

The Management Strategies for Resource Dependency Risk in Aviation Business

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Abstract

The objective of this study was to extend the prior literature and examine the link between the corporate management strategies in view of resource availability uncertainty with practices in civil aviation business. The collection of data for the analyses of the hypotheses has been gathered by interviews that were held with the high level executives from TAV Airport Holding: TAV companies practices have been investigated to expose the relationship between the resource dependence and the risk management practices. It has been concluded in the research that resource dependence and theories of transaction costs, especially in managing the uncertainty of sourcing are taken into account for development of the corporate risk strategies. In this study, it has been tried to obtain information about the practices in the sector with using semi-structured interviews from the qualitative techniques. Also, interviews were conducted with the senior managers of Sun Express Airlines and the Budapest Manager of Turkish Airlines and Fraport IC İtař Antalya Airport Terminal Investment and Management Inc., as well as the interview form was presented. Therefore, both airport station management and airline management were in the scope of the study. It has been tried to obtain the total original image with the leading representatives of the sector in the country and the perspective of enterprise risk management in the light of the hypotheses. The findings were proved that in order to achieve in business strategies, corporates should be find optimum way about providing scarce resources. Setting of resource dependency based strategies were find necessary for competitive differentiation and the institutional sustainability. What we were conclude is, manager's strategies may changes according to resource uncertainty, the resource availability and its competitive qualifications.

Key Words: Management and Strategy, Corporate Risk Management, Resource Dependence Theory, Resource Uncertainty, Risk Strategy.

Introduction

Organizations which need resources not only to produce goods and services but also to be able to survive in competitive business environment, use inputs such as raw materials, technology, knowledge, skills, labor, capital and also human capital, organizational culture. Organizations always encounter with resource availability uncertainty. Also resource dependency strategies creates main risks in field on relationship with suppliers and organizational structure, operational performance, quality levels. According to resource dependence theory, an organization is subject to external control when it depends on its external environment for a large proportion of acritical resource, such as funding (Brettel and Voss, 2013; Pfeffer and Salancik, 2003).

In spite of the changing prevalence of the types of mergers and interlocks described in resource dependence theory, it is clear that power and dependence relations among organizations, and the managerial lust for self-aggrandizement, had not gone away due to the advent of "shareholder value") they had simply found

new modes of expression, as shareholders in Enron, WorldCom, AIG, and Citigroup were to discover (Davis and Cobb, 2010).

Risk-based perspective of management strategies for corporate resources is in need review deeply in the aviation business literature. Strategies has vital important in business management since they includes decision making about shaping future of organizations and managing both opportunities and threats. Organization culture, which is improved and supported by the risk culture as a fundamental skill, can be transformed as a resource that provides competitive differentiation by using the enterprise risk management applications.

Strategies, which are improved by the help of enterprise risk management for competitive differentiation, are vital. The main hypotheses in this study can be seen as the resource dependence on the basis of the enterprise risk management, outsourcing, and it is predicted that the strategies, which are developed for the risks that are related to the transaction costs, has the potential to provide reasonable assurance for an organization's competitive differentiation and corporate sustainability. The selecting both sound and right risk management strategies for companies get reasonable assurance provide organizational competitiveness in sustainable way. In view of resource dependence, managers try to find a right strategy which provides manageable interdependence.

Managing risks of shareholders has a potential to influence the organizational risk strategies that are associated with the resource dependence approach. An enterprise will be able to raise its level of awareness of available resources with effective and enterprise risk management practices In order to shape the strategies about resource dependencies, it will be effective to be aware of the exact owned resources of a business. Risk management is a required managerial practice and approach for increasing the resource awareness.

When the resource considered as a kind of power, there is in need to clarify this relationship between power and resource dependency. Corporates achieves their strategic objectives via using various resources such as human resource, capital, entrepreneurship, materials, facilities, etc. corporates can not able to produce all resources. While some resource are scarce, also some resources have critical importance to sustain business. For these reasons corporates needs strong strategies about resource dependency.

