Thunderbird International Business Review

WILEY

RESEARCH ARTICLE OPEN ACCESS

Foreign Ownership, Board of Directors, and Environmental Commitment in European International New Ventures

Adah-Kole Emmanuel Onjewu[1] | Richard B. Nyuur[2] | Joseph Amankwah-Amoah[3] | Femi Olan[4] | Eun Sun Godwin[5]

[1]Birmingham Business School, University of Birmingham, Birmingham, UK | [2]School of Management, University of Bradford, Bradford, UK | [3]Durham University Business School, Durham University, Durham, UK | [4]Essex Business School, University of Essex, Colchester, UK | [5]Wolverhampton Business School, University of Wolverhampton, Wolverhampton, UK

Correspondence: Richard B. Nyuur (r.b.nyuur@bradford.ac.uk)

Received: 9 February 2023 | **Revised:** 18 January 2024 | **Accepted:** 17 April 2024

Keywords: board of directors | commitment to environmental issues | export intensity | foreign ownership | international new ventures

ABSTRACT

This study examines the effect of foreign ownership and the presence of a board of directors on commitment to environmental issues and export intensity. Based on a robust path analysis of 181 international new ventures spanning 25 European countries, it is found that foreign ownership significantly boosts the environmental commitment and exports of this breed of firms. On the contrary, board of directors bears no relationship with the aforementioned outcomes. Theoretically, this paper expands the international entrepreneurship discourse by uncommonly investigating environmental issues in the context of international new ventures. Practically, insights are offered to owners/managers of international new ventures to reflect on the distinctive value of foreign ownership and board of directors in their environmental and internationalization agenda. Regional policymakers' attention is drawn to the contribution of foreign ownership as a harbinger of environmental performance and greater export intensity.

1 | Introduction

In the last three decades, international new ventures (INVs) have generated a stream of research in the entrepreneurship and international business domain (Romanello and Chiarvesio 2019; Oviatt and McDougall 2005; Prashantham and Young 2011; Kusi et al. 2021; Ochie et al. 2022; Clark and Pidduck 2023). INVs are defined as "business organizations that, from inception, seeks to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries" (Oviatt and McDougall 1994). They (INVs) internationalize their value chains from infancy, and this distinguishes them from multinational corporations (MNCs) and mature small and medium enterprises (SMEs) (Oviatt and McDougall 2005, 31; Prashantham and Young 2011). The surge of INVs in both developed and developing economies has been precipitated by increasing liberalization and deregulation, and accelerated by technological advances such as the internet (Buccieri et al. 2021). This is evident in the ICT sectors of India and the United Kingdom (Puthusserry, Khan, and Rodgers 2018), as well as among Canadian early exporters (OECD 2009). Notwithstanding, there remains a gap in our understanding of how corporate governance (CG) impacts on these firms' commitment to environmental issues (CEI) and environmental ethos. Recent studies in this field such as Albitar, Al-Shaer, and Liu (2023), Góes et al. (2023), and Song et al. (2023) have scarcely isolated INVs as a unique unit of analysis, nor have they exclusively examined the impact of foreign ownership and board of directors on the environmental commitment—export intensity nexus.

Furthermore, pro-environmental policies have been increasingly recognized as a proxy of good management (Waddock and Graves 1997; Heim, Vigneau, and Kalyuzhnova 2023), and exports signal the foreign market opportunities exploited by INVs in their infancy (Filatotchev, Stephan, and Jindra 2008; Deligianni 2023). Stakeholders' growing interest in environmental issues requires scholarly attention to gauge the effect of CG in firms' sustainability-related strategies and/or performance in global business (Bae et al. 2018; Naciti 2019). Rather than a loss-making activity, there is now evidence that firms' CEI represents a "virtuous trade-off" that simultaneously begets financial and environmental rewards (Haddoud, Onjewu, and Nowiński 2021). This is because the uptake of green initiatives avails opportunities to conserve monetary and material resources in the process of value creation (Onjewu et al. 2023; Onjewu, Walton, and Koliousis 2023).

