

# Internationalization in the Aeronautic Industry: An Exploratory Case

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## Abstract

Despite numerous studies having examined the role of relationships and networks that are formed from them in the internationalization of SMEs, the literature about how alliance portfolios influence this process remains very limited. Accordingly, this work aims to advance in the understanding on how the networks of personal and interorganizational relationships in which firms are embedded influence the process of internationalization of SMEs and how companies develop and manage their networks or alliance portfolios. The analysis of this research question is carried out through a multiple-case approach in the aeronautic industry. This paper makes interesting contributions to the literature of SMEs and alliance portfolios because it shows the differences between firms that use a deliberate strategy from those that follow a path-dependent trajectory in building their networks of relationships. Moreover, it shows the differences between a more or less deliberate alliance portfolio management.

## Introduction

Small and medium-sized enterprises (SMEs) play an important role in the policy debate because they are a critical driver of the economic growth of countries. This economic policy is distinguished chiefly by the various initiatives undertaken by governments to promote innovation and partnership between SMEs (Sakakibara, 2002).

SMEs are characterized by fewer and different resources and capabilities than large firms (Singh, Gaur, & Schmid, 2010), which puts them at a competitive disadvantage. SMEs do not usually have recognized brands or unique products, have a limited budget for marketing and research activities, have a lower reputation in the market and a reduced access to external sources of financing (Jarillo, 1989). Due to all these factors, the use of cooperative activities by SMEs has become a critical strategic tool to access and mobilize external resources and capabilities (Hoffmann, 2005), in particular, when cooperation is needed to achieve economies of scale and / or merge and integrate different skills, technologies or competences (Zeng, Xie, & Tam, 2010).

Strategic alliances have been widely used in the process of the internationalization of companies (Swoboda et al., 2011). In this process, SMEs are increasingly using these organizational forms due to their providing firms with specific advantages, such as access to distant countries at a reduced risk (Lu & Beamish, 2006;). However, in order to understand better the process of internationalization of SMEs, it is also important to examine the networks in which firms are embedded (Johanson & Vahlne, 2009). These networks comprise both personal social relations (Ellis, 2000) and corporate or organizational alliances (Yli-Renko et al., 2002).

This paper aims to understand how networks of relationships in which firms are embedded, and especially their alliance portfolios, influence SMEs' internationalization processes. Given the limited theory about how alliance portfolios influence the internationalization of SMEs, we will

conduct an inductive, multiple-case study (Yin, 2009) applied to the internationalization of firms. The setting for our study is the Andalusian Aeronautic Cluster.

We present our arguments as follows. In the next section, we focus on the international alliances of SMEs and their alliance portfolios. After establishing the theoretical framework, we present a multiple case study of three companies in the aeronautic industry. Finally, we present the overall conclusions and our work's contributions.

### **SMEs, internationalization and networks**

When companies internationalize, they are faced with the liability of foreignness. In the case of small and newly established companies, this adds to the liabilities of smallness and newness (Yli-Renko et al., 2002). The liability of foreignness derives from a number of difficulties, which are faced by companies doing business abroad, such as costs arising from operating in an unfamiliar environment, cultural, political and economic differences, and the need for coordination between geographically separate activities, among other factors (Zaheer, 1995).

Like any strategic choice, internationalization involves a decision by the company and its corresponding implementation. There are several reasons that push SMEs to internationalize, such as the saturation of domestic markets and increased competition in the domestic market or ease of access to business opportunities (Singh et al., 2010). With regard to the internationalization process, most of the studies have been based on the Uppsala model (U-model) and the innovation model (I-model) (Ellis, 2000).

SMEs have size-related attributes that differ significantly from those of large companies. The scarcity of capital, technology, know-how and human resources, restricts the ability of SMEs to develop international business (Tang, 2011). To overcome these limitations, SMEs increasingly form international alliances that are used to provide firms with specific advantages, such as access to distant countries with reduced risks (Lu & Beamish, 2006). Studies on international alliances in SMEs have analyzed the decision to build an alliance and the decisions that arise in different stages of evolution of the cooperation, as well as the drivers that determine the success of international alliances (Swoboda et al., 2011).