Aim, Scope and Methodology

In this study, in the industry of aviation, which has dynamic and changeable features, the dilemma of finding sources and the cost of operations have been taken into consideration as a risk to associate this issue with corporate risk management strategies. The collection of data for the analyses of the hypotheses has been gathered by interviews that are held with the high level executives from TAV Airport Holding. In this context, TAV companies' practices have been investigated to expose the relationship between the resource dependence (transaction costs) and the risk management practices. It has been concluded in the research that resource dependence, especially in managing the uncertainty of sourcing are taken into account for development of the corporate risk strategies. In this study, it has been tried to obtain information about the practices in the sector with using semi-structured interviews from the qualitative techniques.

Also in this study, interviews were conducted with the senior managers of Sun Express Airlines and the Budapest Manager of Turkish Airlines as well as the interview form was presented. Therefore, both airport station management and airline management are in the scope of the study. Thus, it has been tried to obtain the total original image with the leading representatives of the sector in the country and the perspective of enterprise risk management in the light of the hypotheses. The findings are proved that in order to achieve a development in business strategies through the transaction cost theory, providing the scarce resources that an enterprise needs and out-sourcing risks are essential. It is also accepted by managers that the strategic management of these risks is necessary for competitive differentiation and the institutional sustainability. It

has been evaluated that the important contribution can be made to make healthier decisions about the strategies - for instance, outsourcing, strategic alliance and whether go for joint venture or not- that are developed by the managers while they are managing the risks about transaction costs and resource dependency through the integration of scientific approaches in the light of organizational theories to management practices.

The article is organized as follows: In Section 2 we present the conceptual side of resource dependency as one of leading sustainability risks for organizations. In Section 3 we introduce our aim and methodology about the research question and hypotheses of the present study. Also, we presents our empirical findings in there. In Section 4 includes both conclusion according to our results and comments for resources dependency risk in view of research aim, and it finish with potential contributions fields for further research.

Resource Dependency & Availability as one of the Leading Sustainability Risks for Organizations: Resource Dependency Theory (RDT) based perspective

Corporate strategy helps firms generate value through any of the six following options as reducing risk, maintaining growth, balancing cash flows, sharing infrastructure, increasing market power, capitalizing on core competencies. These factors are best used as parameters/criteria for evaluating any corporate strategy decision –be forward or backward integration, related or unrelated diversification, mergers/acquisitions, joint ventures, or strategic alliances, as they measure the extent of value added by these corporate strategies. (Gupta, Gollakota and Srinivasan, 2007: 151)

Organizations improve such a different form of collaboration (customer, supplier, and competitor) in order to secure the dependence for crucial resources. This approach also has an opinion related to balance of power inside the organization. Resource dependence theory characterizes the links among organizations as a set of power relations based on exchange resources (http://istheory.byu.edu/wiki/Resource_dependency_theory). Resource dependence theory characterizes the corporation as an open system, dependent on contingencies in the external environment (Pfeffer & Salancik, 1978). According to this, the power that owned by individuals or departments have an effect on to the critical resources enter the organization. According to this approach, organizations are not passive to their environment, they are active, indeed. They make the decisions that affect to future (Koçel, 2013). According to Goll et all (2007) that the environment is a key variable that helps explain strategic behavior but has largely been ignored in studies examining the relationships between management, strategy, and organizational outcomes (Goll et all, 2007:218).

Valuable and rare resources provide a means of competitive advantages. Organizational resources can only be a source of competitive advantage or sustainable competitive advantage when they are valuable. Resources are valuable when they enable a firm to formulate and implement strategies that improve its efficiency and effectiveness Henry, 2011: 145). According to results from our research that TAV Airports Holding have competitive advantages via their resource dependency/availability based strategies. They are create resources for needed sources by aviation business.

Managerial, industry and strategy variables made roughly equal contributions to the firm's performances (Roure and Keeley, 1989, p.2). A central theme in resource dependence theory is that organizations will attempt to reduce environmental uncertainty which create risks for corporate sustainability by negotiating their environment (Poole and Van de Ven, 2004: 132).

When organizations feel resource or supply constraints, the resource dependence perspective says they maneuver to maintain their autonomy through a variety of strategies. One strategy is adapt to or alter the interdependent relationships. This could mean purchasing ownership in suppliers, developing long-term

contracts or joint ventures to lock in necessary resources, or building relationships in other ways (Daft, 2010: 181).