By definition, CG underscores the mechanisms by which a firm is directed and controlled (Strange et al. 2009). The CG architecture determines, therefore, the dynamics of power and influence over decision-making within the firm (Aguilera, Marano, and Haxhi 2019; Li, Terjesen, and Umans 2020). Whereas the literature on CG in MNCs is relatively developed (Bhaumik et al. 2019), there is limited research on the applicability of CG mechanisms to INVs. In addition, the CG discourse still resides primarily in the domain of mature enterprises particularly within the international business context. Furthermore, despite palpable interest in CG within entrepreneurial firms, prior inquiries have mostly been limited to board of directors to the exclusion of other mechanisms (Li, Terjesen, and Umans 2020). To this end, there is seemingly a shortage of studies examining broader aspects of CG in INVs (Gerschewski et al. 2018).

Therefore, to advance the literature on INVs, the purpose of this paper is to isolate two CG mechanisms, that is, the role of foreign owners and the board of directors, and interrogate their impact on two pertinent outcomes: (1) INVs' CEI and (2) INVs' export intensity. Additionally, the analysis examines the effect of INVs' environmental commitment on their export intensity. While these relationships have previously been examined in the context of multinational enterprises (Ellimäki et al. 2023) and business groups (Wang, Heugens, and Wijen 2023), the context and therefore the behavior and outcomes of INVs may differ. Also, owing to the difficulty in identifying INVs, previous studies have relied on smaller samples and an inductive approach. Although there is some heterogeneity in the definition of early and rapidly internationalizing firms (Gerschewski et al. 2018), this study embraces Madsen's (2013) definition of INVs as firms that commence exporting within 3 years of inception. Based on this description, 181 cases of INVs spread across 25 European countries were identified to examine the correlations in this study.

Overall, this paper represents one of the first empirical efforts to fathom the influence of CG mechanisms on environmental commitment and internationalization outcomes among INVs. Although studies discussing firms' CEI have considered various types of firms (e.g., new and small enterprises in Djupdal and Westhead 2015; family business in Haddoud, Onjewu, and Nowiński 2021), this discourse is still new in the INV corpus. Thus, theoretically, this paper offers a novel consideration of environmental issues in the context of INV. For analysis, it is based on a sample of selected European countries, the majority of which are emerging markets as stressed by Romanello and Chiarvesio (2019) as an important line of inquiry to interrogate. Moreover, as studies on INVs are mostly qualitative, the deductive evidence from this study's robust path analysis offers more generalizable findings.

The rest of this paper is structured as follows. In the next section, the theoretical foundation of the research is explained leading to the development of hypotheses. In the sections that follow, the methodology and analytical approach of the paper are described. Next, the findings are discussed before theoretical and practical implications are outlined in the conclusion.

2 | Theoretical Background and Hypotheses

The parallels between foreign ownership and the presence of a board of directors have long been examined, albeit to predict outcomes unrelated to environmental commitment and export intensity. In their study of quoted firms in Japan, Ahmed and Iwasaki (2021) determined that foreign ownership was significantly and positively associated with the appointment of independent directors as well as an increase in firm value. Similarly, in Malaysia, Peck-Ling, Nai-Chiek, and Chee-Seong (2016) investigated the influence of foreign ownership and board of directors on profitability. They revealed that the antecedents bore no significant relationship with firms' return on equity. Thus, it is opportune to conceptualize and interrogate these relationships in the estimation of environmental commitment and export intensity.

As intimated in Haddoud et al.'s (2021) systematic review, much of the prior discourse on firm internationalization has aimed to discern whether productive firms become successful exporters or, conversely, exporting activities improve firms' performance (Baldwin and Gu 2003; Bernard and Jensen 1999). In other words, the extent to which exporting is a cause or consequence of firm productivity has, so far, yielded equivocal answers (Girma, Greenaway, and Kneller 2004). Strong arguments for the direction of causality either way has led to scholars' continued contemplation of a twofold premise that firms' export performance is enabled either by their (1) self-selection or (2) learning-by-doing aptitude (Ranjan and Raychaudhuri 2011; Zhou 2021). To define these theses, self-selection is the idea that exporting firms internationalize by virtue of being more productive than their non-exporting counterparts (Wagner 2007). This is explained by their (exporting firms) greater ability to absorb the financial and nonfinancial sunk costs inherent in internationalization activities (Girma, Greenaway, and Kneller 2004). Studies predicated on the self-selection view anchor their thinking on the argument that self-selection is more likely to occur first (Haddoud, Onjewu, and Nowiński 2021; Onjewu, Hussain, and Haddoud 2022). In contrast, the learning-by-doing perspective holds that internationalization arises from firms' application of knowledge accrued incrementally about foreign markets and export protocols (Fernandes and Isgut 2015). This manifests through a dynamic exposure to networks and information that boost firms' innovation and efficiency capacity (Silva, Afonso, and Africano 2012). Proponents of this perspective contend that, particularly in low-cost and technologically lagging industries, piecemeal knowledge spillovers are a key ingredient for export activity (Fafchamps, El Hamine, and Zeufack 2008; Salomon and Jin 2008). Nonetheless, claims that self-selection and learning-by-doing are a mutually inclusive occurrence abound. Works including Bravo-Ortega, Benavente, and González (2014) and Rehman (2017) have advanced a notion of simultaneity in the mechanism by which firms are stimulated to export both by a pre-entry (self-selection) and a post-entry (learning-by-doing) disposition. The current theorization subscribes to this latter perspective of self-selection and learning-by-doing working in concert. This stance is taken on account of INVs being fast-track exporters, therefore they are more likely to leverage on productivity and knowledge acquisition in sync.

