The parties should share their demands and expectations verbally, but they should also communicate to each other in writing, and the requests and expectations communicated should be evaluated as soon as possible according to the importance and urgency situation and quoted to all concerned parties in writing and they should behave in accordance with the corporate and professional management concept in their relations with each other. In the meantime, the inscription of "cannot offer and send gifts exceeding the value limit of 50 TL to each other's personnel in mutual relations, cannot press for accepting gifts, cannot offer special meals, holidays and travels invitations" is precisely applied. As a few small examples were given above, it seems that there has been an exit from a general social-cultural point of view such as "it would be a shame if a gift is not received", which was not paid much attention before. In addition, it has been determined that the parties should be solution-oriented in the problems that arise or are likely to emerge, they should not work without notifying each other even if it is in favor of the other party, they should not make public or private statements about each other without receiving permission, approval or opinion from each other, and they should show sensitivity to each other's products, brands, corporate personalities and should do no harm, and meticulously protect their design and this is in practice.

And complementing all this clearly, in case the parties observe an unethical behavior or proposal from each other's staff or the third-party employees or in case

they feel or contact such behavior, the necessity to notify this matter to the senior management of the other party immediately, including any concrete documents, if any, is one of the issues raised in every business conduct.

When these issues are evaluated, observation-based expressions are asked or the opinions of the responsible manager of the institution are taken, it is stated that great progress has been achieved according to the previous years and the general situation of the sector. However, from time to time, especially when suppliers make more products than planned, and when they produce products as second quality that do not exceed the norms of quality and they are not accepted by the institution, the products are directed to the neighborhood markets without an announcement and in a manner that disobeys the ethical rules and this kind of issues are also tried to be followed. In cases where it is possible to identify the parties that strain such rules, they are given time to make improvements according to the severity of the subject, but commercial relations are terminated with those who do not comply with improvement and rules.

In service relationships, there are also complaints about material supply, meeting the needs of new small buildings, providing maintenance services or failure to comply with the contract schedule in contract works and trying to cover this situation, failure to provide timely information, delay of payment to employees of related firms, although they are paid on time.

5. DISCUSSION AND RESULTS

Findings

Although the literature research is exciting, fun, enthusiastic as it constantly triggers new areas; monitoring of practices, family firm research, understanding arguments, the large number of stakeholders, different expressions of different informants are based on good planning of the process, experience and settling down in and it seems difficult to make a comment immediately. On the other hand, especially since businesses in Turkey's economy are almost entirely family-owned firms, 98%, it is important to identify and share good practices, if there are any.

As Steward emphasizes, being able to observe and interpret the "family firm" does not seem to be a case to be performed immediately or in short periods. It has also been expressed by various researchers that family firm research takes longer than expected and planned. Our research also took longer than expected and it took time to understand some issues and to observe the overlay of discourse and practices. Although not fully covered, certain parts of social theories about family as a social institution provide a basis for family phenomena. “Kinship” which, has been transformed into “cultural” meanings from the “bloodline, lineage” focus after the 1970s, and it has become one of the basic theories of anthropology, but since the family wing of the family firm concept were investigated especially in business schools, it could not find much use. According to Litz (1997), the reason why research neglects the “family” is the possibility that more information can be obtained in large and publicly-held corporate firms, more communication can be established and the results can be applied to the general, and it is likely that they will take the notion that conducting research in large and corporate firms may provide

more reputation-recognition to individuals-institutions investigating. Dyer (2003) also supported this finding with the view that family relations do not affect the workplace atmosphere and there are implicit assumptions about the separation of organizations from blood ties. His justification is that at least half of the Fortune 500 consists of family firms. And the reality of today is that the family has a high impact on the organizational behavior and therefore the performance of the organization.

In the establishment phase of family firms, kinship and its special derivative, family have a special meaning and they can create social morale or backup power by giving a sense of togetherness in general. On the other hand, since production resources and real estate's last longer than people using them, the transfer of resources from generation to generation, control, protection, handovers or distributions that will take place during the next generation also emphasize kinship or its subsystem. Indeed, this crucial reason refers to the significance of family and kinship in family firms.

It was observed that there was ergonomics equivalence in the family dimension and that the families were working with a full division of labor in terms of content and the nuclear family model was implemented. The father is directly involved with the business and the mother is involved in housekeeping, family communication and the education of the children and most decisions are made by the mother. But, the mothers stay away from the business world. The approach with values had similar behavior style in the family. The same method is applied in the family division of labor, similar to not penetrating in the area of responsibility of others in business life. In terms of the family model, the family follows the traditional Turkish family model. The family migrates to Istanbul as a nuclear family or as a member of nuclear family in parallel with Buden's (2012) emphasis. The

family values kinship relationships as well and executes the kinship phenomenon by acting charitably with no thought of personal gain. The respect of the founding member and the siblings to the father and his authority is instantly felt. Although there is equivalence in family relations in this respect, it also implies a kind of patriarchal formation which is also one of the realities of the rural area.

Since the family is the unit that creates the environments in which the belief in the continuation of the lineage and the information and values that come from the family function are first learned and maintained, it can also provide abstract supports as well as the concrete supports such as financial, spatial or labor force support. In the institution where the research was conducted, the leadership of the family, respect to the leadership and the division of labor within the family were provided and it does not constitute a conflict or disorder as it is practiced in the practical-current life, and the family contributes to the job performance. The protection of the family's own values, being functional in all sense and the transformation of family values into corporate values provide a complete content integrity and it turns into corporate benefit and provides positive inputs to business outcomes. The acceptance of "Values" as an abstract asset can be the basis for cooperation with trust in the reputation of the family-institution and finding financial resources and create reputation, respect and trust. And in this sense, it provides a strong basis for the operation of the “Resource-based View” theory.

When interpreted in terms of agency cost theory, there is a power of attorney in the organization as in every organization. However, a climate of “opportunism, share taking, and self-seeking”, which is the criticized aspect of agency cost theory, is not observed in the institution. There is a unity of belief between the agent and the trustee, which is based on trust, focused on a serious and observable, sharable

objective that the rights of the trustee will not be cheated. The agents perform their representation duties in a livable atmosphere and impartially protect the legal assets of the trustee within the framework of laws and regulations.

However, within the framework of "trust, but verify" as a known and used sentence in the institution, there are advanced internal audit, internal control and risk management systematic. Agent performances are monitored in order to achieve the targets set, and act as precisely as possible in the matters of agents who are authorized to sign employment contracts in domestic and international activities. All these activities are open to audit and are audited. Audit and risk management findings are reported to the top management periodically and if there are any, the corrective-preventive actions for improvement areas are discussed. In all kinds of major investments, acquisitions, leasing, transition to new fields and management modeling, studies are carried out by the agents and the decision is left to the trustees.

One of the main findings of the field study is the fact that not only the economy but also the family which is the source of this economy, the kinship in cultural sphere, and the values and norms of the family, the personalities, intentions, behavior models, preferences, competencies of the founding family member or members, and the climate they create are of great importance.

The research findings refer to the importance of values, which are abstract sources and the fact that behaviors styles that are triggered by values or virtues are equitable, fair and based on equity, keeping honesty in the forefront, unconditional obedience to laws and rules, being a source of employment and taxation provide trust and honor for the employees and business partners. The narrators emphasize them clearly and point out that they are a different source of wealth. Employees are given the feeling that they are special people, especially by family members.

Although this situation is sometimes vulnerable to abuse, which includes examples described in this context, it seems possible to observe a "livable climate" in any environment. There is also a success story that is believed to have come from blessings and from virtuous behavior modeling and unrequited institutional assistance that is not based on advertising. The institution has a Social Assistance organization with approximately 12 employees. By the way, the tempo of work in the institution being quite high can be understood from the workload and the growth of the business. I believe being trusted increases the sense of responsibility, the sense of ownership.

When the institution is evaluated in terms of professionalism; although employees are also seeking satisfaction in conceptual areas such as social status, self-acceptance and self-transcendence, and finding their own values in the business, a certain wage is important for the continuation of their lives. However, it can be clearly observed that they work well with an amateur spirit at a sensitive point such as out speaking-kindness line with the trust parameter enabled and doing well what they do, which is one of the implicit parameters of professionalism. The ethical dimension, employing professional executive in the field both in Turkey and abroad, growth with values and addressing large masses, being strong in the financial field, leaving space to executive with the serving approach of founders -this area is a bit narrower in creating a clothing collection- make it easier to talk about professionalism in the institution. The general opinion of the interviewees or informants is that there has been a very intense path towards professionalism, but there are areas of development in the professional approach as in the institutionalization, and there is still a founder’s weight in the opinions and practices for the benefit of the institution.

"Professionalism" is a new concept, especially for those who have started their business life as a new graduate after finishing the university, and it requires achieving a certain experience. This process is tried to be accelerated through Multi-Dimensional (Situational) Leadership, Leadership by Coaching, Double Winged Leadership, A3 systematic programs, and weekly one on one executive-employee interviews.

The old and new Institutional Theory and Planned Behavior Theory are the theories that can be attributed meaning in this study. Especially the fact that the integration of values forms the basis for being an institution in Institutional Theory put forward by Selznick, which is defined as the old theory later on, was used in this study, and although not empirically, it has been tested that it is still valid. DiMaggio's new institutional model, which reflects other realities of today, is still valid due to reasons such as having an externally predictable legitimacy, being able to be included in global assessments, requirements for compliance with regulations and laws, being able to cooperate and being auditable. The issue of "social capital" that Bourdieu, Putnam, Fukuyama mainly worked and created literature on is also vital for family firms and I believe it is one of the main pillars of sustainability. Trust in social relations and social activity processes was evaluated in the literature by various researchers and academicians as the source or result of social capital. The importance of trust has been observed in all cases, regardless of being cause or effect, and it has always been expressed in spite of the lack of explicit guidance in all interviews. In the trust atmosphere, the social relations of the institution and the individuals that make up the institution are increasingly turning towards identity-based permanent trust and the cost of doing business is decreasing, the speed is increasing. Although not empirically measured, as a researcher, I can clearly state

that expressing this discourse in no way contradicts reality as a research output based on living observation.

In family firms, business, family, values, traditions, entrepreneurship, and bureaucracy are intertwined and give the impression of a very strong and stable structure with unique values, traditions, and symbols. For the continuation of the family firm, it has been observed that the unity, even to some extent the unity of values among the family members are important and that family approaches and values somehow determine the business style, interpersonal relations, methodologies, briefly the culture and climate of the institution.

Especially in today's post-modernist world, it is important to establish the concept of emotional capital in order to integrate controlled individuals, “docile body” as expressed by Bourdieu, within the framework of great meaning. To follow this concept, to share, to create an environment for trust, corporatism and loyalty, and to support with the values implemented is a practice that can be a role model for family institutions to strive to contribute to the internalization of both other family members and growing generations as well as other stakeholders. In the field surveyed institution, “Being one of the top ten Turkish brands abroad (this is also one of the country's 2023 target) and being the most known in the industry in the countries” motto is already achieved in 15 countries and the social mission of “everybody deserves, ... making people feel good” and values and virtues that are mentioned in the values, virtues section were observed to be implemented in daily life by not being posters on the wall.

And another application is "growing by focusing on the same business", instead of extending to different sectors, or vertical-horizontal integration that are occasionally seen in various family firms and family decisions. Thus, "focusing" and

more business orientation can occur. This finding is a suggestion observed in the research and it was unknown in the first stage. Focusing on the field can be expressed impartially as one of the factors that have a major impact on the success of the institution. This issue was actually expressed in the interview conducted with the founding family member as "focusing only on what we do is the unwritten but most important article of our Family and Institution Constitution".