Strategies also aims to improve corporate performance. A key characteristic of strategic management models, is that they attempt to address performance considerations. If the proper resources and control mechanisms are combined, then the firm should generate rents and show better performance (Beamish and Killing, 1997:191). When we look at TAV Airports Holding's strategies we may say that the holding is implement these strategies according to their objectives such as they are one of the owner partner of Turkish Ground Services in Turkey. Also they have group companies to get required resources both for them and also other organizations. They solves their resource dependency problem via be suppliers for critical resources.

Environmental uncertainty faced by organizations increases with the multiplicity of conflicting demands that an organization confronts, requiring a simultaneous increase in the levels of discretion in organizational responses (Poole and Van de Ven, 2004: 132; Pfeffer and Salancik, 1978). For this reasons, organizations needs strategies to manage these risks in optimum way.

Resource dependency theory focuses on a firm's need to access resources from other actors in the environment and describes how resource scarcities force organizations to pursue new innovations that use alternative resources (Hessels, and Terjesen, 2010, p. 205.) Both organization's effort about controlling its own environment and the stronger individuals within the organization, have a partial effect on organization's strategy and actions and this actions effects the environment. Behaviors of an organization end up with profitability, financial and customer driven outcomes (Sözen and Basım, 2012, p. 165).

Resource dependence theory (RDT) represents a scientific approach to explain and manage the dependence of an organization on resources owned by other organizations in its environment, mainly suppliers, shareholders, unions, competitors, public authorities and other stakeholders¹. (Reiss, 2012) A fundamental assumption of Resource Dependence Theory (RDT) is that dependence on "critical" and important resources influences the actions of organizations and that organizational decisions and actions can be explained depending on the particular dependency situation (Nienhüser, 2008:10).Resource dependence predicts that organizations will consciously scan the environment and adopt strategic responses to better manage acquisition of resources (Johson, 2009:54).

Both external and internal resources are important for strategic decision making, but as on external resources are not being influenced by an organization while the internal resources are being influenced by an organization. The best strategies can be evolved with the combination of both resources by analyzing the threats and opportunities and taking the decisions accordingly (Nemati et. all, 2010:111). RDT recognizes the influence of external factors on organizational behavior and, although constrained by their context, managers can act to reduce environmental uncertainty and dependence (Hilman et. al, 2009:1404).

Corporations have resource dependences in both products and services. To get optimum quality and also to support achievement organizational aims, they used for outsourcing related strategies. This helps to both focusing and improving core-competence related capabilities for them.

When managers are trying to decision made on selection in resource availability related strategies, they have to consider both threats and opportunities to ever choice. Some strategies will create more threats then their opportunities according to current conditions in organization. In view of risk management, managers should decision made on their strategies about resource dependency according to both threats and opportunities in options to getting resources for corporations as following:

¹ <http://www.complementor-rm.de/2012/12/prof-reiss-resource-dependence-a-value-net-based-refinement/>, june 01, 2014

Risk Management Perspective	Threats	Opportunities	The basic strategies of the corporation to manage resource dependence
High Moderate Low	<p>* Procurement corporation may can't meet corporation's expectation about services. Increasing cost, * hard of quality control and dependence only a procurement firm are met for outsourcing. Inspection is periodically done to get under control quality. In spite of this, getting under control quality has been difficult. Sometimes, Dependence to only a procurement firm may increases cost and decreases service quality.</p> <ul style="list-style-type: none"> • Legal costs • Renewing contracts • Liability issues 	<ul style="list-style-type: none"> • decrease cost • quality increase • resource saving • focusing core-competence: Focus On Core Activities • gaining collaborative network • Cost And Efficiency Savings • Reduced Overhead • Lean Organization • Staffing Flexibility • Supporting sustainability • Access to professional, expert, and high quality services • Timely access to needed services • Sharing business risks • Increase productivity in all areas • Competitive advantage • Flexibility to change • Make use of the latest technologies • Opportunity to differentiation • Redesigning organization 	<ul style="list-style-type: none"> • Partnership entrepreneur and procurement firm agreement. • procurement agreement • joint ventures • alliances • developing organization's core competence

Resources have a potential to affect both a company's reputation and profitability and surely sustainability. One of the most effective way found to reduce the costs is decreasing resource availability uncertainty as managing risks in resource uncertainty and resource dependency.