Underpinned by the foregoing, hypothesis development is now commenced.

2.1 | Foreign Ownership and CEI

As an indicator, foreign ownership reflects the percentage of equity held by international shareholders (Maury and Pajuste 2002). There is already a substantial body of work associating this attribute with environmental concerns (e.g., Wan Abdullah, Ghazali, and Buniamin 2012; Haladu and Salim 2016; Saini and Singhania 2019), although Nakamura, Takahashi, and Vertinsky (2001) were circumspect that foreign owners may only be acceding to environmental responsibility pressures exerted by government and civil society. This is because “foreign owners may, on the one hand, be less willing to contribute to the social welfare of the country and thus less inclined to invest in environmental protection above the level required by regulation. On the other hand, it is possible that foreign owners must secure goodwill from regulatory authorities in host countries to prevent discrimination” (Nakamura, Takahashi, and Vertinsky 2001, 30). Indeed, a contingent of scholars previously argued that firms' CEI was a profitless endeavor that merely increased costs and hampered performance (Cordeiro and Sarkis 1997; Palmer, Oates, and Portney 1995). These claims were subsequently challenged by evidence emerging from a new faction showing that environmental commitment was profitable, increased firm value and generated goodwill (Mezias, Pant, and Abzug 2020; Ouvrard, Jasimuddin, and Spiga 2020; Xiang et al. 2021). Hence, Haddoud, Onjewu, and Nowiński (2021) affirmed CEI as a proactive rather than reactive indicator that tracks the presence of environmental initiatives in firms' planning processes. It manifests through written and unwritten procedures for dealing with firm waste, emissions, product life cycle and environmental quality management (Yang, Jiang, and Zhao 2019). Critically, environmental commitment shapes firms' attitude toward ecological challenges and how they develop resources to drive financial and nonfinancial performance (Gardberg and Fombrun 2006). Relatedly, in the context of multinational enterprises (MNEs), Ellimäki et al. (2023, 910) show that “foreign institutional owners have a positive effect on their investees' environmental performance.” Yet, to this point, there is a shortage of research examining the link between foreign ownership and CEI in the context of INVs. To address this impasse, a first hypothesis is proposed for testing:

H1. *Foreign ownership is associated with INVs' higher CEI.*

2.2 | Board of Directors and CEI

In addition to foreign ownership, the presence of a board of directors has also been contemplated as an antecedent to firms' environmental orientation (Kaczmarek and Nyuur 2016; Wan Abdullah, Ghazali, and Buniamin 2012). From the outset, O'Neill, Saunders, and McCarthy (1989) believed that the firm's attitude toward the environment was largely dependent on the outlook of the board of directors. All things being equal, as powerful and high interest stakeholders, directors ensure that management conducts the affairs of the firm ethically and in accordance with owners' interests (Li, Pike, and Haniffa 2008). In addition, in their governing capacity, board of directors also foster values and behaviors aimed at environmental commitment (García-Sánchez, Rodríguez-Domínguez, and Frías-Aceituno 2015). Martínez-Ferrero et al. (2021, 675) concur that “among the many possible mechanisms for corporate governance, the board of directors has been considered as one of the main tools for ensuring social and environmental commitment.” This is because they directors are tasked to promote transparency and integrity (Appiah et al. 2023) across firms' operations as environmental commitment compels. For the most part, scholars have examined the CG attributes of gender and cultural diversity, size and independence (Ferrero-Ferrero, Fernández-Izquierdo, and Muñoz-Torres 2015; García-Sánchez and Martínez-Ferrero 2017; Michelon and Parbonetti 2012) as predictors of organizational performance. Few studies, like Martínez-Ferrero, Lozano, and Vivas (2021), have linked the presence of a board of directors to environmental performance widely described as “sustainability.” To go one step further, there does not appear to be any studies explicitly testing the link between having a board of directors and CEI. Similar to the first hypothesis, it is conceived that directors' awareness of sustainability concerns will lead to the initiation and enactment of internal processes to address environmental concerns. Left to their own, it is probable that INVs' owners/managers will be less willing to consider environmental matters owing to their self-serving nature as agency theory suggests (Onjewu, Walton, and Koliousis 2023). In contrast, construing stewardship theory by which directors act as “stewards” who are disinterested in satisfying their own economic goals (Keay 2017), Greeno (1994) affirmed that boards help to chart the course of environmental stewardship and monitor the progress thereof. Hence, to grasp this incidence in the particular context of INVs, we hypothesize that:

H2. *INVs with a board of directors are associated with higher CEI.*

2.3 | CEI and Export Intensity

To recall, CEI has been conceived as the proactive undertaking of environmental initiatives as well as the written and unwritten protocols for firms' environmental quality management (Yang, Jiang, and Zhao 2019; Haddoud, Onjewu, and Nowiński 2021). To draw parallels, export intensity underscores firms' export sales as a percentage of total sales (Contractor, Hsu, and Kundu 2005; Estrin et al. 2008). This follows Bello and Williamson (1985), Bilkey (1985), Burton and Schlegelmilch (1987) and Axinn's (1988) conceptualization of export performance. Thus, both Zeriti et al. (2014) and Liu and Xie (2020) have argued that environmental commitment enables firms to be internationally competitive and, by the same token, offset some of the costs associated with export activities. To this end, environmental commitment has been examined as a predictor of export performance in different contexts including China (Li, Zhou, and Wu 2017; Liu and Xie 2020; Long et al. 2023), Poland (Haddoud, Onjewu, and Nowiński 2021), Spain (Martín-Tapia, Aragón-Correa, and Rueda-Manzanares 2010), and the United Kingdom (Zeriti et al. 2014). Particularly, in their study of family firms, Haddoud, Onjewu, and Nowiński (2021) reported a positive and significant relationship in the correlations between CEI and export intensity. They explained this link by drawing attention to a high sensitivity of foreign consumers toward environmental issues, which compels exporters to adopt sustainable practices in their in-house processes. Nonetheless, INVs have scarcely been isolated as the unit of analysis for estimating export intensity as an outcome. This is surprising because, like other firm types, there are probable motivations for INVs' adoption of pro-environmental behavior as per the environmental consciousness paradigm (Zelezny and Schultz 2000). In other words, INVs may perceive material and reputational benefits from showing environmental commitment in the course of exporting. Accordingly, it is timely to query this line of thinking among European INVs. The third hypothesis interrogates whether:

H3. *INVs that demonstrate CEI are more likely to have higher export intensity.*

2.4 | Foreign Ownership and Export Intensity

The association between foreign ownership and export intensity is a much-explored link. Narteh and Acheampong (2018) asserted that foreign ownership confers international market knowledge and legitimacy to the firm that could be leveraged for export purposes, consistent with Hymer (1960), Suchman (1995), and Teagarden (2015). The said legitimacy borders on foreign owners' capacity to validate the firm in overseas networks where there are norms, values, and beliefs that may exceed the purview of wholly domestic ownership (Narteh and Acheampong 2018). Narteh and Acheampong (2018, 563) add that "as foreigners have knowledge of their home markets and institutions, this will offer competitive advantages to the internationalising firm, such as finding it easier to comply with regulations." Moreover, Teagarden (2015) intimates that firms with foreign ownership face domestic disadvantages for being perceived as outsiders. To press the point, Mezias (2002) revealed that foreign owned firms were more likely to face labor related lawsuits than their domestically owned counterparts. Likewise, in Ghana, foreign-owned firms have a greater likelihood of being targets of criminal activity (Acheampong and Dana 2017). To explain this phenomenon, Hymer (1960) since observed that social discrimination of this sort is perpetuated by stakeholders including the government, consumers, and suppliers, and this instigates foreign firms to consider exporting. To acquiesce ownership theory, there is a long-held view that a difference in proprietorship shapes firms' behavior (Alchian and Demsetz 1973). Accordingly, Filatotchev, Stephan, and Jindra (2008) stressed that there is a positive relationship between foreign ownership and export intensity. This link is explained by foreign owners leveraging their contacts and knowledge of overseas markets for the purpose of selling abroad. In Contractor, Hsu, and Kundu's (2005) related study, the authors only investigated the influence of foreign-trained employees on Indian and Taiwanese INVs' export intensity. A fourth hypothesis is proposed to address this gap:

H4. *INVs with foreign ownership are associated with higher export intensity.*

2.5 | Board of Directors and Export Intensity

Prior studies associating the presence of a board of directors with export performance abound. In their Turkish inquiry, Nas and Kalaycioglu (2016) examined how the composition of the board of directors impacted on firms' export competitiveness. They found that when CEOs do not simultaneously lead the board of directors, export performance is enhanced. In their Norwegian study, Calabrò and Mussolino (2013) investigated how board of directors influence the export intensity of family firms in the setting. The authors drew on the dimensions of informal relationships including relational norms and integrity-based trust to explain how firms' governance systems positively influence export intensity as an institutional outcome. Similarly, in Sweden, Lööf and Viklund-Ros (2020) find that when the board of directors possessed some exporting experience, the likelihood of non-exporters entering foreign markets is significantly increased. Ossorio (2020) also assessed the size of the board of directors and discerned a negative relationship with export activity. In Dias et al. (2021), interest was in the independence of directors in Brazil. They found that "the greater the presence of independent members on the board, the higher the export level of firms" (Dias et al. 2021, 2). This is because, like foreign owners, board of directors may possess knowledge of overseas markets and networks that bequeath internationalization opportunities. They may also influence managers to embark on internationalization as a means of enhancing firm performance. In this vein, Fiedler et al. (2023, 590) contend that "board members can play a significant role in providing knowledge and networks in the earlier stages of INV internationalization, they can be likened to an 'on-ramp' that enables INVs to gain speed. Based on the knowledge and networks theory, directors" human and social capital can offset the INVs' deficiency and bestow international market legitimacy (Vahlne and Johanson 2017; Lööf and Viklund-Ros 2020). Yet, to offer evidence of this occurrence in relation to export intensity as a specific measure of internationalization, a concluding hypothesis is stipulated as follows:

H5. *INVs with a board of directors are associated with higher export intensity.*

The five hypotheses are summarized in Figure 1.

3 | Methodology

3.1 | The Context of Europe

Although Europe is the second-smallest continent with a 10.2 million km^2 land mass (Takacs 2015), it is the most densely populated with more than 748 million inhabitants spread across 51 independent states (Pullin et al. 2009; Worldometer 2022).

Economically, the International Monetary Fund (2021) estimates that Europe is the world's second largest market (after Asia) in terms of purchasing power parity, generating the third best gross domestic product (after Asia and North America). Accordingly, to meet household and corporate needs, the rate of new business creation is particularly high in Europe when nascent entrepreneurship and entrepreneurial intentions are taken into account (Roman, Bilan, and Ciumaș 2018). In 2018, in European Union member countries only, there were 25.3 million active firms employing 131 million people, of which 2.5 million were new ventures (European Commission 2021). In terms of their export performance, Nowiński and Rialp (2013) point to peculiarities in the country profiles and institutional environments in Europe as having a bearing on the level of international business activity undertaken by firms on the continent. Yet, as Bigos and Michalik (2020) recently stated, little is known about the antecedents enabling INVs in Europe. Also, research into INVs is mostly focused on developed country contexts (Saiyed et al. 2023). Therefore, this study adds a CG perspective to further the understanding of how institutional attributes contribute to INVs' export intensity in both developed and developing European countries.