The family attaches importance to its corporate history and expresses that it never forgets the analytical emphasis during the production period and more importantly the customers. It is able to make the customer think that "whenever I go to the store, I can find a product similar to what I want and suitable for my budget". This persistence is an approach that is perfectly suited to the family mission and it is a good example of creating the perception that the firm is customer-orientated and takes care of its customers.

Especially in the early periods, family firms operate more on social capital than on economic capital. However, in the initial capital or in case of financial difficulty, firstly the family or relatives are called upon and this can find ground with the presence of social capital. As it is emphasized in the literature, social capital includes elements of influence in structural, cognitive and relational sense. Structural dimension includes social network and its associates, cognitive dimension includes shared language and transmissions, and the relational dimension includes reassurance and obligations.

The contradictions and conflicts between the social and economic sphere can also naturally provide resources for nepotism, and responsibilities in the social sphere produce nepotist results. One of the reasons of nepotism, which we consider as favoring family members and relatives in some way, is the lack of trust in non-

family members and the perception of losing control. Sometimes favoritism is caused by executives who are not family members and recruitment referrals from their familiar circles may emerge. In particular, the fact that executives who later joined the institution and who have different value judgments and who have not yet had the time to internalize the values of the organization prefer the people they have known before instead of internal promotions or assignments causes reproaches about cronyism to be talked and this subject is discussed and evaluated as an area open to improvement in the field research institution.

When nepotism is examined in terms of relationship management and social capital, it is thought to be based on subjective criteria rather than objectivity. It is understood that the application creates an atmosphere of dissatisfaction except for the people who are favored and especially for the growing institutions; it is foreseen that it creates risks primarily due to cultural segregation and subsequent performance, and dissatisfaction can affect all employees as well as it may cause dichotomies, grouping, and conflicts between family members and relatives. It is thought that compliance with objective criteria starting from recruitment, giving importance to fairness and merit in evaluations, supporting this with "management by values" philosophy and making sense of values and virtues in practice and applying them will increase the trust and respect of the family and the management representatives of the family especially in family firm and will make a positive contribution to the corporate performance. This issue is one of the main channels of the main theme investigated and it is directly related to the transformation of values into institutional values and the reduction of nepotism and all kinds of favoritism.

In the first phase of the main institution, family members were employed within the framework of general tendencies and family migrations from Malatya to

Istanbul occurred. However, as the institution shifted to growth and wholesaler-department store approach to retail, all family members in the parent firm were directed to separate businesses or to establish business with a certain capital contribution and the possibility of nepotism, which may hinder growth and institutionalization, is minimized. The same issue has been made a rule for local or affinity favoritism and merit and competencies were based on. Although family members are not employed in the parent institution, the new generations of the family are going through a good learning phase in order to develop their competencies and skills faster and to adapt to the new world more easily. In addition, all new generation family members are taken into the training-business life familiarization program under the mentorship of both the founding family members and professional executive for approximately 6 months after their education and they are directed to the field where they will work outside the main institution.

The research institution seems to have solved the issue when we look at nepotism from the negative nepotism perception. Although many family members and family acquaintances were given certain positions during the establishment phase, the possible benefits of nepotism have been utilized during this stage, nepotism was terminated by a radical decision taken by the founding member after the decision to grow and achieve big objectives. The institution started to employ experienced people based on merit, including executives from abroad particularly in managerial positions, and the development was sustained. It has been stated in many interviews that the pre-resolution of nepotism has made a great contribution to the institution's development process, growth, employment and dissemination in 40 countries. These expressions indicate that there are no family members other than two shareholder family members who are in top management and directing the

organization, that merit-based, recruitment and promotion processes are carried out in harmony with impartial and ethical values as much as possible, the discourse is equal to action and there are no opinion, idea, belief, gender discrimination, and family members are absolutely not favored.

The data supporting this observation is the fact that the institution has the highest number of female employees in the country and almost the most female executives and this is admired in internal and external relationships.

The absence of favoritism also applies to new members of the family who will participate in business life and young family members are given a certain amount of capital to support them in forming a new institution-firm within the "Family Holding". Institutions within the Family Holding can also participate in the tenders of the works given by the parent institution, are subject to unbiased tender evaluations and are impartially evaluated within the quality-cost-deadline cycle. Even in the FHC, the top executives are family members, but there are very few family members within the institution. The family completely opposes to local and relative favoritism, there is a constant emphasis that merit always precedes closeness, kinship, and local solidarity, and it is observed that professionalism precedes family membership, kinship or local solidarity.

As mentioned in almost all of the sources related to our subject and observed in the research institution, family culture, business ethics, business values, and practices in the family firms are influenced by the family. Similarly, as emphasized in the general literature, the family is also affected by business and business culture, at least in compliance with relevant laws and regulations, as observed in the institution researched.

In the initial phase, within the framework of the general characteristic of other family firms, family members were employed in the institution based on trust. However, overemphasizing these elements may cause ignoring talent and education-development, family membership to override everything and hence prevent the professionalization and institutionalization of the institution and the institution to become troubled in the competitive environment.

Since the general purpose of the family firm is to grow and transfer the sustainability and the firm to future generations as executives or shareholders, without excessive bureaucracy, a rational institutionalization that is identified with culture and values is important. Approaches of founding members of the research institution related to this issue include the implementation of the Family Holding model and internalization of institutionalization both in the organizational structure and mind-perception, as it is expressed by the family members in various sections.

In my opinion, this practice is an example, a role model that can enter the literature of family firms as a principle of a "family constitution". Advancing the parent institution in the direction of institutionalization and growing in the corporate sense by making predictive investments in the same field, and keeping only two or three shareholder family members in the firm at the top, which is applied within the board of directors, are in the form of keeping all other family members in the life cycle under the most favorable conditions as a family member shareholder. Five of the eight members of the Board of Directors are not family members. Naturally, it is a general correct practice that the investment, business style, responsibility for making the final important decisions and ownership are in the top executive (CEO-Chairman), who is also responsible for the shareholder-management function. Thus, the top executive is expected to have a weight in administrative decisions and take

responsibility. However, all activities are carried out with professionals who are not family members until business and final decisions, and institutionalization is complied with.

Institutionalization is a cultural interpretation and model that aims to ensure sustainability from the macro approach in socioeconomic terms by considering the organizational units, revealing and suggesting systematic structural, dynamic and symbolic relations, activities and interactions on the basis of micro approach. Without internalizing the institutionalization culture, and without values and institution values, most likely, the institution will not be able to offer a long-term life cycle to the stakeholders.

Although the research institution has not received an external assessment in the institutionalization dimension, it is observed that all the interviewed members have a common opinion that there are great steps taken towards institutionalization in the cultural dimension and that values are accepted by employees and other stakeholders. Institutionalization is defined as fairness, transparency, accountability and taking responsibility as it is emphasized in the literature research, and it is to live through and share the corporate governance components. These four concepts can also be long-term as long as they are supported by strategy, process structuring and performance indicators and as long as they are enriched by culture, leadership, organizational design, audit activities that envision a review of the functioning of all of these, error prevention systems and risk management practices.

A four (4) level "Corporate Governance Self-Assessment Table", which is in use and was created by the Corporate Governance Association of Turkey and, is included in Table 16, Appendix 11. In interviews with some executives and observations and evaluations, it is emphasized that the organization is located

between the 3rd and 4th level in terms of “commitment to management”, “board structure” and “control environment” and although it is not open to the public and the CMB (Capital Markets Board), it is at the 4th level in the criteria of “transparency, public enlightenment” by applying these conditions. In the shareholder parameter, it is considered to be in the 3rd or between the 3rd and 4th level. The sale of shares and the idea of going public is not foreseen in the short term.

In particular, the growth of family companies, the ability to pass on to the next generations without being damaged, and existing in global business life, I believe that the institutionalization is the support area of these institutions, which bear the name of the family, and maintain their reputation by moving to the global dimension. The findings, perceptions obtained as a result of the research and literature also confirm this interpretation. If we examine all these comments in a holistic fashion, keeping the values of the family alive, adapting them to the institution to a great extent, implementing an exemplary application that prevents nepotism, providing approaches that are appropriate and enable the spread of the founder’s and family leader’s values, providing a wide range of learning development, ensure a single orientation towards themselves and the institution and so all stakeholders meet on a common ground. In the light of the findings obtained during the interviews and observations made during the research, this concept can be expressed as “trust”.

If there is trust, there is commitment and faith. Equity, fairness, desire to succeed and “institution first” beliefs and approaches of the founders of the institution are sincerely believed, participated, and followed, in short there is trust. Possessing values and especially core and universal values that we can express as

virtue and acting in the light of these values in decision-making, create a real reputation phenomenon and seems to validate the acceptability of both individual and corporate trust and reputation. The writing and sharing of values, their use in the environment and their acceptance by individuals seem to indicate the existence of the philosophy of "management by values". The unification of strategy or corporate activities, decisions with the origin of values and their presence in the 'learning and development' dimension in strategic objectives of the mission statement are considered as important indicators. It will be natural to have different ideas and thoughts that will create a subject of discussion and they will be respected.

In the light of the interviews, "trust" seems to be the indispensable atmosphere creator of family firms, as it is highlighted above in a similar way, and is considered as one of the essential requirements of environment satisfaction. In case of trusting and believing the founding family member in the family firm, due to the fact that the family member in the administration is usually a shareholder, and stakeholders' feeling related to being valued in this sense and respected as a human, seem to create unique differences. In the research RCC, especially the first founding family member, the first shareholder family and the older brother who contributed to the merchandising operations by joining later, are trusted and respected. This makes it possible for the agenda and energy to truly devote more resources to corporate growth and, if any, to solve problems. The formation of trust is formed by the combination of character, intent, competence-skill and getting results according to the way accepted and shared by the narrators and interviewees in the research and this provides sustainability.

Particularly in new organizations, the formation of competence and the ability to get results depending on this formation naturally demands a certain time. It

is a process management parameter. The intention of institutionalization, the institutionalization of both the family and the institution as an extremely important parameter, appears to be an important cornerstone of sustainability and it is especially important for an institution, which gets into foreign markets. However, it also carries the risk of slowing the movement ability of the institution from time to time. While examining culture, the question of "how do they resemble - how do they separate" forms a very similar variable ground for institutionalization. The suggestions such as; family members working for family firms should at least be competent and hardworking as non-family employees, appointing professionals to key tasks in the institution except for small family firms, having non-family employee-executive in at least one of the top positions, and the situation that the family should serve the business rather than the business serving the family, are important elements for the institutionalization process or development and are prominent elements in both literature and observations.

Serving-Servant Leadership model, which is applied together with the "Multi-Dimensional-Situational Leadership" model as technical behavior modeling for employee development, significantly coincides with the institution from theory to practice. Being "stewards" approach is thought to facilitate corporate governance. Everyone in the institution can talk to shareholder executives; they can communicate in a certain directory depending on the size of their problems or topics, their requests for interviews. "Double Winged Leadership" metaphor, which is applied for the development of the employees and has been studied a lot, also creates space for people to develop their leadership skills with Multi-Dimensional Leadership techniques and to make this development in ethical lines simultaneously and to better understand, describe and internalize the "virtues" that apply everywhere. In

the academic world of psychology, as in the shared example, in addition to the beneficial features of the narcissistic or transformational approach, such as being visionary, competitive, persistent, growth-oriented, when a person who respects people, has humility, does not consider himself/herself superior to others, an exemplary managerial figure, leadership emerges in the development dimension, which does not find much space in narcissistic approach.