To survive, firms need to obtain resources from (actors in) the external environment. The focal organization will act to reduce or increase its level of reliance on those actors, through actions such as alliances or joint ventures (Hessels, and Terjesen, 2010, p. 207.)The complexity of this interdependency between ecological and human systems means that reef-dependent industries and communities will continue to be under threat for the foreseeable future: partly because some level of ecosystem degradation is inevitable and also because many conservation measures will in themselves impart substantial stress on social and economic systems (assuming that there is no non-consumptive alternative) (Marcha et. a., 2010:2) No company is self-sufficient by itself. In order to survive, they have to get involve with exchanging. The degree of dependency of a company is defined by resources which are important or scarce. Need for resource makes organizations dependent to its environment. Thus, what organization makes defines by on its own environment (Koçel, 2013: 353).

There cannot be a full rationality for organizations which need sources and this dependence created by needs causes some problems. (Sözen and Basım, 2012:163) Resource dependency approach is such a system that opens to outside and especially points out the interaction with its environment. The resources that a company needs to produce goods or services make them depend on their environment and throughout this context, managerial decisions define structure of the organizations and it has a direct effect on performance. According to this approach, importance and accessibility of the resources that a company needs determines the level of dependence and the character of it. Difficulties in demand of inputs and the importance of them differ from one organization to another. For instance, while some resources are easy to access and have a less importance for a company, some sources are important and difficult to find. In this kind of situation, as a precaution, enterprises prefer to make collaborations with its suppliers to get an easy access to the sources anytime they need. (Saruhan et. al, 2012:33) This theorem, which embraces open system approach, states that organizations in an unavoidable relation with their environment includes uncertainties and limits. This relation is one of the fundamental variable which forms organizational behaviors (Sözen and Basım, 2012:164.)

Unlike the others, resource dependence theory points out that environment's control over organizations; it also focuses on relations between organizations in the meaning of resources, dependency and power. The power defined as a way of managing its environment in this theory.

Research Hypotheses and Findings

Risk management try to sizing options which cost effective ones. Also, risk management deals with improving corporate value via managing resource availability risks. In this study, just like the aviation industry; dynamic and variational high-tech industries relate their institutional management of strategic, operational, and financial risks to the resource dependence theory.

Through the research, we have gathered information from multiple executives of Turkey's one of the leading airport operator, TAV AIRPORTS HOLDING and other operators, Turkish Airlines and Sun Express through semi-structured interview. Besides that, since the survey applied high level executives from companies, which are mentioned above, study covers extended information. Semi-structured interview forms the hypotheses of this study. Second application of the study is formed by 34 questions. Foremost application of the study is supported by CEO of TAV Airport Holding and also rest of the enterprise. Findings in accordance of hypotheses are gathered from high level of executives by organize of HR Director of TAV Airports Holding.

As we presented above, especially TAV Airports holding is considerable company with their implemented strategies about resource dependency. When look at their group companies, they creates critical resources other aviation business companies. They have two sides as both users and also suppliers to critical resources via their strategies to manage resource based risks in both their sustainable and competitive way. The study brings corporate point of view for managing risks of both resource dependence and transaction cost, also it has findings from Airport and Aviation enterprises. As a result, it has been predicted that enormous contribution is expected from the study on managing and strategy. We have set 7 main hypotheses according to our research problem. Hypotheses of the study are stated below:

Hypothesis 1- Partnerships founded by enterprises have a direct relationship between corporate sustainability and competition. Partnerships provide both competition and sustainability.

Hypothesis 2- While Aviation enterprises operate in transporting passenger and cargo as their major activity, their usage of external source (services, cleaning, ground operations, technical maintenance, logistic, catering) supports them to serve fully reliably. So, there is a positive relationship seen between external resource usage and major activity objects in an enterprise.

Hypothesis 3- outsourcing process includes some of the precautions within the scope of risk management. One of the precautions is contracts which mention every single details of the service whether it is fully received on time or not and if not severe sanctions are enforced. Thus, none of the aviation enterprise suffers from this issue.