3.2 | Data and Measures

The 181 firms examined were sourced from The World Bank's 2019 enterprise survey of European countries, using stratified random sampling. Twenty-five countries were chosen solely based on available data on the continent. For each country, the data was filtered by two criteria. First, only firms founded in 2015, 2016 and 2017 (3-year period),[1] as well as those that began exporting within the first 3 years of being established were retained. For each INV observed, The World Bank enquired "in which year did this establishment first export directly or indirectly?" Thus, case selection was limited to firms established and exporting within 3 years of their founding up to 2018 to uphold Madsen's (2013) characterization of an INV. Second, all cases with missing data in the variables examined and "don't know" responses were removed to pre-empt statistical distortion. From a total sample of 15,864 firms,[2] only 181 satisfied the selection criteria. The indicators were (1) FO (FOREIGN), (2) Board of Directors (BOARD), (3) INVs' Commitment to Environmental Issues (CEI), (4) Export Intensity (EXPINT), and (5) Number of Employees (SIZE). The single items measuring these attributes are explained in Table 1.

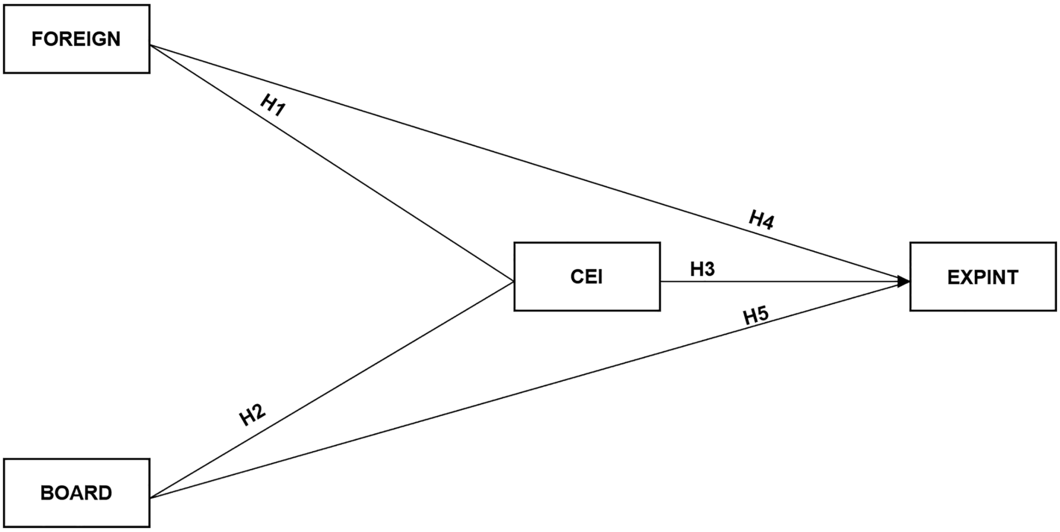

FIGURE 1 | Theoretical framework.

TABLE 1 | Measurement details.

Variable	Item	Scale
FO	What percentage of this firm is owned by private foreign individuals, companies or organizations?	Continuous
BOARD	Does the firm have a board of directors or a supervisory board?	Yes/no
CEI	In the last fiscal year, did this firm have strategic objectives that mention environmental or climate change issues?	Yes/no
	In the last fiscal year, did this establishment have a manager responsible for environmental and climate change issues?	Yes/no
Export intensity	In the last fiscal year, what percentage of this establishment's sales were direct exports?	Continuous
Number of employees	At the end of the last fiscal year, how many permanent, full-time individuals worked in this establishment?	Continuous

3.3 | Sample Characteristics

To reiterate, 181 INVs were extrapolated from a population of 15,864 European firms. Table 2 profiles these cases on the bases of country, sector, founding year, year of first export, number of employees, and percentage of FO.

4 | Analysis

To test the relationships in the theoretical framework, robust path analysis in Kock's (2020) WarpPLS version 7.0 was employed. This algorithm is recommended for assessing models with single item and binary variables (Kock 2014; Sajid et al. 2020). This technique was also preferred for its capacity to simultaneously test the measurement and structural model in analyses where there are no assumptions of normally distributed data (Kock and Gaskins 2014; Kock 2014, 2018).