Holmlund and Kock (1998) identify four factors that affect the internationalization of SMEs: business networks, social networks, operational modes and resources. Business networks refer to formal interorganizational relationships. Social networks identify the social networks of individuals, emerging from the social bonds that are established between people over time. This creates a "capital of trust" through commitment and non-opportunistic behavior. For entrepreneurs, social networks are the critical foundation of their success, mainly during the establishment phase (Batjargal & Liu, 2004), however, the effect of these social networks in the process of the internationalization of SMEs has received little attention in the literature (Holmlund & Kock, 1998). When penetrating a business network, the operational model affects the position that the company occupies in the international networks, particularly in its greater or less degree of centrality.

The behavior and international performance of both established SMEs can be better understood by examining the network of relationships in which they are embedded (Johanson & Vahlne, 2009). This covers personal and social relations (Ellis, 2000) as well as business and organizational relations (Yli-Renko et al., 2002).

#### **Social networks of a personal nature**

In business, this type of network emerges from informal personal relationships that managers and employees of the company have established with customers, suppliers, competitors, managers, dealers, bankers, family, friends and any other group or person that can facilitate the

internationalization of the company (Zain & Ng, 2006). Ellis (2000) states that the approach of social networks can explain the exchange between individuals who possess complementary resources and information through interpersonal relationships that can facilitate the internationalization process of their businesses.

Compared with large enterprises, SMEs initially face greater barriers in building formal interorganizational relationships (Tang, 2011), because their small size makes it difficult to obtain the recognition and trust of possible peers. For this reason, in the early stages of the internationalization process, SMEs rely more on personal and informal networks. In its entrance into foreign markets, an SME essentially requires knowledge and experience from its network partners. Once the SME is well established and has accumulated internal resources, an important operational knowledge and achieved a recognized level of acceptance and reputation, the company will seek to mobilize other network resources through more formal relationships (Sepulveda & Gabrielsson, 2013).

Informal social networks are the basis on which formal networks of interorganizational relationships are developed in new markets (Chen, 2003). Consequently, social relations can be vital to identify opportunities abroad to access international markets and to develop a specific competitive advantage through the accumulation of international knowledge (Zhou, Wu & Luo, 2007). Therefore, SMEs rely on domestic social networks as a mechanism to gather information and resources to develop business connections that allow them to overcome their own limitations as SMEs in the internationalization process. According to Zhou et al. (2007), the most important benefits provided by personal social networks are: (1) knowledge of foreign market opportunities; (2) tips and learning derived from experience; and (3) trust-based references and the solidarity of third parties.

### **Interorganizational networks or business networks**

These networks emerge from all the set of relationships that companies have with other organizations, mainly strategic alliances, including joint ventures, licensing and distribution/production agreements. Consequently, companies are frequently involved and operate in networks of connected business relationships. These webs of connected relationships are labeled business networks (Johanson & Vahlne, 2009). The business network perspective focuses on understanding how and why relationships change over time, and also tries to determine how to establish maintain and modify the relationships to improve the position of the company within the network (Slotte-Kock & Coviello, 2010).

### **Alliance portfolios in the internationalization process of SMEs**

In the literature on alliance portfolios in SMEs is quite scant and is more focused on networks, covering different types of relationships, including social relations (Sepulveda & Gabrielsson, 2013), and not only strategic alliances or interorganizational relationships strictly speaking (Zaheer, Gözübüyük and Milanov, 2010). Moreover, the internationalization process is not a topic that has been particularly addressed. Indeed, there are no studies on how a company can change its portfolio of alliances in order to promote its internationalization and how the presence of international partners in a portfolio of alliances may, in some way, influence this process in terms of both modalities and the process speed. However, it is possible to deal with some of the typical issues of alliance portfolios (Wassmer, 2010) applied to the case of SMEs and more specifically to the process of internationalization of these companies. Specifically, we will discuss two topics: (1) intentionality in building networks/portfolios and their link with the firm's strategy; and (2) the connections between alliance portfolios and personal social networks.

The literature on alliance portfolios (Ozcan & Eisenhardt, 2009) distinguish between a 'deterministic' and a strategic action in building a portfolio. According to the first perspective, the alliance portfolio follows a path-dependent evolution that is influenced by the company's initial resources business relationships (Gulati & Gargiulo, 1999). The second perspective considers that individuals can maneuver within networks and be inventive and reflective in their network actions (Santos & Eisenhardt, 2009), and so improve their portfolios. The analysis carried out by Ozcan and Eisenhardt (2009) on new ventures in the wireless gaming industry shows that not all firms act in the same way: some firms build high performance alliance portfolios through a strategic vision of their whole network, while others follow a path dependent approach, focusing on individual relationships and attain a mediocre network performance. Consequently, one can expect that in a given industry companies, particularly SMEs, show different degrees of strategic intent or vision when configuring their networks, ranging from those who follow a strategic network approach to others that only consider each alliance individually. For this reason, it can be asserted that the moment in which this strategic intention emerges varies between the different firms.