Throughout the research, without knowing the subject and in a descriptive manner, it was stated that the transformational and serving coexistence of the founding family member and his brother fit this behavior model. This theory is thought to be a non-analytical but verifiable approach to perception measurement.

It is stated and observed that passion, possessiveness and emotionality, emotional capital, and values are the basis of abstract assets of family firms and they support being long-term. When a person becomes serving, “authentic” in a way that use virtue as a basis, and “remain as she/he was”, a climate of trust and respect is created. This climate becomes more temperate as trust increases and it transforms into a structure that is easy to live but has compelling objectives and seeks success. The research findings also support these expressions.

The human faces of the founder and other family members in the management, their exertion to make social integration and internalization of values into institutional values, their efforts to create special programs within the Corporate Academy, awareness of others that this is sincere and not "pretended”, are important findings, which are received from different narrators and thought to lead to institutional success, holistic ownership. Under normal circumstances, the role of the founder member being a center of power and key role as “founder centrality” or “betweenness centrality” is also emphasized in the literature (Kelly et al., 2000). In

the institution and its affiliates, in the family, the founding member CEO has been accepted to have a great dominance, has always been at the focus of issues and decisions and continues to be so. From time to time, he reaches out to key members, but for the most part he acts within the groups. He does not carry out centralization or direct management of the institution as expressed in the articles of association of the institution. But he also extends it beyond "connectivity" by "serving" and integrating it with his modest personality. He is more than what is written in the literature, and he is also making great efforts to institutionalize the institution.

He writes a great part of the corporate standards, the meaning of values, goals and processes by working for a long time and receives the opinions, makes the necessary corrections and gets them published. And these create the methodologies that constitute the institutional infrastructure.

The institution, in which the field study was conducted, categorically fits into the participatory and professional culture of the "paternalistic, laissez-faire, participatory and professional" family business corporate cultures that Dyer (1988) emphasizes as corporate culture variations in the literature. However, in some organizational structuring and decision-making processes, a hybrid (professional) structure and culture with paternalistic approaches on issues such as investment, country of destination, financials, and senior management appointments can be seen. In paternalistic decision-making processes, professional executives are not or cannot be visible enough to take initiative or responsibility. Perhaps they may have a disguised satisfaction in staying away from "accountability" aspect. The weakness of this approach is that it may lead to delays in the determination to take responsibility or initiative and the spread of an inertia problem to the organization and the implicit risk. Although there is no such extraordinary observation during the research period,

it may be suggested to take it into consideration and to include it in the category of behaviors that should be blocked, such as nepotism.

When the research organization is evaluated in a categorical sense, it includes pieces from all stages of family firm development; founding period, sibling's partnership, cousin's partnership, and strategic partnerships. The responsibilities of the CEO, the Chairman and members of the Board of Directors are clearly written in the articles of association. The weight of the CEO in large managerial and financial value decisions, the brothers' partnership (CEO and Chairman of the Board) in operation, growth, strategic decisions, and in the institutional sense, the cousin partnership approach, professional management approaches are observed. This situation, which brings prosperity according to the situation and is considered as "successful" by independent organizations, may be hidden in the question of "what is the best leadership" which is one of the motives of the Situational Leadership - Multi-Dimensional Leadership in practice. By using different and unique stages, behavior styles in different and unique situations.

According to the researcher's interpretation, "The Child Learn What They Live" poem, which is presented in Appendix Table 32, envisions a life approach through the methodology of the family, directing the child according to their own family values in relation to child development. Institutions, as taught in business schools, are experiencing childhood, youth and maturity, just like people do and they gradually move from the index of values, rules, expectations from which they are triggered. Family firms naturally acquire their initial life values and rules from the founding family members. When the poem is examined in detail and in the "family-child", "family-family firm" dimensions;

The verses after “If a child lives with encouragement, he learns to be confident”, can make and inference from the values created by a family firm about how they can be transformed into a corporate structure and transformed and developed into positive rules, and how they can make firms life last longer under their unique conditions.

Results

Family, family structure, kinship relations especially during the establishment phase, reflecting the values of the family as much as possible to the business and family firm, rational and merit-based solidarity within the family, making use of nepotism at the realities of the institution but not building a system on nepotism, identifying the interfamilial decision-makers and ensuring that a certain family respect dynamics is operational, maintaining trust and reliability in the family and outside the family, are of great importance for the business in terms of “family firm” phenomenon. Business dynamics are of particular importance in terms of efficient functioning, especially in the operation dimension.

From a research point of view in this context, just looking at the business performance in family firm research leads to the interpretation that some evaluations may be incomplete. The literature relates the continuation of the family firm over generations to the maintenance of family integrity and it refers to the fact that family leadership is a difficult task in this sense. The structure of the family shareholders who are founders, executives and who support the management of the institution, generally conform to the family mosaic of Turkey, there is a nuclear family structure, the father is involved in the business and the spouse-mother is more

dominant in household family-kinship relationships and decisions about the order and the children.

The observations and research results made in the framework of symbiotic life in two selected family firms match up with a model in the form of "growth, income, reputation, being the most sincere and respected brand in the sector, representing abroad, contributing to employment, family integrity, and the journey to institutionalization with management by values". The institution is accepted as successful in terms of business results and evaluation reports of independent third parties' assessors, creditor financial institutions, reputation and stakeholder perceptions. When the trend analysis is examined on a yearly basis, it can be seen that the institution, which can only go back 25 years, has maintained this success for at least 15 years. The fact that it appears to be a successful institution is that "the family serves the institution and the firm, not the other way around". In general, it is suggested by experienced family and family business experts that the family is to serve the institution by realizing its institutionalization. It is important to consider the family, reputation, preferences, sustainability of the family's expectations, its future and future generations together and make plans accordingly.

When family values become institutional values, decisions are made in accordance with these values, the mission statement supports this phenomenon, and it is internalized by stakeholders, a culture of institutionalization is created and made sustainable. In order to maintain institutionalization; realizing corporate governance principles, defining strategies and processes, roles and at least key areas of responsibility, making the original values taken from the founder, the founder member and the family cultural norms by being transformed into institutional values and touching the feelings of the stakeholders as institutional climate, guiding the

organization with a leadership that listens and serves in the combination of virtue and skills, and building trust are of great importance.

Above all, it is essential to have an audit mechanism within the framework of “trust but verify” as it is widely used in the institution or the “accountability” norm, to make risk management operational, to tolerate mistakes made due to business but to have and apply a systematic that prevent the repetition of error. In the processes of the institution, especially in the core processes, “lessons learned" studies are continuously carried out, and it is thought that this practice is beneficial for both family and non-family institutions. Institutionalization fully complies with a well-known idiom in the anthropology language. Institutionalization is a “culture pattern”. While speaking of anthropology, it is appropriate to underline that business anthropology, which is currently one of the important branches of anthropology, is very useful for the dynamics of "family firms".

As one of the main results, trust is placed above all parameters, especially in family firms and a comment can be made that it can be interpreted as the cornerstone of social sharing, relationship management and credibility in practices, and the credibility of founding family members and thus the institution. Although trust is considered important for non-family firms too, trust in the family, the founding family, and the founding member have a different meaning and it represents traceability, sustainability, and faith in the institutions.

Nepotism can be useful in the initial stages, as observed in the institutions that are researched, but it can play a "preventive" role when growth and institutionalization begin. Nepotism was eliminated in the main institution studied with the radical decision of the founding family member and sustainability was achieved through the establishment of a “Family Holding” model, which is based on

another kind of entrepreneurship. The new generation family members are oriented for about 6 months in the parent institution and they are supported in their new ventures by making certain capital participation in the “Family Holding” if they wish.

It is assumed that Selznick's institutionalization approach (the old theory), which focuses on the values according to his definition, and the resource-based view theory remain functional. If you are aiming for a competitive position in the global arena, such that clear observations were made at the institution where the fieldwork was conducted as confirmed by the business results, the new Institutional Theory, which defines benchmarking, adaptation to a number of models, continues to function. Abstract sources in the research such as trustworthiness, reputation, protection, benevolence, fairness, respect for others' beliefs, rights, and discourse and of course being able to maintain and apply all of these, are findings and even results that support being the main sources of long-term in the business life in essence.

As the institution becomes institutionalized, it can access financial resources, information resources, society and human resources more easily. In order to do business and establish business partnerships in new countries globally, institutionalization is accepted as an added value. In addition, the fact that the institution is a family firm can be advantageous, which will/can bring even more positive discrimination, as expressed and shared by the owners and representatives of the cooperating institutions.

Without making a generalization for other family firms, the basic assumptions that have found business and social outcomes successful by independent third party and financial institutions and lead to the success of the

institution are expressed as follows by the people interviewed during the research; ‘ management of the institution as a harmony of contradictions and even oppositions that trigger the institution's "yin-yang" approach and philosophy from the basic approaches of the founding family members like togetherness, tolerance, respect for others, and insightfulness behaviors’.

The results of the Porras and Collins's (1994) study of successful long-term firms, which includes preserving essence-values, encouraging innovation-flexibility and contradiction harmony, finds an application in the institution without exception. According to Schwartz’s (2003, 2006) Ten Basic Values theory, as a group of values increase, their counterparts are expected to decrease. Some values in the institution such as; attaining challenging objectives, being strong, helpful and fair, promoting self-transcendence, innovation, and creativity and respecting others, protecting and respecting traditions, culture and beliefs, and being modest, are carried out in full equilibrium rather than decreasing - increasing. Owens, Wallace and Waldin (2015) predominantly in their transformational leadership and even in narcissistic leadership behaviors with their own expressions, predicted that instead of arrogant, humiliating behaviors that were not pleased by others in the social human dimension despite being suitable for business, behaviors that are respectful to people, humble, modest and that are able to be learned from others produced a positive output and improved performance.

Family members-leader behavior styles in the organization are actualized and experienced in a harmony of opposites, which also supports this theory. Establishing a Family Holding paving the way for institutionalization as an opposing practice for eliminating nepotism on its parent and expected flagship firm, ensuring the mobility of family members and new generations in a smaller group of firms with smaller

capital, and even adopting a similar philosophy of management by values in these can be evaluated within the harmony of opposites. The fifth harmony of opposites-contradictions is based on “trust”. According to the World Values survey, the mutual trust index is quite low in our country as there are articles are written about the issue (between 6%-8.5%). They have actually continued the business, which was initially established by two families, since their establishment with the utmost trust in each other as expressed with their own words and carried it to the second generation in the 22-40 age group. The other family, which is represented in the Board but not in daily management, also provides external support with a huge trust. The two executive members of the family, the older brother who is the Chairman of the Board of Directors and the first founding member, younger brother, who is the CEO, are observed to have high levels of trust in each other. So many institutions have problems regarding this.

It is also possible to talk about the 6th harmony of opposites, which may also be a sub-reflection of the 5th harmony of opposites in addition to the trust and trust in the family. Agent cost theory emphasizes that agents may exhibit some behavior that may be of their interest as long as they have the opportunity. In the case of the institution, it is observed that the agents establish a harmony of trust, not contradictions in their relations with the trustees in a trust formation and it is expressed in interviews.

By verifying or referring to theories, the management of the "balance of the institution" as a complete "yin-yang", harmony of oppositions-contradictions and behavior styles on 6 important basic issues are considerations that are supported and verified with idea sharing and observations.

As a main result, the interpretation that can be made as a result of this research is that a different practice, thinking and application style that adorns the dreams of the founding family member and can answer the questions in the "Research Problem" can be reached and this is valid for the period of the research and the sustainability signs seem to be quite strong as it was before.