Hypothesis 4- Outsourcing operations, which cause enterprise to lose time, lift the costs and keep this out of its focus, are assured to be more functional. While enterprise operates simpler according to its abilities, operations mentioned above get advantages to the enterprise such as reducing costs, increasing quality, saving time and ease to manage.

Hypothesis 5- Enterprises guarantee themselves with long-term contracts against the monopolistic supplier. Thus, there is a positive relationship between management of risk and supplier relations which is supported by risk management in the meantime.

Hypothesis 6- Transaction costs are one of the strategic issues that is taking into consideration in aviation enterprises. There is a positive relationship between transaction cost approach, institutional sustainability and the competition.

Hypothesis 7- Aviation enterprises prefer to make strategic alliances in order to manage out-sourcing dependence. Hence, there is a positive relationship between managing resource dependence and strategic alliance.

Findings

Hypothesis 1- Partnerships founded by enterprises have a direct relationship between corporate sustainability and competition. Partnerships provide both competition and sustainability.

TAV AIRPORTS HOLDING

Organizations get together to make a synergy for some reasons. The responses by TAV group are related to organizational partnerships as follows. TAV group is not only achieved profitable partnership but also experienced different fields in market in order to strengthen themselves for entering new markets.

There are several reasons for organizations to prefer making partnerships. Decreasing cost of production, improving new technologies, reaching resources or sharing them, splitting the risks that one cannot take, accessing to other's knowledge and experience, sharing profit are some of them. Types of these partnerships are joint ventures, founding new company within the organization, strategic partnerships.

TAV Airports Holding has an open policy for local or foreign collaboration opportunities. These can be arise from any region and in any service operations, it may even be related to their line of business. These partnerships increase competitiveness of TAV and help them increase momentum of growth and gain focus on high business profitability.

It also attracts experienced staff to join and contribute for development of the company. For these reasons, it is always achievable for TAV to enter a new market, evaluate a partnership opportunities and gathering experience from various business lines.

Hypothesis 2- While Aviation enterprises operate in transporting passengers and cargo as their major activity, their usage of outsourcing (services, cleaning, ground operations, technical maintenance, logistic, catering) supports them to serve reliably. So, there is a positive relationship seen in between external resource usage and major activity of an enterprise.

TAV AIRPORTS HOLDING

TAV, which is one of the leading Aviation enterprises in Turkey, is mentioned that technical maintenance and support services as their primary dependence. Then, it is followed by cleaning, logistic and catering.

THY

THY is stated that they use external sources for various service activities during flight operations. These outsourcing activities are such as cleaning, ground operations, technical support, and maintenance. It is announced that the enterprise provides some of these activities for itself only for domestic flights, but they out-source all of these activities when it comes to foreign flights.

SunExpress

The enterprise provides most of their source need by out-sourcing. Activities such as oil, ground service, catering, flight maintenance, ticket sales and check-in software programs, call center, staff uniforms, education, insurance service for both flights and passenger, marketing, and also cleaning.

Hypothesis 3- outsourcing process includes some of the precautions within the scope of risk management. One of the precautions is contracts which mention every single detail of the service whether it is fully received on time or not and if not severe sanctions are enforced. These enforcements protect enterprise from having trouble during process.

THY (Turkish Airlines)

THY, which is completely a mature company that celebrates its 80th anniversary, is stated that they do not have much problems in the sense of suppliers. Since THY have some tight outsourcing contracts with its providers in the meaning of serious sanctions which specifies details of the agreement. Such as Service Level Agreement for ground services.

TAV AIRPORTS HOLDING

It is stated that there has not been any problems since they have long term contracts with their suppliers. Though, some problems like increasing costs, lack of qualified personal of supplier and lack of personal for summer time cause a decrease in the level of quality sometimes.

SunExpress

It is mentioned that there is no problem seen on a particular situation.

Hypothesis 4- Outsourcing operations, which cause enterprise to lose time, lift the costs and keep out of its focus, are assured to be more functional. While enterprise operates more simple according to its abilities, the resources, that are provided from outside, generate advantages such as reducing the cost, improving the quality, saving time and ease of management.