In the field of born globals, Sepulveda and Gabrielsson (2013) note that networks are the result of the deliberate actions of companies that actively develop their networks to meet the needs of the company's resources (Hite & Hesterly, 2001). In their process of rapid internationalization, firms adopt an entrepreneurial orientation that reflects a 'calculative' approximation for the development of networks.

Finally, the alliance portfolio of a company consists of interorganizational relationships not including personal networks of managers, employees and entrepreneurs (Wassmer, 2010). However, personal social relations play an important role in the development and consolidation of SMEs and in their internationalization processes (Zain & Ng, 2006). Studies on this issue have shown that SMEs use their domestic social networks to get the necessary information and establish organizational connections that allow them to overcome their limitations in the internationalization process (Zhou et al., 2007).

These statements seem to reflect a linear sequence between social and organizational relationships in which companies change the dyadic ties to family, friends and prior contacts for organizational relationships when business interests become clearer (Larson & Starr, 1993). However, in the internationalization process, when companies are entering new environments and markets, the sequence between these two types of relationships is repeated over time, leading to a greater complexity in the types of relationships developed by the SMEs. This combination of social and organizational relationships, that can form strong and weak ties, overlaps as time passes following the evolution of the SME's internationalization process.

From the point of view of alliance portfolios, one relevant question is how social relationships affect their management. On the one hand, it can be understood that portfolio management only refers to the organizational relationships of a formal nature, using personal relationships as ad hoc mechanisms for certain issues or problems which are not integrated into the management capacity of the alliance portfolio (Sarkar et al., 2009). On the other hand, it is possible to consider all the relationships that the company maintains jointly, regardless of their nature, integrating them in a coordinated management to achieve the strategic objectives pursued by the company (Sepulveda & Gabrielsson, 2013).

## **Methodology**

This research work investigates how SMEs use social personal and interorganizational relationships in their internationalization process. With this aim, based on the works of Ozcan and Eisenhardt (2009) and Sepulveda and Gabrielsson (2013), we apply an inductive, multiple-case approach.

We focus on three aeronautic SMEs from the Spanish cluster, which is the fifth largest aircraft producer in Europe, with numerous plants and subsidiaries of Airbus and the presence of leading companies in the production of aircraft components. The setting for our study was appropriate for two main reasons. First, this industry is comprised of diverse types of firms which are often interdependent, including Original Equipment Manufacturer (OEM), TIER 1 and TIER 2, and more subcontractors dedicated to various activities. Given these interdependences required in the manufacturing and supply chain, portfolios of social and interorganizational relationships are common and critical in this industry. Second, aeronautics is a global industry and firms involved are forced to internationalize.

The case unit is considered to be an international SME. We selected three case firms based on theoretical sampling, because they were especially adequate for the analysis of our research question. Within each case, the analysis is focused on the personal and interorganizational relationships that the SMEs establish in order to achieve and accelerate their internationalization.

To gather data, we conducted two personal semi-structured interviews in each firm with key informants, in particular, the founders and CEOs of the companies. With the aim of supplementing this information, we organized a focus group meeting with the industry's leading and participating companies. These meetings allowed us to delve into and understand the firms' strategic behavior in the aeronautics industry. Moreover, we used company and public documentation and information through the firms' websites, annual accounts and reports, the firms' marketing information, a financial database (SABI), and all the news of these companies recorded in the LexisNexis database.

### **Case 1: Ghenova Ingeniería S.L.**

Ghenova is a Spanish engineering company that has a strong position in the naval, aeronautic and industrial industry. In 2009, almost three years after the founding of Ghenova Ingeniería SL, Ghenova Aeronáutica was established as a company in the group. In developing its divisions, Ghenova has used both personal relationships and interorganizational relationships.