In a brief emphasis, as highlighted and boldly expressed by all the interviewees and observed by the researcher; it is possible to create a worldwide brand and represent the country by being stewards, being among the most taxpayers, respecting others at the highest level, providing high-quality products and services to the broad public with decent prices, focusing on own field and working hard, complying to laws and regulations both in the country and abroad, being fair and righteous, creating equal opportunities in recruitments and promotions without favoring family members, building trust and being reliable and without damaging the rightful share.

The Family Holding model is an example of a good structuring for those organizations that have or are likely to have problems of inheritance and their selection or transfer to other generations, which cause a large number of family firms to terminate their operation, or family firms who want to create equality of opportunity without falling into nepotism. From an academic point of view, this finding has a significant meaning for the family firm world.

And the most concise results can be emphasized as "management by values-virtues", "trust", "harmony of opposites" and "being on a journey towards institutionalization".

Limitations

The research was carried out in an anthropological, non-generalized family firm and in a family holding and group, where the research subject could be examined both in function and at least from the growing with institutionalization perspective. Despite the fact that the subjects of developing a model that prevents nepotism, being committed to values and ideals, reliability, which are believed to create resources to the literature, are shared, the necessity to investigate other examples emerges and being attached to only one sample, since it is considered as numerically low, investigating other family establishments will create richness. Researching unsuccessful family firms in the family dimension that were closed down for failing to establish values in the first generations would be a troublesome but valuable effort. More than one family can be studied with an in-depth interview in addition to "observing and experiencing" method.

In addition to the family firm researches mentioned at the beginning of the study, it is still important to include the family and kinship as a prominent parameter and it is foreseen that studies that will go deeper in the field will benefit the literature and institutions. This difficult and genuinely diverse field also includes a particular limitation, as the research process focuses heavily on values and behavior styles. Research which also includes the family, and which is practical can only be carried out by an impartial, highly competent and recognized research institution, and this kind of research could be conducted with a common interdisciplinary approach including psychology, sociology, business/economy and anthropology, and since they are not easily found this would also be a limitation. Considering the "Family firm" dimension after an introduction to the family, the ability of the researcher to maintain both anthropology and economist - business administrator approach

together is considered as another limitation. However, it is also suggested that "family-kinship and family firm" design can be resolved and studied in both fields.

In this field research, the fact that the researcher is an in-house as an informant remaining in the field can be regarded as a limitation at the first time, no matter how neutral the study has been done. On the other hand, there are different evaluations in the literature on this subject, the rate of anthropological research is as low as 1% and the fact that the families are not open to this kind of research and that external observers will not find a suitable working environment is a naturally accepted limitation by focusing on the economic business part, not the family part.

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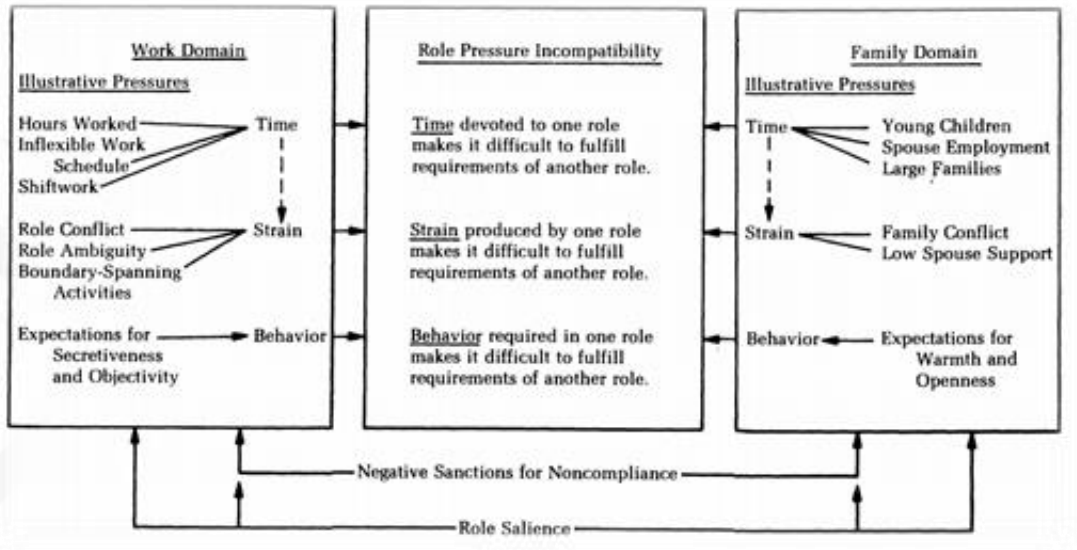
7. APPENDICES

APPENDIX 1

Figure 3: Business Family Role Conflict

Source: Greenhaus & Beutell (1985, p.78)



APPENDIX 2

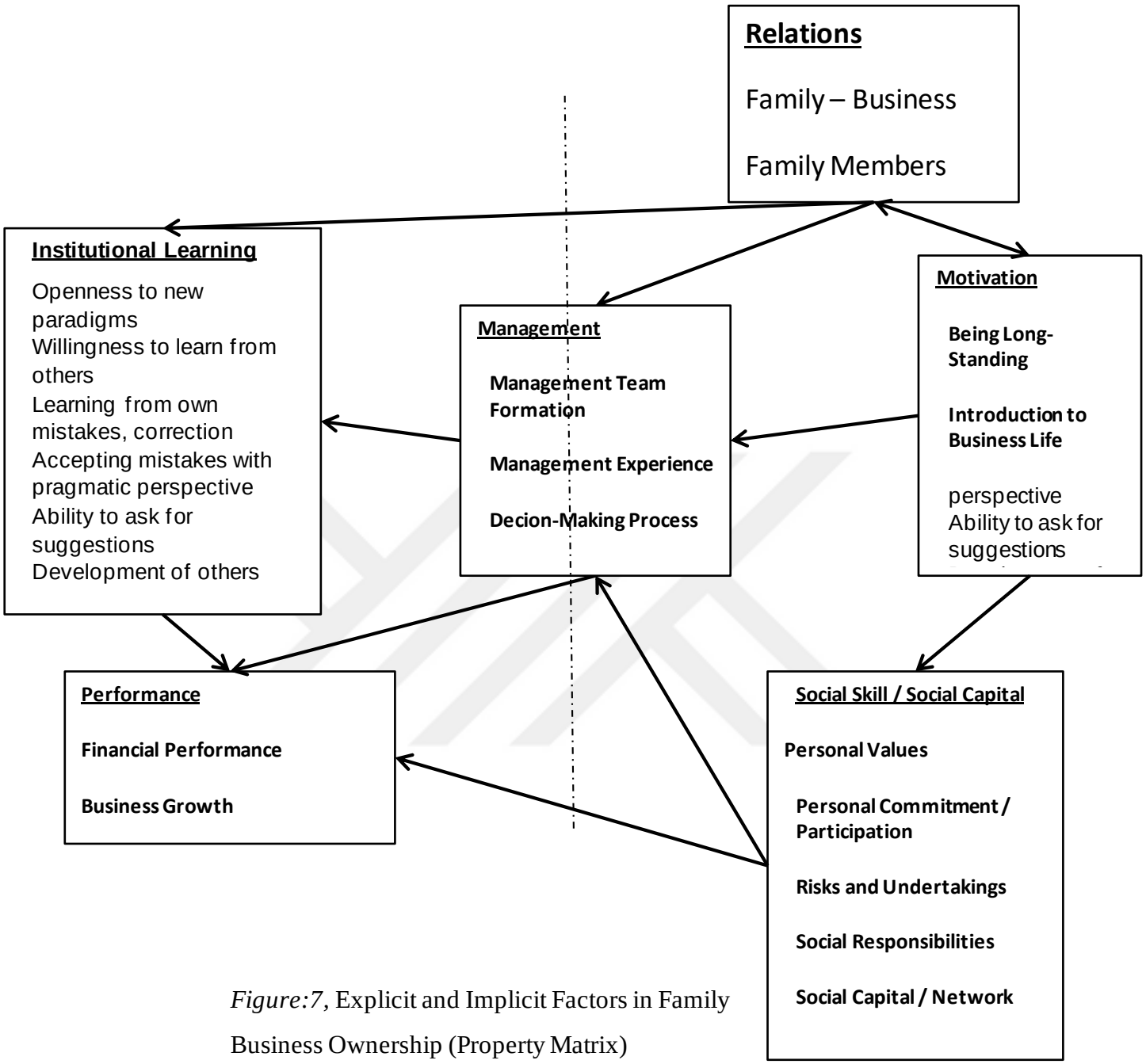


Figure:7, Explicit and Implicit Factors in Family Business Ownership (Property Matrix)