THY (Turkish Airlines)

It is defined that the advantages of the out-sourcing are reducing the cost, improving the quality, saving time, being simple organization according to its abilities and the most important ones among these advantages are to use its abilities and to be a simple organization. It is also stated that these ones provide flexibility. They provide goods and services that are required for the needs, such as communication or transportation, from sub suppliers, and focused entirely on their main work which is aviation.

TAV AIRPORTS HOLDING

Outsourcing for the TAV airports offers advantages such as to reduce the cost, to ease of control and management, to improve the quality and to save the time.

SunExpress

Almost all the companies out-source some of the services mandatorily. For instance, establishing a refinery and importing petroleum in order to provide aircraft fuel is unthinkable. This product must be outsourced, because it is the best way as a cost.

Similarly, generating a technical infrastructure to make the major maintenance of aircrafts (engine maintenance, C-care maintenance, etc.) can only be affordable for airlines such as THY which already reached a certain fleet supremacy. For other companies, the most convenient way is to get this service from outside.

Because there is a high level of competition among suppliers in many outsourced services, it helps to reduce the costs and make a better quality through competition. It is hard to see examples where there is only one supplier.

It increases the focus on main business.

Hypothesis 5- Dependent on a monopolistic supplier is a risky situation in aviation business. Enterprises guarantee themselves with long-term contracts with them. Therefore, there is a positive relationship between supply management and risk management. Risk management supports to manage the supplier relationships.

THY

The company is trying not to be dependent to a one supplier. They end up with solid deals, but external factors can increase these risks. There can be difficulties due to the reasons, which are beyond the control of the company, such as fuel prices. Exchange rates, global economic crises, aircraft and its material's prices. However, they are still able to maintain the quality through their agreements. For the auditing problem, it is not often seen in the company since the employees who is experienced, grew up in almost every field and have good quality specialization.

TAV AIRPORTS HOLDING

It is stated that there are problems with costs and timing at the sources that are obtained from a single supplier. They also mentioned that the supplier has a bargaining power due to being a single one and this is risky for the business.

Hypothesis 6- Transaction costs are one of the strategic issues that is being taken into consideration in aviation enterprises. There is a positive relationship between transaction cost approach, institutional sustainability and the competition.

THY (Turkish Airlines)

One of the executive of THY puts it in this way: "THY spins its whole wheel by its own resources. It is indicated that the main reason behind it was the privatization of more than half of the company that occurred in 2004. Thus, THY became a complete business enterprise. Also, THY became a group of companies by strategic partnerships that they have made. Its dependence on the government is ended up.

The enterprise has been making a considerable profit for last 6-7 years. Thus, they could share the profit with their stockholders. There are some properties of a company for dealing with transaction costs. THY indicated that they are really good negotiators when it comes to make an agreement. In the meantime, the company has done a very well job by marketing research. Increasing brand awareness of THY, let suppliers seek to make a business with THY. Other companies offer really profitable contracts to THY in order for them to put THY in their portfolio.

Tav Airports Holding

TAV have some transaction cost reducing activities which are adjusting shifts of security staff to peak hours and educating its own staff to how to save energy from lightening.

SunExpress

Since Sun Express provides its out-sourcing operation by multiple suppliers and its independence behavior on sources as their working nature requires, it is indicated that they do not really face resource uncertainty problem. However, Sun Express evaluates the project that is related to the decision whether to go joint venture or to found a new company within the enterprise. During this evaluation, there are some situations that are needed to take into the consideration. Such as, changes in company size, market conditions, laws and regulations and decrease the number of supplier which is already operates in oligopolistic market (cause an increase in price). End of the evaluation, while considering flexible circumstances in market, if it is realized that out-sourcing of some goods and services would cost less without reducing the level of quality, concrete steps will follow up after evaluation ends. On the other hand, it is possible to sell service operations generated within the company, if the enterprise is figured out that, it will be profitable to sell one of the services in right circumstances.

Hypothesis 7- Aviation enterprises form strategic alliances in order to manage external source dependence. Hence, there is a positive relationship between external resource dependence management and strategic alliance.

THY

Turkish Do&Co Catering, which is founded by THY in 2008, would be a good example. By founding Do&Co, the enterprise reduces its costs of catering and service. While reducing catering costs of THY, Do&Co also serves for %80 of the aviation companies in Ataturk Airport. Turkish Opet, which is founded in 2010, provided a real support in the meaning of oil. Also, Turkish Ground Service, which is a strategic partnership between TAV and THY, only serves for THY. It is also suggested to reduce the employee costs 3 times.