Regarding its pattern of internationalization, Ghenova Aeronáutica relies on long-term vertical relationships of supply with national and international Tier One, following the internationalization of its customers. In addition to these commercial relationships, Ghenova Aeronáutica has taken advantage of the personal relationships of their employees to establish other partnerships, such as the IJV partner with SCP Sintesa for the development of electronic systems and test benches. It is also a common practice for Ghenova's partners to visit Seville (where the headquarters of the company is located) with their families, in order to establish personal ties that nurture confidence in long-term relationships.

Another factor in the internationalization of Ghenova Aeronáutica is its relationship with its matrix and the other companies of the group, since the internationalization decisions of these companies influence the activity of Ghenova Aeronáutica. Thus we can see how the internationalization strategy of Ghenova Aeronáutica follows a fairly certain dependent path determined both by its partners and by the companies that make up the Ghenova Ingeniería SL group.

In relation to the management of the alliance portfolio, there is no manager or department specifically responsible for this task in Ghenova. However, it is possible to observe a strategic intention, as the company has established a series of key issues or premises with respect to alliances. One of these key issues states that the right selection of the partner is of vital importance. Moreover, since a percentage of engineering knowledge is common to all projects, the synergy and consistency of the portfolio is provided through the generation and accumulation of know-how. With this implicit portfolio management, the company tries to avoid the negative effects that the alliance with a wrong partner can have on other alliances.

### **Case 2: Carbures Europe S.A.**

Carbures is the result of the merging of two university spin-offs, Easy Industrial Solutions S.L. and Atlantic Composites S.L. Although born as an industrial business consultancy (Quality and Environmental), Carbures immediately developed a close link to the aviation industry. After its foundation, Carbures gained a strategic position in Tier Two, specialized in composite materials and structures.

The company started its activities thanks to three partners with very limited resources, so from the outset it was clear that the way to overcome the liabilities of smallness and newness was through networking. Thus, to obtain the necessary capital it relied on family and friends requesting funding to develop the company. As the business began to consolidate, funding sources moved from personal to professional, social and interorganizational networks: institutional investors, mutual funds, individual investors, traditional financial markets. Carbures was the first Spanish aerospace company to be listed on the Spanish Alternative Stock Market.

Regarding R&D, the CEO of Carbures highlights the commitment in the creation of a talent pool through relationships with universities, research groups, spin-offs and technology centers in the locations where Carbures has established its business.

Internationalization is an essential feature of Carbures, as due to this it has expanded its markets and has diversified its production, allowing the company to use the knowledge gained in the aviation sector in other sectors such as the automotive, civil engineering and rail sectors. In the process of internationalization, Carbures used both strategic alliances and the establishment of foreign subsidiaries and acquisitions. With respect to partnerships, Carbures has established a vertical alliance in the US with the State of South Carolina and Boeing to participate in the industrial chain of the B787 Dreamliner. Similarly, it has signed an agreement to collaborate with Chrysler in the design and manufacture of parts for its top-class cars. In Mexico, Carbures has a cooperation agreement with a Tier One, which assembles and introduces its finished products in the USA. In China, Carbures has established an IJV with the Chinese company Guanglian Aeronautic Composite Material Process & Equipment (70% Carbures and 30% the Chinese partner). It also has another Chinese partner who owns 10% of Carbures Asia (equity alliance).

In relation to the management of its alliance portfolio, Carbures has a department with eight people in charge of business networking for both organic and inorganic growth. In addition, the CEO is in charge of the strategic coordination of all alliances and giving meaning to the portfolio. The alliance portfolio management of Carbures shows the existence of a deliberate strategy that guides the cooperative movements of the company.

### **Case 3: Aertec Solutions S.L.**

Aertec is a consulting and engineering company whose activity can be divided into three business areas: airport, aerospace and technological infrastructure. Since it was founded in 1997 the company has maintained a strong international vocation due to the previous experience of the company's founders.

Aertec has a strong international presence, with offices in the UK, France, Portugal and Morocco. It has also developed projects in 19 countries on five continents, participating in the world's major aircraft programs and conducting its business in over 70 international airports. In its core business, airports, the revenue from various international markets reached 75% of the total revenue. The internationalization of the company has been driven, among other reasons, for strategic considerations. Being focused on a niche market, internationalization has been necessary to support the company's development. This process of external openness has been developed using strategic alliances and collaborative projects since few local markets are sufficiently large to justify the establishment of subsidiaries.