Resorrce: Mandl, 2008

APPENDIX 3

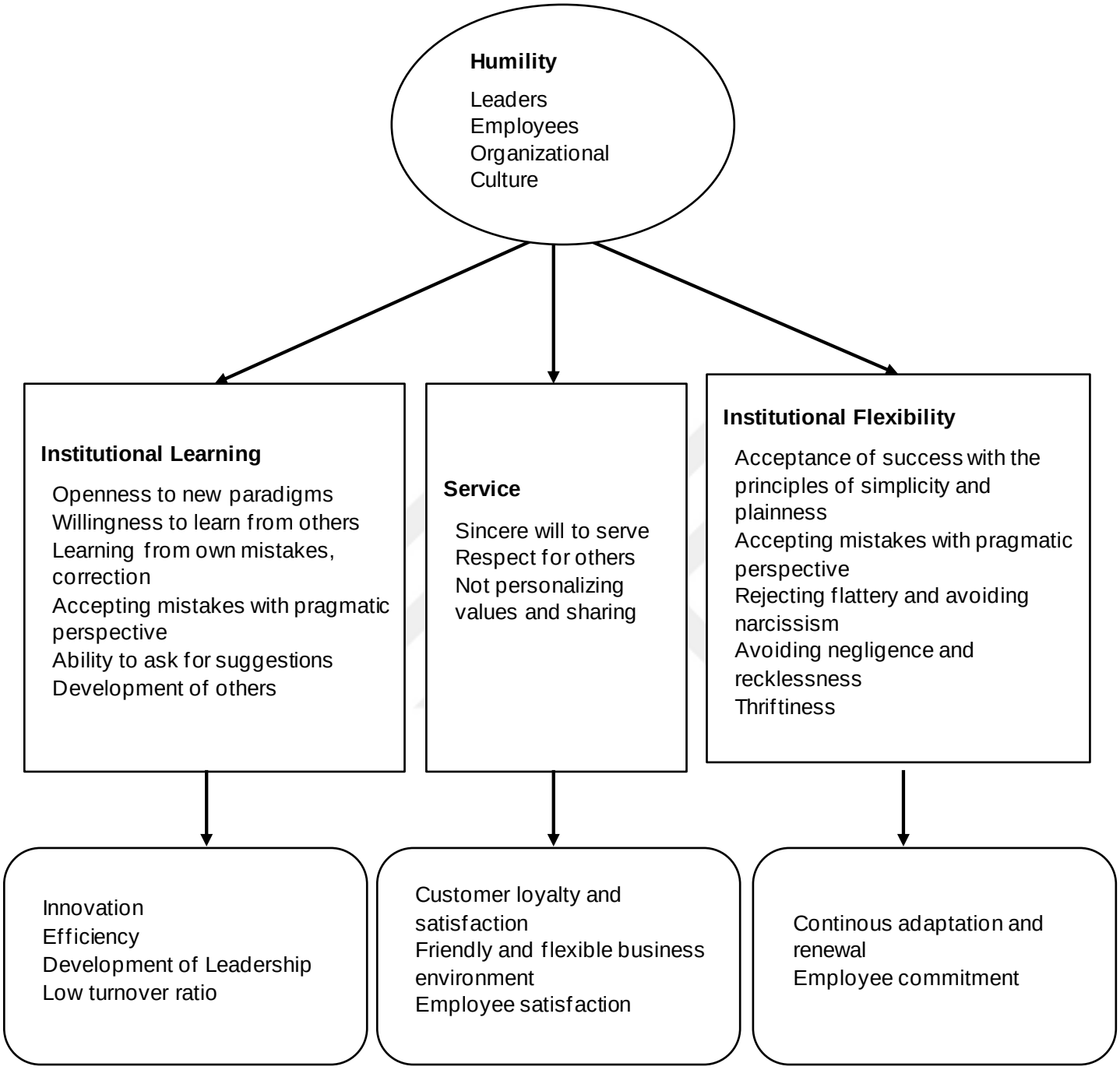


Figure 25. Effects of Personal and Institutional Humility

Source: Vera and Rodriquez-Lopez, 2004:398

APPENDIX 4

Table 1: *Family Firms Approach from Different Parameters*

Firm Ownership - Management	
Alcorn (1982)	"Concern about making profit related to ownership, partnership or company If some of the shares are public, the family should manage the firm" (p.23)
Barry (1975)	"Firm managed by members of a family." (p.42)
Barnes and Hershon (1976)	"Management of the Firm by a member or members of the family" (p.106)
Dyer (1986)	"Family firms are organizations where the owner's decision and management decisions are affected by relationships with the family (or families)" (p.xiv)
Lansberg, Perrow, Rogolsky (1988)	"Legal claims of family members on firm ownership" (p.2)
Stern (1986)	"Firms owned and managed by members of one or two families" (p.xxi)
Independent sub-systems (Family participation in commercial activities)	
Beckhard and Dyer (1983b)	"Sub-systems in a family firm are 1) the firm as a whole 2) the family as a whole 3) the founder as a whole 4) formations like board of directors that bond these different parties" (p.6)
Davis (1983)	"Interaction between two organizations such as family and work, reveals the character of a family firm and defines the uniqueness" (p.47)

Trans-generational transfer	
Churchill and Hatten (1987)	"In case of family firms, the young member of the family usually takes over management from the older member of the family, as it usually occurs or is expected to occur." (p.52)
Ward (1987)	"The firm to be transferred to the next generation of the family for management and control purposes" (p.252)

Conditions	
Donnelley (1964)	"If a firm is identified with family members for at least two generations and this link affects both firm policy and family objectives and interests, it is evaluated as a family firm. (p.94)
Rosenblatt, de Mik, Anderson and Johnson (1985)	"Firms in which the majority of the shares or the control of shares are in a family and where two or more members of the family are directly involved in the business of the firms" (p.4-5)

Source: Chua, Chrisman Sharma, (1999)

APPENDIX 5

Table 2: *Definitions of family firms in the literature*

Author(s)	**Definition**
Alcorn, 1982	"There is concern about making profit related to ownership, partnership or company. If some of the shares are public, the family should manage the firm" (p. 23)
Babicky, 1987	"A family firm is a business that is shaped by the ideas of one or more individuals, promoted by individuals with great effort, usually having a small capital at the beginning and a business in which the individual holds the majority of the firm's shares as the firm grows"
Barnes & Hershon, 1976	"The management right of the company is in the hands of a member of the family or family members" (p.106)
Bernard, 1975	"They are firms that are under the control of members of a family" (p.42)
Carsrud, 1994	"The owners of the firm are members of "Emotional Kinship Group" and this group determines the policies of the firm"
Churchill and Hatten, 1987	"What family businesses mean is that the young member of the family will receive or receives management from the older member of the family, as it usually occurs or is expected to occur" (p.52)
Davis, 1983	"These are firms in which the policy and direction of the firm are influenced by one or more members of the family. This effect is usually implemented through the ownership of the company, and in some cases, members of the family are in management" (p.47)
Davis & Tagiuri 1985	"These are firms where the direction of the firm is determined by one or more families" (quoted in Rothstein, 1992)
Donckels & Frohlich, 1991	"They are firms where family members own at least 60% of the firm"
Donnelley, 1964	"If a firm is identified with family members for at least two generations and this link affects both firm policy and family objectives and interests, it is evaluated as a family firm" (p.94)
Dreux, 1990	"They are firms that are under the control of one or more families and where the family influences or forces them to have sufficient influence on the management of the organization" (p.226)
Gallo & Sveen, 1991	"A family owns a majority of the firm's shares and is in control of the firm" (p.181)

Handler, 1989	"They are firms in which major decisions of the firm and the plans for the continuity of management are affected by the family members serving e in the management or on the board" (p.262)
Holland & Oliver, 1992	"They are firms in which decisions concerning its ownership or management are affected by a relationship to a family or families" (p.27)
Lansberg, Perrow, Rogolsky, 1988	"They are firms in which family members claim legal rights over firm ownership" (p.2)
Leach, et al (1990)	"They are firms in which more than 50 percent of the voting rights are under control of one family, and (or) single family group effectively controls the firm, and (or) a significant portion of the firm's senior management is filled by the same family members" (Astrachan, 1993, (p. 341-342))
Lyman, 1991	"It is that the entire firm belongs to the family members. At least one family member must be in the firm, while another member should either be employed within the firm or should regularly support the firm's business, even if he/she is not officially assigned" (p. 304)
Pratt & Davis, 1986	"They are firms in which the direction of the firm is determined by two or more family members through the exercise of kinship ties, management duties, and firm ownership rights"
Rosenblatt, de Mik, Anderson & Johnson, 1985	"They are firms in which majority ownership or control is carried out by a single family or by two or more family members directly engaging in business" (p.4-5)
Stern, 1986	"Firms that are owned and managed by the members of one or two families" (p.xxi)
Welsch, 1993	"They are firms in which the ownership of the company is concentrated in a narrow environment and the owners or relatives are involved in the management process" (p.40)

Source: Chua, J.H., Chrisman, J.J, Sharma, P. (1999:21)

APPENDIX 6

Table 5: *Reflection of 7 Basic Family Needs in Molding and Developing Family*

Basic Family Requirements	**Molding Family Environment**	**Developing Family Environment**
1. Sense of being worthy	The child is valued as long as it meets expectations.	The child is valuable because he/she exists.
2. Trust environment	There is conditional trust environment.	There is unconditional trust environment.
3. Sense of closeness and solidarity	Sense of closeness and solidarity depends on conditions.	Sense of closeness and solidarity is unconditional.
4. Sense of responsibility	Children are not developed with will power and sense of responsibility that will lead their life.	Emphasis is placed on developing will power and sense of responsibility that will lead their life.
5. Learning to overcome challenges by struggling	The child is not given the opportunity to learn to overcome challenges by struggling.	Care and emphasis are taken to ensure that the child learns to overcome challenges by struggling.
6. Happiness and self-realization environment	It is not important for the children to be happy, to show their potential and to develop their abilities.	It is important for the children to be happy, to show their potential and to develop their abilities.
7. Creating the foundations of spiritual life	The development of spiritual life is not taken care of.	Care is taken to the development of spiritual life.

Source: Cüceloğlu, 1995

APPENDIX 7, Table *6: Reflection of 5 Basic Freedoms in Molding and Developing Family Environment*

Five Basic Freedoms	**Molding Family Environment**	**Developing Family Environment**
1. Freedom to hear and see (perceive) what is happening here and now	There is no freedom to hear and see (perceive) what is happening here and now.	There is freedom to hear and see (perceive) what is happening here and now.
2. Freedom of expressing ideas as they are	The child has no freedom of expressing his/her ideas as they are.	The child has freedom of expressing his/her ideas as they are.
3. Freedom of expressing feelings as they are	The child has no freedom of expressing feelings as they are.	The child has freedom of expressing feelings as they are.
4. Freedom to demand or reject something according to own desires	The child has no freedom to demand or reject something according to his/her desires.	The child has freedom to demand or reject something according to his/her desires.
5. Freedom to develop own essence by developing in the preferred direction	The child has no freedom to develop own essence by developing in the preferred direction.	The child has freedom to develop own essence by developing in the preferred direction.

Source: Cüceloğlu, D.," Ailede İletişim Seminerleri", Sistem Yayıncılık, İstanbul, 1995

APPENDIX 8

Table 7: *Thinking and Behavioral Differences between Generations*

Generation	Motto	Influencer	Business Approach	Family Approach
GI (1905-1924)	"Save up something for a rainy day"	* The Great Depression * World War 2	* Respect for authority and hierarchy * Minimizing risk at the expense of giving up the profit * Avoiding arguments about one's own substitute person	* Deep loyalty * Being focused on protecting family relationships
Silent (1925-1945)	"Cut your coat according to your cloth"	* The Great Depression * Various wars	* More balanced approach on risk-return basis, but a conservative approach throughout * Prefers face-to-face discussions and wants everything to be written	* Socialist approach; desires the family to be a strong part of society * Focuses on protecting family relationships
Boomers (1946-1964)	"We can have it all"	* Vietnam * Watergate * Woodstock	* Rejection of traditional authority and hierarchy * strong materialism * Far from the idea of retirement	* Refusal of parents' balanced family models * High divorce and remarriage rates
Gen X (1965-1980)	"Do it yourself"	* Cold War * US Economy in Reagan period * The Internet	* Skeptical approach to traditional business models * Strong entrepreneurial spirit * Problems in establishing the balance of business life - private life	* Skeptical approach to traditional family models * High divorce and remarriage rates
Gen Y (1981-2009)	"Do it for us"	* The Internet, Mobile phone * Technological advancement * Reality TV	* Collaborative, non-controlling * Anti-confrontational * Having too many ideas and making little progress	* They are friends, not parents and children * They expect their parents to do everything for them

Source: Green, T.M. (2011)

APPENDIX 9

Table 9: *Family Firm Subsystems Examples and Definitions*

Subsystem	Subsystem Definition	Examples for Subsystem Variables	Frequently Mentioned Dimensions
Environment	A large organism consisting of lower level living systems like organizations and their subsystems and components (J.G Miller, 1978).	Customers, opponents, labor organizations, suppliers, government and other establishments (Kast & Rosenzweig, 1992).	Country, tax system, location (rural vs. urban)
Family	A group of people connected with blood relation (Rothausen, 1999).	Nuclear family, extended family, relative group	Enmeshment/ disengagement-severance, lifecycle, number and age of family members, love, trust and control
Business	An organization that processes inputs from the environment and supplies products or services in return (Katz&Kahn, 1978; Thompson, 1967).	Entrepreneurial firm, mid-tier firm, wide ranged/versatile global players	Life cycle, performance, relevant market status/position
Ownership	Possession of voting rights or firm capital	Concentrated, disorganized, discrete ownership	Legal form/structure, number of owners, management system
Management	Senior management team operating the business	Management team where all family members work, management team working partly with non-family members, management team with totally non-family members	Management team, leadership phase, management/leadership style
Individual	Multi-cellular structure which has a single decision-maker (J.G. Miller, 1978)	Passive family business member, owner-executive, non-family member executive	Attributes/characteristics, intension and actions, motivation, identity

Source: Klein & Pieper (2012)

APPENDIX 10

Table 11: *Studies on institutionalization in Turkish family firms*

Study	**Main Foundations of Institutionalization**	**Results**
Adsan ve Gümüştekin (2006)	Family constitution, its implementation and family council	The family constitution should include rules for dividing family and business issues, resolving disagreements between family members and retirement plans for working family members. The advantages of the family constitution and the council are more than their cost.
Atlı (2007)	Making decisions through the board of directors, Writing procedures related to commercial activities Considering the professional background when distributing the duties	Most firms are managed by the Board of Directors and follow written procedures but do not have a Family Constitution or Council. The young generation is overzealous to apply professional management approaches, strategic planning and use advanced finance techniques.
Aydemir, Seymen and Taşçı (2004)	Writing procedures related to commercial activities Continuity plan. Considering the professional background when distributing the duties	While firms continue their lives in the way of institutionalization, they ignore some of the foundations of institutionalization.
Baraz (2006)	Standardization of activities. Having a mission, vision and family constitution. Separation of firm ownership and management. Adoption of independent business structure	Executives generally favor the standardization of activities and the independent business structure. Executives are mostly unaware of institutionalization. Although institutionalization is considered useful in issues like systematic decision-making, balancing authority and responsibility and growth, the cost of institutionalization and the time needed are considered as an adverse and unnecessary situation.
Bilgin (2007)	Written procedures related to business functions.	The vast majority of firms are not strongly institutionalized.