Tav Airports Holding

It is mentioned that TAV has established partnership based companies in order to reach directly to the resource for managing external resource dependence.

Conclusion

Most would agree that the resource based view of the firm represents a leap forward in strategic management (Henry, 2011:150). Since firms were dependent on the environment for resources, they needed to enact strategies that would allow them to acquire these resources. Therefore, the external

environment had already been determined for these firms, and they experienced little strategic choice². Strategy requires managers both to look forward as well (Zack, 209:34) and change as flexible. When resource sellers are strategic, they have an incentive to distort these policies to their own advantage, potentially leading to an increased dependence on the resource (Gerlagh and Liski, 2011). Three master trends that have altered the profiles of power and dependence, and the methods of managing the organization's environment, are the ubiquity of information and communication technologies (ICTs), the rise of finance, and globalization in trade (Davis and Cobb, 2010). In any situation in which resource acquisition of critical resources is only possible in relations in whom an organization is dependent on the supplier of that resource or other uncertainties exist, measures have to be taken to cope with these constraints (Mensing, 2013).

Also, environmental changes have an effect on managerial issues. As environments change, the composition of boards will change to reflect the shift in resource needs confronting the firm. With a shift from a regulated environment, firms tend to strategically alter the composition of their boards in response to new environmental demands and forces (Hilman et. al, 2002:252). According to Henry (2011: 151), the resource-based view has shaken up strategic management by questioning industry selection and positioning which results in organizations pursuing similar strategies. Instead, this approach emphasizes the organization's own set of resources and capabilities as a determinant of competitive advantage. In this study, it was aimed to examine the relationships between the corporate risk management strategies and recourse dependence theory in view of *resource availability uncertainty with practices in civil aviation sector. Interviews organized with leading airport terminal managers and airline managers in Turkey such as TAV Airports Holding, Fraport IC İtař Antalya Airport Terminal Investment and Management Inc., Turkish Airlines, Sun Express.*

Method of data collection is determined the qualitative techniques in this study. In this qualitative study, interview was achieved with open-ended questions. Also deep information have got from top managers with interview questions via both interview form and other communication tools to get deeply information and their opinion on our research question.

In summarized way, again that, in view of our research question, we have gathered original information from multiple executives of Turkey's leadings airport operator, TAV Airport and other operators, Turkish Airlines and Sun Express through semi-structured interview. Semi-structured interview forms the hypotheses of this study. Foremost application of the study is supported by CEO of TAV Airport Holding and also rest of the enterprise. Findings in accordance of hypotheses are gathered from high level of executives by organize of HR Director of TAV Airports Holding.

The study aimed to brings both fresh and holistic view for managing strategies of resource dependency risks, also it has findings from Turley's Airport Terminal and Aviation enterprises. Our findings are presented that in order to achieve in business strategies out-sourcing risks have critic importance. It is also accepted by managers that the strategic management of these risks is necessary for competitive differentiation and the corporate sustainability. Our study have a potential to give insights for future directions and work. As a result, it has been predicted that enormous contribution is expected from the study on managing and strategy. As the limitation of our research, More Literature review can be done to enhance the literature support.

What research conclude is, manager's strategies may changes according to resource type and its competitive qualifications. Resources are vital for sustainability, and resource dependency has direct effect on corporate strategy. There is the vital risk for business is decision making on both source of resources and

²Resource Dependence Theory in Management, Retrieved at <http://www.evancarmichael.com/Human-Resources/840/Resource-Dependence-Theory-In-Management.html>, July 03, 2014.

way of the availability of them. Resource dependency risk strategies should be developed according to company size, risk attitude, risk appetite, aims and objectives in the way of their sustainability.

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Acknowledgements

My special thanks for Dear Dr.Eng. M.Sani ŞENER_ CEO/Executive Board Member, TAV AIRPORTS HOLDING;

Also, thanks for

TAV Airports Holding Executive Managers;

THY Managers;

Sun Express Managers;

and

My Graduated students: Yakup DOĞAN and C.Dinç ER.