Aertec's strategy of international expansion has evolved over time. The initial phase was based on the various national agencies that promote international trade, but once it acquired a

general knowledge about the process, and a certain reputation, Aertec has used its own resources. In those early stages a reverse internationalization mechanism was also used, since when foreign companies could access the Spanish market through partnerships with Aertec, Aertec in turn claimed reciprocity - that is to enter into the home country of the foreign company through a partnership.

Currently Aertec's strategy follows three pathways of internationalization. The first is to follow the internationalization of its major customers (including Airbus Military and Ferrovial). This allows Aertec to enter into foreign markets and once there to probe the local market in the search for new potential partners or customers. The second approach is based on finding a target market for a suitable partner overseas, i.e., a partner with complementary characteristics to Aertec's. This company is offered the possibility of collaborating on future projects. The third way is to participate in international projects and programs that receive public funding. This participation has distinct advantages: an increased visibility for potential customers and partners, and a demonstration of its knowledge, reputation and creditworthiness. In a complementary way to these three pathways of internationalization, it is noteworthy that Aertec is an active member in various associations and international platforms (e.g., Sesar and Cleansky) especially in the countries in which the company is interested in increasing its international visibility and its possibility to contact potential partners and customers.

**Table 1: SMEs and Alliances**

<i>Firm</i>	<i>Resource Endowment</i>	<i>Development of relationships in the internationalization process</i>	<i>Alliance portfolios management</i>
<b>Ghenova Ingeniería S.L.</b>	Skills and knowledge engineering. Reputation in naval engineering. Contacts with big customers.	It starts with a horizontal organizational relationship (IJV), supported by domestic social ties. Development of vertical relationships, first economical and then, thanks to repetition, it becomes social. Support in the relations of the group's other companies.	There is no a specific alliance department but there are general rules for the portfolio's configuration and management.
<b>Carbures Europe S.A.</b>	Skills and knowledge in composite materials. Extensive network of personal and academic contacts.	Initially fairly based on social networks. Once the company is consolidated, vertical interorganizational alliances with TIER2-TIER1 predominate. In Asia, it has made equity alliances with local partners.	Existence of a department in charge of business network both organic and inorganic growth. The CEO is in charge of the strategic coordination of all alliances and giving meaning to the portfolio.
<b>Artec Solutions S.L.</b>	Skills and engineering knowledge. The founders' previous experience. Personal contacts.	In the early stage, it was supported by various government agencies to promote internationalization. In subsequent phases it has followed its own development path, supported by partnerships with local customers and partners.	There is no a specific alliance function, but the CEO is in charge of overseeing all the company's alliances

Regarding the management of the alliance portfolio, there is not a department dedicated to this function, but the CEO oversees all international alliances to avoid conflicts between them. Aertec recognizes that in its alliance portfolio there are certain consolidated partnerships related to specific activities, as well as partnerships arising from temporary ad hoc situations that require the company's reaction. In addition, Aertec works proactively with some big corporate partners, leveraging the relationship to consider possible collaborative projects. Therefore, it is possible to observe

how Aertec's alliance portfolio mixes a deliberate and proactive approach with a more reactive response type in terms of changes and opportunities that are generated in its environment.

In the above table 1, a summary of the three cases is presented.

## **Discussion**

The analysis of the three cases allows the highlighting and evaluating of a set of considerations that have been addressed and identified by the literature on SMEs, networks, alliance portfolios and internationalization.

A first consideration refers to the importance of internationalization for SMEs. Internationalization has provided a form of development for SMEs that has allowed them, on the one hand, to overcome the liabilities of smallness, newness and foreignness (Yli-Renko et al., 2002) and, on the other hand, to diversify both markets and products (Markides & Williamson, 1996). These initiatives have reduced the risks and provided the opportunity to surmount the limits of the market for these companies which, like many other SMEs, operated in niches with little margin for growth (Singh et al., 2010).

The internationalization process of the firms analyzed was carried out mainly through strategic alliances and, to a lesser extent, mergers and acquisitions. Strategic alliances have provided the firms with greater flexibility and lessened the risks in their internationalization process regarding the establishment of subsidiaries. They can therefore be a good strategic option for many SMEs. Furthermore, firms have been able to access various external resources and capabilities through strategic alliances. These have been combined with internal resources, promoting the further development and consolidation of companies, and in some cases have introduced significant innovations in the industry (Lahiri & Narayanan, 2013).