	The link between organizational culture and family culture. Interaction between business and environment	The majority of executives in the firms do not consider institutionalization as important. The least preferred procedures for being written are those related to planning and human resources.
Bute (2007)	Growth: Development of growth strategies, Financing these strategies, Consideration of legitimacy in the growth process, Management: The duties of non-family professionals, Distribution of authority and responsibility, Family firm relationships	Firms do not meet most of the requirements of institutionalization. Problems encountered in the institutionalization process; There is a conflict between owners and professional managers outside the family, lack of capital and a serious centralized decision-making mechanism.
Çelik, Ayaş, Koç and Öztürk (2006)	Ratio of family members to total employees, Participation of family members in decision-making, The duty of professional executives who are not family members, The process of distribution of authority and responsibilities	Although the owners of the firm are in favor of professionalism in the management level, decision-making process and distribution of authority-responsibilities, the family's involvement in firm affairs is an obstacle.
Karpuzoglu (2004)	Sharing the objectives of the organization, Preparation of organization continuity plans, Establishment of the Board of Directors, Risk planning for sudden family events, Establishing written rules regarding commercial activities and commercial structure, Establishing policies that show how relatives can be involved in the business of the firm	
Kiran (2007)	Commercial Function: Written procedures, Making decisions through meetings,	All firms are in the first stage of institutionalization Firms seem willing to progress in institutionalization.

	Family participation in the businesses of the firm Organizational culture: Focusing on people, Inclusion of family in the firm culture, Interaction between business and environment	The most important reason of institutionalization is legitimacy. Most firms make exportation and think that institutionalization is the key to acceptance by foreign customers.
Ural and Balıkçıoğlu (2004)	The relationship between organizational culture and family culture, Existence of policies on human resources, finance, sales and production	All firms that are included in the study are moderately institutionalized. Large firms are more institutionalized than small ones. While family firms in Antakya are more focused on success, family firms in Kayseri are more conservative. The institutionalization processes of all firms are related to cultural issues such as loyalty, open-mindedness, independence, risk-taking and respect for other religions.

Source. Ayrancı (2010)

APPENDIX 11

Table 16: *Corporate Governance Self-Assessment Table for Family Firms*

	LEVEL 1 **Understanding the need to professionalize the firm** (One-man firms supported by one or more family members)	**LEVEL 2** **First concrete steps towards the best practices** (Firms in the growth stage that has non-family member employees)	**LEVEL 3** **Implementing the best practices** (Firms in the structure where many people in and out of the family have shares)	**LEVEL 4** **Leadership** (Firms with a multi-shareholding structure, which are open to the public or have the potential to open)
A. COMMITMENT TO CORPORATE GOVERNANCE	The following basic conditions are met in order to implement the corporate governance approach; The Board of Directors has been established. Annual shareholder meetings are held. Shareholders and share owners are identified and registered. Responsibility has been taken to develop corporate governance practices at the Board of Directors or senior management level.	Written policies have been created on the following issues; Succession Planning Human resources and employment of family members The transition of family members to shareholding The Board of Directors approves the annual calendar for corporate activities. A succession planning is supported with the family constitution.	The relations between the board and the professional management have been turned into a written policy, a long-term planning has been made in order to improve the management structure of the organization. There is an ethical code approved by the board.	The organization works in full compliance with the laws and regulations of the geography in which it operates and has implemented voluntary practices.
B. STRUCTURE AND FUNCTIONING OF THE BOARD OF DIRECTORS	The Board of Directors comes together regularly. Simple performance criteria are determined.	Multi-faceted performance criteria are determined. There are simple policies	Competence and expertise conditions are sought in the formation of the Board of Directors and	Appointment and remuneration committees are established. Audit Committee,

	A simple succession planning is prepared.	for decision-making. Written duties and responsibilities are defined for the entire management team.	annual performance evaluation is performed. Authorization limits of the Board of Directors and the Executive Committee are determined.	Corporate Governance Committee and Risk Committee are established. Independent members, who will create added value in financial, legal or strategic terms, are appointed to the Board of Directors.
C. CONTROL ENVIRONMENT AND PROCESSES	There is an internal control system capable of meeting the requirements of the organization. Independent external audit is regularly conducted.	Risk analysis is performed, and risk management systems are used.	Internal audit and internal control systems are compatible with international standards. The Audit Committee consists of non-executive members.	Accounting, audit internal controls are at the same level as the practices of publicly held firms.
D. TRANSPARENCY, PUBLIC DISCLOSURE AND ENLIGHTENMENT	Consultancy services are provided on financial and legal matters. Quarterly financial reports are prepared by internal accounting and approved by the board of directors. The annual financial statements are audited by independent auditors and approved at the stockholders' meeting.	Rewarding and general human resources policies are prepared and shared in a transparent manner.	Financial and non-financial information is reported in international standards and shared with the public.	The corporate governance and shareholder information practices carried out are at the same level as the practices of publicly held firms.

E. SHAREHOLDERS	A simple business plan or strategic plan was prepared and shared with all shareholders at annual meetings.	Detailed business plans for 3 or 5 years are available and annual assessments are made.	The family council is established, and membership conditions are determined. Sophisticated systems that enable open targets and sustainable growth are established.	The establishment is in a position to rapidly carry out the best practices for shareholders, including going public. Arrangements are made to enable the sale and purchase of shares.

Source: TKYD (2017), Conducted by Family Firms Work Group

APPENDIX 12

Table 17: *Factors that Affect Trust in Institutions*

REASONS FOR TRUST	**RELATED RESEARCH**
Previous interactions	Boyle ve Bonacich, 1970
Ability	Cook and Wall, 1980; Good, 1988; Jones et al., 1975; Butler, 1991; Hovland et al., 1993
Openness, previous results	Gabarro, 1978
Openness, shared values, autonomy	Hart et al., 1986; McCauleh and Kuhnert, 1992
Credibility	Johnson, George and Swap, 1982
Competence, helpfulness, honesty, goodwill	Larzelere and Houston, 1980; Lieberman, 1981; Mishra, 1996; Ring and Van De Ven, 1992
Communication	McCauleh and Kuhnert, 1992; Fairholm, 1994, Marlowe, 1992, Mishra and Morrisey, 1990; Butler, 1991
Strengthening	Peters, 1994; Sonnenburg, 1994
Organizational downsizing	Mishra and Mishra, 1994
Organizational culture	Doney and Cannon, 1998
Perceptions of justice	Mayer et al., 1995; Konovsky and Pugh, 1994, Greenberg, 1996; Pillai et al., 1999, Tyler and Degoey, 1996; Ruderman, 1987; Korsgaard et al., 1995
Transformational leadership	Pillai et al., 1999; Kauzers and Posner, 1987

Source: Ceylan and Demircan, 2003: 144

APPENDIX 13

Table 18: *Results of Trust in Institutions*

RESULTS OF TRUST	**RESEARCHER**
Organizational commitment	Fairholm, 1994; Fink, 1993; O'Reilly, 1994, Pillai et al., 1999; Diffie-Couch, 1984; Sonnenburg, 1994
Long-term determination	Cook and Wall, 1980
Efficiency	Sonnenburg, 1994
Morale	Sonnenburg, 1994; Fairholm, 1994; Diffie-Couch, 1984; Bair and Stamand, 1995
Labor turnover, absenteeism	Sonnenburg, 1994; Fairholm, 1994; Diffie-Couch, 1984; Bair and Stamand, 1995
Novelty	Sonnenburg, 1994; Fairholm, 1994; Bair and Stamand, 1995
Resistance to change	Kotler and Schlessinger, 1979
Problem solving, decision making	Barnes, 1991; Hurst, 1984; Boss, 1981; Zand, 1972
Job satisfaction	Blake and Mouton, 1984; Cook and Wall, 1980; Morgan and Hunt, 1994
Total quality management applications	Balk et al. 1991; Culbert and McDonough, 1986; Higgins and Jonhson, 1991; Nyhan and Marlowe, 1997
Stress	Sonnenburg, 1994; Bair and Stamand, 1995
Performance evaluation perceptions	Fulk et al. 1995
Organizational citizenship behavior	Pillai et al., 1999; Konovsky and Pugh, 1994; Marlowe and Nyhan, 1992

Source: Demircan & Ceylan, 2003: 145-146

APPENDIX 14

Table 19: *Cultural Models of a Family Firm*

	PATRIARCHAL	LEISSEZ-FAIRE	PARTICIPATORY	PROFESSIONAL
Nature of Relationships	(Linear) Hierarchical	Linear	Horizontal (group oriented)	Individualist
Human Nature	People are basically unreliable	People are good and reliable	People are good and reliable	People are neither good nor bad
Quality of Truth	Truth belongs to the founding family	Truth belongs to the founder/founder family, although autonomy is granted to foreigners	Truth belongs to the decision-making/participating group	Truth is in the professional code of conduct
Environmental Orientation	Pro-active stance	Mediating / Pro-active stance	Mediating / Pro-active stance	Reactive / Pro-Stance
Universalism / Particularism	Particularism	Particularistic	Universalist	Universalist
Nature of Human Activities	Directing	Directing	Self-improving	Self-improving
Time	Present or past-oriented	Present or past-oriented	Present or past-oriented	Present-oriented

Source: Dyer (1988:19)

APPENDIX 15

Table 20: *Cultural Assumption Categories*

1. **Nature of Relationships:** Are relationships between members of the organization primarily assumed to be linear (hierarchical), horizontal (group-oriented) or individual by its own nature?

2. **Human Nature:** Are people regarded fundamentally good, fundamentally bad or neither good nor bad?

3. **Truth Quality:** Is the truth (as right decision here) discovered by authorized persons, or is it determined through a process of individual research and essaying?

4. **Environment**: Is there a fundamental belief regarding people's ability to rule the environment, their submission to the environment, or their adaptation to the environment?

5. **Universalism / Particularism:** Should all the members of the organization be assessed with the same standards or should certain individuals be privileged?

6. **Nature of Human Activities:** Are people fundamentally active (Leading)? Are people passive and can't they change the current conditions (Manipulability)? Or is the person's primary objective is being to develop oneself in a holistic manner (self-improving)?

7. **Time:** Are members of the organization primarily oriented to the past, present or future?