The SMEs in the case studies have used in both their establishment and the early stages of their internationalization process social personal networks of entrepreneurs and networks, and contacts of other agents and various government agencies that support internationalization (Zeng et al., 2010). However, this use has been different across firms, depending on the founders' characteristics. This type of relationships has been very useful for getting information and initial support in the foreign opening process for companies, since in the early stages these companies have found it difficult to establish strategic alliances and integrate into international interorganizational networks (Zhou et al., 2007). The subsequent strengthening of the firm's competitive position, accompanied by a higher reputation, status and contacts (Stuart et al., 1999), as was noted expressly by the CEO of Aertec, provides the opportunity for the establishment of new alliances. This process determines a change in the type of relationships in which the company is supported, from more personal and informal relationships to more formal market relations (Hite & Hesterly, 2001). In any case, penetrating new markets has occasionally required the support of personal relationships to subsequently strengthen more formal interorganizational relationships.

Despite the importance of both organizational and personal and social relationships, in the internationalization process of the three SMEs analyzed, it is worth noting that sometimes these relationships have restricted the firms' freedom to act. As firms establish relationships with external actors, firms become embedded (Uzzi, 1996) in a set of relationships which limits their freedom of action, resulting in a path-dependent evolution of the network of relationships or alliance portfolio. However, firms seek to elude that determinism by developing a strategic action to give meaning to the creation of their networks.

In this sense, the analysis of the cases shows that the three firms have used different strategies in the development of their alliance portfolios (Ozcan & Eisenhardt, 2009). It is observed that Ghenova uses a process of internationalization that we could define as path-dependent (Gulati & Gargiulo, 1999), while Aertec's strategy combines path-dependent features with a deliberate

choice, and Carbures is characterized by a highly-planned strategy (Hoffman, 2007). In any case, the companies have used these various portfolio strategies to modify their competitive position in their environments (Hoffmann, 2005). The findings show that the effect of these strategies is visibly uneven.

In the field of alliance portfolio management, the three firms are also clearly distinguished. Carbures has a department dedicated to the planning and management of all the firm's cooperative aspects, thus delineating a specific function of alliances (Kale et al., 2001). In contrast, Ghenova has no alliance function but a series of guidelines for behaviors or general principles that must be respected when establishing new alliances. Finally, Aertec is in an intermediate situation. It has no alliance department/function but the CEO is in charge of managing and controlling all the issues related to the company's cooperative relations. The fact that Aertec and Ghenova do not have a specific alliance function is not only explained by the number of alliances in which the firms are involved, not being excessively high, or by the costs that such a function can represent for them (Kale et al., 2002). Indeed, other SMEs smaller than them have a department especially dedicated to managing their networking. Other factors, mainly related to managerial discretion and particularly to the establishment of a clearly defined purpose or intention for the portfolio strategy may explain the differences observed.

Certainly, the firms studied are special because they can be included within the group of the best companies in their industry. However, the study of the role of strategic alliances in the internationalization of SMEs requires a focus on firms that have achieved a certain level of development in management and strategy. In any case, the findings have shown that even among these top companies, differences are observed both in the development of their networks of relationships and the managing of their alliance portfolios, and that these differences have a significant impact on their internationalization processes. Thus, the foreign opening process is faster and generates a higher reputation when an SME follows a clearly defined and planned strategy of alliances.

## **Conclusions**

This paper has addressed the analysis of the process of internationalization of SMEs and its connection with interorganizational networks and alliance portfolios. The literature review and the analysis of the three cases have allowed the highlighting of the linkages that occur between personal and organizational networks, observing a sequence of its evolution. Furthermore, we can conclude that firms often use alliance strategies which are more or less defined for the development of their internationalization process, but that there are significant differences between SMEs. These differences are also observed in the case of alliance portfolio management between, on the one hand, SMEs that have established specific departments or functions and, on the other hand, SMEs which have not developed organizational mechanisms and whose management is relatively informal. The findings confirm those obtained by Ozcan and Eisenhardt (2009) and Hoffmann (2007) in different research questions and contexts.

The main limitation of this study lies in the cases analyzed because they are firms with unique characteristics. Nevertheless, the methodology used is similar to other studies that have addressed similar research questions (Ozcan & Eisenhardt, 2009; Santos & Eisenhardt, 2009; Sepulveda & Gabrielsson, 2013). Moreover, the observations are representative of those companies that adopt an internationalization strategy and proactively use strategic alliances to achieve success in this process. Our aim was to analyze how this process is developing and find out the differences that occur between SMEs.

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