Source: Dyer (1988:19)

APPENDIX 16

Table 21: *Serving Leadership Theories*

Graham	Buchan	Spears	Farling et al.	Laub	Russell	Patterson
(1991)	(1998)	(1998)	(1999)	(1999)	(2001)	(2003b)
Inspiring	Self-identity	Listening	Vision	Cherishing people	Vision	Love
Morality	Reciprocity capacity	Empathy	Vision	Improving people	Vision	Love
	Building relationship	Improvement	Influence	Community creation	Reliability	Modesty
	Future anxiety	Awareness	Reliability	Showing reality	Trust	Altruism
		Convincing	Trust	Providing leadership	Service	Vision
		Conceptualization	Service	Sharing leadership	Modeling	Trust
		Foresight			Pioneering	Authorization
		Administration			Appreciating others	Service
		Commitment			Authorization	
		Community creation				

Source: Lanctot and Irving 2010

APPENDIX 17

Table 22: *Virtue / Personality Characteristics Comparisons*

Virtue Category	Plato/Aquinas (Drefcinski, 1998)	Franklin (1868)	Lewis (1952)	Maitland (1997)	Peterson & Seligman (2004)	Locke (2006)
Integrity		Sincerity		Reliability	Courage	Honesty Integrity
Reasoning	Justice Wisdom	Justice	Justice Caution	Equity Justice Empathy	Justice Wisdom Humanity	Rationality Justice
Love			Helpfulness Forgiveness			
Respect		Silence	Faith Hope		Transcendency	
Modesty		Modesty	Modesty		Moderation	Deserved Pride
Exactingness		Effort		Effort Inventiveness	Courage	Efficiency
Moderation	Mildness	Chastity Simplicity Mildness Order Determination Moderation Tranquility	Moderation Chastity	Willpower	Moderation	
Courage	Steadiness		Steadiness		Courage	
Additional Features		Pureness				Independence

Source: Lanctot and Irving (2010)

APPENDIX 18, Table 23: *Serving Leadership Behaviors*

SERVING LEADERSHIP BEHAVIORS				
VIRTUE	PATTERSON	COVEY	SPEAR	LAUB
Love	Unconditional love	Love	Listening Improvement Commitment to development of individuals Community creation	Cherishing people Community creation
Respect	Appreciating followers Cherishing and respecting people Caring people more than profit and loss account	Gratitude Respect	Listening Empathy Awareness Convincing Administration	Cherishing people Improving people
Courage	Giving courage	Courage		Providing leadership
Modesty	Showing modesty	Modesty	Awareness	Showing the truth
Moderation	Showing determination calmly	Patience Willpower	Listening	
Integrity		Integrity		Improving people Showing the truth
Reasoning	Seeing a bothersome future incident		Conceptualization Foresight	
Exactingness				

Source: Lanctot and Irving (2010)

APPENDIX 19

Table 27: *Some of the questions to be asked to the second generation in field research*

(Apart from the following, there are also different question indexes on issues such as Leadership, Trust Building, Team Spirit and Climate Building)

- What do you understand from the family firm?
- How does it feel to own a family firm?
- What values do you have? Are these values sustainable? How can they be sustained?
- What do you understand from institutionalism?
- What do your customers and employees understand?
- How does it feel to quit being a decision-maker, how does the sense of ownership emerge, how does it feel in this situation, pain, resentment, rage, anger, reproach?
- What forces you to institutionalization? Where do your values, habits and institutionalization go against and where do they overlap?
- What do you think as the 2nd generation? Can the success of the founders overshadow you? What does your will to succeed say?
- What would have happened in the family environment without the FHC?
- How is the new generation familiarized with the business, receives education, is made an example?
- In which fields you think differently from the founding generation, and in which do you reconcile?
- What is the basis of the relationship between the founding families?
- Malatya - why Istanbul? How does local solidarity, kinship relationship, Istanbul, direct your family and business, what are they directing?
- What passed to you from your father?

APPENDIX 20

Table 28: *Index of Values*

2. Be humble, don't overestimate yourself, be modest.

3. Value different ideas and opinions; try to understand how they came to such judgment, even if it is very unorthodox.

4. Be consistent; let your discourse and behavior be the same as possible.

5. Consider money and wealth as a means, not a purpose.

6. Be honest, stand behind agreements and promises you made, don't be opportunistic, and show fidelity to your agreements (*pacta sunt servanda*).

7. Try to be fair in your decisions.

8. Avoid being cursed for your cruelty to oppressed and damaging the rightful share.

9. Be aware of your values, behave in accordance with your values, but be kind and tolerant while you expect others to behave according to your values.

10. Act in accordance with legal and ethical rules, do not take false tendencies or accepted mistakes as reference.

11. Be as you are, instead of changing your natural characteristics, try to improve them.

12. Know yourself (personality, character, natural abilities, strengths and weaknesses).

13. Your most important capital is your reputation. Avoid behaviors that will damage your reputation.

14. Sort out help and business relationship, help people without expectation, expect something in return for business.

15. Your charitable contributions do not reduce your assets, on the contrary, they increase them.

16. Realize the importance and value of meaning as well as matter in order to be spiritually healthy. Find out what you're at peace with, find moral justifications other than material reasons.

17. Develop tactics to fight against your ego and the things that disturb you and overcome them.

18. See changing your ideas, opinions, and decisions by taking lessons from what you have learned, not as inconsistency, but as the necessity of change. If you think about business, social and political life in the same way, except for your core values, you may not be learning anything.

19. Trust does not hinder auditing and being trusted does not hinder being audited. Check to see if a task you've delegated with trust is done correctly and be open to being audited.

20. Target those who are excited or worthy of accomplishing, amongst things that others do not dare to do, or referred to as impracticable.

21. Value people equally without showing any difference in their statute. Make positive discrimination to those who have less opportunity to seek their own rights or express themselves.

22. Don't put the people in anticipation by promising things you can't do.

23. Don't give up in the presence of obstacles and in case of failures.

From values to personality and personality behaviors;

24. Don't rely on your high IQ or graduation degrees, if you don't have enough EQ besides IQ, you're less likely to succeed.

25. Don't worry if your IQ is low, if you use your EQ effectively and spend more time to learn than the higher IQs and work hard, you can be more successful than people with high IQ.

26. Choose a job and a profession that suits your personality and so your DNA. There are no talentless people, there are people who fail as they do not work in jobs that are suitable to their talents

27. Determine your strategy and strategic objectives.

28. Develop empathy, accept differences in people, do not treat others the way you want yourself to be treated, treat everyone the way they want to be treated.

29. Be a good listener and have a good command of your body language.

30. Think well before you talk. Speak concisely, do not digress the issue or wander off.

31. Improve your anger management ability and common sense.

32. Avoid gossiping as much as possible, and don't allow it.

33. The magnitude of your objectives should be proportional to the degree of your effort and self-sacrifice.

34. Don't be content with the fixations and wishes; act to solve problems and negativity.

35. Find the solution in yourself, not in anyone else (ask yourself what I can do to change this negative situation or what can I do under these circumstances, apply your answers).

36. Change your own approach rather than trying to change others or wait for others to change, do not leave your fate in the hands of others.

37. Run the risk of short-term loss or recession for long-term gains and objectives.

38. Distinguish between ignorant courage and knowledge-based courage, if you are going to take risk, take the calculated risk.

39. Be at peace with yourself; do not hesitate to share your mistakes, errors, and shortcomings and apologize when necessary.

40. Do your own critic before others criticize you (Your self-criticism will not offend your feelings, but you may be offended if someone else gives you the same criticism).

41. Learn from your mistakes, your experiences, and others' experiences and use these lessons.

42. Stay as far away as possible from relationships, behaviors, correspondence, and conversations that may embarrass you when they are revealed or that may adversely affect your career. Due to developing monitoring, listening and recording technologies, it is very difficult in this era to keep the relations and correspondence confidential.

43. You can't be better than others by behaving like others or working as much as others. If you're going to compare your own competence and performance with someone's, compare it with the best.

44. Choose your role models and read their biographies.

45. Instead of complaining about challenges and problems, see them as opportunities to develop your own skills.

46. Be patient when your expectations are not immediately fulfilled or met. Nothing goes bad forever.

47. In order to be physically healthy, be careful about what you eat and drink. Do not neglect your medical checks.

48. In order to be mentally healthy, eliminate the uncertainties about what you want and how you will obtain them. So, set your priorities and make plans.

49. Do not take mistakes as examples; do not take them as references.

50. Choose the right people to consult and consult with them.

51. Move away from environments and companies where you cannot do what you need to do or act according to your values to reach your objectives.

52. Use part of your time for the needs of the day and part of your time to be ready for the future. Try to change before the necessity for change.

53. If you want to be a followed leader, demonstrate that you work for a better future, not for yourself, but for the majority, not only with your discourse but also with your actions.

54. Get feedback from your close circle about your competencies, behaviors namely your traits that are powerful and need improvement. Be aware that how others evaluate you in human relationships is more important than how you evaluate yourself.

55. Don't let artificial and negative agendas demoralize you and drive you to despair.

From the reflection of values towards Family Firm and Business life to institutionalization;

56. Set your mission.

57. Set your vision.

58. Do research, analyze, interpret and make decisions.

59. Plan set priority and act.

60. Find the appropriate method for yourself, your team and your organization by doing, experimenting, namely applying the Deming cycle (since a method that works for others and does not work for you may need to be adapted).

61. Specialize in the field of your profession, so as to produce new knowledge and develop new methods (act in accordance with the philosophy of knowing everything of one thing and knowing one thing of everything).

62. Predicate merit on assignments and promotions. Distinguish family, relatives, friendship and ideological relationships from the requirements of professional management.

63. Check frequently whether your activities are appropriate for your purpose.

64. Do not confuse tools and purposes. Don't let tools get in front of purposes.

65. Do not be satisfied with existing competencies and performances, always aim for the better.

66. In business partnership and family partnership issues;

- Keep your partner's interests and rights in advance of yours. Agree on the roles of partners and the processes or firms in which the partnership will lead.
- Determine and write down which partners will be managers, and which will be financial or strategic partners and determine their roles, powers and responsibilities.
- Write and agree on the partnership constitution at the beginning of the partnership process.
- Carry out employment and appointments according to merit, not by kinship.
- Do not employ relatives and spouses in the joint business as much as possible.

- Select your non-business friends from people other than partners as much as possible.
- If there is a need for work for relatives, spouses, and children, set up separate businesses outside the partnership.

67. Do not make resource shortage an excuse. If you use your mind and your environment well, you will find that you can find the resource you need somewhere.

68. Make sure you devote most of your time to activities that create value.

69. Do not drift apart with the employees and customers who create real value by putting the hierarchy forward as a reason.

70. If you want to be a good executive or entrepreneur, work in a corporate firm in the sector you are interested in for a certain period of time to get to know the sector and the business. Then start a small-scale entrepreneurial career where you can be responsible for all processes, grow your business in parallel with the development of your competencies.

71. If you will become an entrepreneur, let your initial financial resource be sufficient to cover the cost of errors, especially due to the inexperience and lack of system at the initial stage.

72. The better you know the processes and details of the job you will manage, the more comfortable you can manage and remain loyal to as few people as possible.

73. How much you need to know the detail of the job as a senior executive depends on how competent your managers and experts are in processes and managerial skills.

74. The expected leadership and organization approaches of the firm in the beginning, development and maturity stages will be different from each other.

75. This will improve your ability to forecast and meet future demand.

76. Learn by doing in accordance with the master-apprentice relationship.

77. Every major change is painful. If you want to go further, you have to take the risk of going back and suffering in the process of change. In the process of change, if you don't want to suffer and go back less, make good pre-analysis and planning before change, and test the process of change in advance with pilot applications as much as possible.

78. As long as your current job or industry is promising and has the potential to grow, do not enter a different job or sector unless there is both increased time and increased capital from the current job.

79. If you want your sales or income to continue to increase, that is to say, if you want your business to continue, seek your customers' prayer in addition to their money.

80. Instead of waiting for solutions from advisors in strategic areas and critical processes, ask them to teach you how to manage and improve these processes (ask them to teach you fishing instead of giving you a fish).

Explanation:

This table was written by the CEO of the firm in 2010, mentioned in the interviews and dug out. Since values change over time meaning differences may occur at the last reading, and new additions may be needed. As it is a natural process and precession, it would be useful to evaluate it from this perspective.

APPENDIX 21

Table 31: *Elimination of Child Labor, Worker's Health and Safety, Human Rights Harmonization, Ecological Balance and Environmental Protection*

Principles related to Elimination of Child Labor:

On the foundation of the principles related to the elimination of child labor, the Institution is mainly based on the requirements of Children's Rights, Occupational safety, Occupational health and etc. laws, regulations, international agreements, EU acquis and the United Nations Convention on the Rights of the Child, and this is audited by the “social cohesion” audit group with and without notice. In particular, the contrarieties observed in some countries abroad have been significantly reduced through relevant studies. The institution does not allow any producers, who produce goods directly or indirectly, to employ children under the age of 15, who must be in their schools to receive 8 years of compulsory basic education. It is also stated that, especially in recent years and especially in some regions, the employment of children over the age of 15 may be allowed in a "controlled manner" due to the economic and social conditions of these regions. However, for the 15-18 age group, the institution stipulates the producers to employ them in jobs that do not hinder their mental and physical development. For example, sewing lines, product control areas are not suitable for this purpose. Several businesses were issued warnings as they were observed to place child laborers by positioning them as interns especially in the summers, and even the supplier relationship with them was terminated. Last year, an organizational structure named “Social Cohesion” was established. This group has continuously started to monitor

compliance with the firm's values and rules and the employees of the related firms shared that they produce value in this respect and that they get a good result.

Principles on Occupational Health and Safety:

The institution requests the following from the businesses that directly and indirectly produce or serve for itself; taking timely and complete measures to solve problems that may threaten occupational health and safety according to the nature of the business done, possible risks and the type of threats and always having sensitivity on the safety of workers at the highest level and in this sense, the suppliers are required to strive for compliance with the provisions of the Occupational Health and Safety legislation as a "priority requirement" of doing business together. Some of these items seem to be simple and already required to be, depending on the degree of importance, but among these are the ones that prevent the most visible errors in examinations and observations. Clearly marking exits and evacuation doors and mounting them to open towards outside are the most neglected issues in general.

Preventing the entrance doors and other empty spaces to be filled with other materials and cabinets, so that exits can be made easily in case of emergency and determining the places for keys in case locking is necessary and making sure that the users know their place, can be given as examples that are current and spoken. Although written rules and carrying out practices and behaviors within the framework of these rules are given importance, it is observed that there are still deficiencies in these issues during the audits and they appear in the reports. The relevant departments make log forms and set targets for the prevention of errors.

In order to increase the awareness and to reach a good evaluation point in the corporate dimension, to make the employees feel safe and secure, trainings,

application and case studies in first aid are conducted and records are kept for the occupational safety in many areas. In fact, it was stated in the interview conducted with the employees of the related department that it is a legal requirement that everyone participates in the trainings for occupational safety and the records were shared.

Fire is also a matter of sensitivity and the electrical systems of the buildings are tried to be made free from risks. It is a common business model to keep the fire extinguishers filled and maintained at all times and to test the fire warning mechanisms for trouble-free operation. The institution also receives support from a highly experienced and well-known consultant team in order to follow these regulations, new practices and regulations in the external world and to make them sustainable in the corporate dimension and it always fulfills the absolute must items, tries to fulfill the noncompulsory but beneficial items as far as possible for the safety of its employees.

In addition, the institution carries out works for both business continuity and individual safety in its Head Office and Logistics Distribution Center where it employs a large number of employees. During the period of the research, the central building was moved to another building, from the place where the tenant was located, to its own building, which was also built in a nearby location. While the building was put into use, some problems such as the operation of elevators, the commencement of heating as it was the beginning of the winter period, the necessity of ventilation, the need to change interior spaces and the emergence of new lighting requirements, and the need for studio spaces naturally emerged. The senior management and founding family members also participated in the improvement activities, they worked together

with the investment group and the administrative group teams and it was observed that much effort was exerted to minimize the problems.

Principles on Human Rights:

The institution clearly declares that it would not accept that the basic rights and freedoms of all personnel working in the manufacturers or suppliers producing goods and services, whether directly or indirectly, have been taken away from them or limited, as they overlap with the values transferred from the unique family values such as respecting differences and not exploiting people's rightful share and has incorporated them into their contracts. These contracts include the following in a way that you can feel the internalization of the employees in any environment of the firm; the institution wants to ensure that employees in all organizations that produce goods and services have all the rights and freedoms ordered by the Constitution of the Republic of Turkey and the Universal Declaration of Human Rights, it stipulates the implementation of relevant laws and regulations of the Republic of Turkey about issues like wage, working conditions, and social security by the manufacturers, declares that no matter how low its cost, it shall not receive any product that has not been produced with free will (manufactured in slavery and captivity) or produced by illegal labor, and stresses that it will not accept the physical and emotional violence, punishment and harassment of employees of manufacturers that are worked with directly or indirectly.

Within the framework of these principles, the institution has given advances to some of the producers who have difficulty in payment to their employees and in fact, in some cases, two top executives and family representatives made payments to the employees of producers without waiting for a personal gain. These behaviors

bring in respect and reputation for the institution in the market, and it was commonplace to hear these statements from the manufacturers we speak to.

Principles Related to Ecological Balance and Environmental Protection

As a corporate social responsibility issue, the institution strives to raise environmental awareness in terms of depletion of world resources and the destruction of natural life among its employees, suppliers and customers. This issue started to emerge more in the 2000s in business life and it is seen as the biggest threat of life in the 2050s as highlighted in business journals, articles and United Nations commission reports.

The institution has invested in a foreign country and established an ecology laboratory in order to catch the raw material defined as Azo dyes that is harmful to health, which is used by the suppliers of a foreign country especially as it entered into the world literature. In a hat test which has not been noticed in the first tests in some way, but has been tested as a product from stores on a sample basis, when this substance is detected at the upper limits of the standard, it has collected its products and made public announcements for the first time in its sector, in a way that would take part in the literature. The Ecological Product Production Policy is also a subject that makes a difference that fully coincides with the values of giving value to human, nurturing from it and transforming into institutional principles. The producers are continuously assessed by a special technical group in terms of not using raw materials that are harmful to health. The test results are meticulously monitored and awareness raising trainings are provided to suppliers' employees at home and abroad.

The institution is still one of the leading institutions performing the most tests in its sector, including other countries.

Audit and Sanctions Principles

The institution reemphasizes that it has the authority to conduct audits whenever it is necessary in order to ensure that all of the announced corporate principles are adopted and applied, as stated in all contracts and it applies this as a business style. The institution uses this authority through its own employees, who have the authority to audit directly, and through another person or institution to be assigned. Various auditing firms, which are recognized worldwide, are evaluated by the institution for the purpose of carrying out audits and improving the findings on issues such as legal, social compliance, technical, occupational safety and fire protection. In a foreign country where there are especially intensive suppliers, despite the lack of its own supplier, there was a sad fire and both financial and intensive training support were provided for the development of these processes and the relevant employees of the institution took part directly in these activities.

As a result, in case the institution identifies a non-contractual transaction of the supplier organization during the commercial transaction process, it primarily requests written explanation and statement from the other party and when there is no other solution, it imposes penal proceedings depending on the results of the assessment.

APPENDIX 22

Table 32: *Children Learn What They Live*

Children Learn What They Live

If a child lives with criticism,
he learns to condemn.

If a child lives with hostility,
he learns to fight.

If a child lives with ridicule,
he learns to be shy.

If a child lives with shame,
he learns to feel guilty.

If a child lives with tolerance,
he learns to be patient.

If a child lives with encouragement,
he learns to be confident.

If a child lives with praise,
he learns to be appreciative.

If a child lives with fairness,
he learns justice.

If a child lives with security,
he learns to have faith in himself and those about him.

If a child lives with acceptance,
he learns to love.

If a child lives with friendliness,
he learns the world is a nice place in which to live.

APPENDIX 23

Other Definitions:

Urbanism: According to Louis Wirth, urbanization-urbanism is a distinctive form of life in which the growth of cities, the power of its institutions and its people progress with transport, communication, financial distributions and the impacts of society. It is more than industrialization-industrialism and modern capitalism. Cities do not compose their population in terms of urbanization-urbanism, and thus they need immigrants from different regions and territories (Zenner- Gmelch: 1988, p. 38).

Globalism: According to Mittelman (1996); "Globalism is the spatial, positional reorganization of production, the cross-border penetration of industry, the distribution of identical consumer goods to distant countries, new relations between existing communities and immigrants in tightly bound neighborhoods, sharing or conflicts, and the option of democracy around the world".

It is mostly related to consumption. As Martha Van Der Bly says, in more understandable terms, it can be described as "open economy" as defined by economists and "open society" as defined by sociologists (Van der Bly M: 2005, p. 885-891). The information revolution and information society created by the revolution in communication technologies, is basically a revolution of acculturation accelerated by technology (Bozkurt :2007).

Modernity: Modernity, according to Foucault, is usually the realization of the discontinuity of time, an escape from the continuity of the traditional, a sense of novelty and a feeling of vertigo in the face of the passing time. It can also be said that modernity is not a phenomenon of the flowing sensitivity of the present but heroizing the present (Foucault: 2010, p. 39-40).

APPENDIX 24

Curriculum Vitae; Necip Özçer

He started his career as a Plant Engineer in an integrated facility of the food industry. Then he worked in Sabancı Holding Automotive-Tire Group Companies and in different departments such as R & D, operation, production and human resources, his last position was Industrial Relations and Human Resources Director. He worked in TUBITAK's Management Science Institute as Academic Group Director, trainer, senior advisor and as Project Coordinator executive in areas such as strategic management, human resources management, process management, norm staff creation, performance management, project management, and strategy paper creation. He has given seminars and conferences on various issues like management, innovation, occupational safety, human resources, culture, environment, sustainability, and strategy. He has acted as a moderator and speaker at developing different ideas and strategies, information sharing meetings.

He has completed "Gestalt Coaching" program and has taken part in the Turkish National Innovation Initiative platform. He is a certified corporate trainer of Blanchard's "Multi-Dimensional (Situational) Leadership". He is the author of two books, "Global Approaches" and "Creativity and Innovation in Management". He is also the co-author of the book "Learning Organizations" published by the Kalder expertise group. He has been certified as ISO 14001 Environmental Management Systems and ISO 9001 Quality Management Systems auditor and chief auditor and an accessor of "Excellence Model" National Quality Award and Istanbul Sanayi Odası (ISO) Innovation Award.

He is currently working as a senior executive in the ready-made clothing retailing sector and has been a member of the Board of Directors since November

2011. He served as a Board Member of Kalder Quality Association for three periods between 2013 and 2019. He graduated from Middle East Technical University, Department of Chemical Engineering and has completed his MBA. He is currently a Ph.D. student at the Department of Social/Cultural Anthropology at the dissertation stage.