4.1 | Measurement Model

To ascertain the reliability and validity of the measures, composite reliability (CR), Cronbach's alpha (α), and average variance extracted (AVE) should be calculated (Onjewu, Jafari-Sadeghi, and Hussain 2022). In the current analysis, there is only one latent construct (CEI) with two indicators for which these can be assessed at the accepted thresholds of 0.7 for CR (Purwanto and Sudargini 2021), 0.6 for α (Gallais et al. 2017), and 0.5 AVE (Zaiţ and Bertea 2011). For all items, multicollinearity is estimated by variance inflation factor scores <3.3 (Kock 2015). Table 3 presents the results of the outer measurement model within the limits.

4.2 | Structural Model and Hypothesis Testing

In the inner model, the associations between FO, board of directors, strategic CEI and firm size (as a control variable) were determined by interpretation of the path coefficients and p values shown in Figure 2.

First, the path analysis suggests that FO significantly and positively increases INVs' CEI ($\beta=0.38$***), thus H1 is supported. Second, it is found that the presence of a board of directors bears no relationship with INVs' CEI (p value$=0.38$). Accordingly, H2 is rejected. Third, the conceptualized relationship between CEI and export intensity has not materialized (p value$=0.33$), so H3 is also rejected. Fourth, FO significantly and positively boosts INVs' export intensity ($\beta=0.31$***), while having a board of directors is not associated with the outcome (p value$=0.30$). Therefore, H4 is accepted while H5 is rejected. Finally, held as a constant, the size of INVs positively correlates with their export intensity ($\beta=0.16$**). Altogether, the structural model explains 15% of the variance in the export intensity among INVs in the sample. These results are further summarized in Table 4.

5 | Discussion

To reiterate, this study aimed to explore the disparate effects of foreign ownership and board of directors in prompting: (1) CEI and (2) enhancing export intensity. Accordingly, it has been shown that foreign ownership increases CEI and export performance exclusively. A further finding suggests the significant and positive role of the size of INVs in the correlations predicting export intensity. However, the perceived positive role of the board of directors in instigating INVs' CEI and export intensity has not been proven by the path analysis. Therefore, comparing the CG attributes of European INVs, it is foreign ownership rather than board of directors that boosts CEI and export intensity. Thus, the rest of this discussion deliberates, in turn, (1) the effect of foreign ownership on CEI and (2) the effect of foreign ownership on export intensity.

Beginning with the first key finding, it has been deduced that when INVs have FO, they exude environmental commitment in their organizational planning. This challenges Nakamura, Takahashi, and Vertinsky's (2001) view that foreign owners merely accede to environmental responsibility pressures when pressured by the government and civil society. Rather, it supports Gardberg and Fombrun's (2006) contention that firms take a forehanded attitude toward addressing environmental challenges. In the same vein, they develop resources to generate financial and environmental performance as suggested by Mezias, Pant, and Abzug (2020), Ouvrard, Jasimuddin, and Spiga (2020), Xiang et al. (2021) and Haddoud, Onjewu, and Nowiński (2021). Firms' propensity to put in place proactive environmental strategies has previously been explained by the influence of internal stakeholders, and owners in particular (Darnall, Henriques, and Sadorsky 2010; Bueno-García et al. 2022). There is also a view that owners of small firms, such as the size of INVs in this study, are entrepreneurs who are able to incorporate environmental responsibility into their organizations' mission with greater ease when compared to large firms (Larson 2000). Accordingly, Sharma and Henriques (2005) believe that smaller firms (like the current INVs) are flexible, and therefore less likely to be committed to existing products and processes. In effect, they do not yet possess the core rigidities that often discourage environmental action (Dooley 2018; Adomako et al. 2019). Yet, the peculiarity of the current finding resides in the distinctive role of FO as opposed to domestic ownership. Moreover, the inherent finding suggests that FO in INVs is akin to FO in business group affiliates (Wang, Heugens, and Wijen 2023) and foreign institutional ownership (FIO) in MNEs (Ellimäki et al. 2023). To quote the latter, "FIOs drive their investee firms [the MNEs] to improve environmental performance in order to reduce reputational and legal risks" (Ellimäki et al. 2023, 923). According to Eesley and Lenox (2006) and Diestre and Rajagopalan (2014), these risks may take the form of litigation, fines, and stakeholder dissatisfaction that may curtail the viability of INVs, business group affiliates, and MNEs alike. In the same vein, Wang, Heugens, and Wijen (2023) write that foreign ownership has a positive effect on business group affiliates' propensity to adopt environmental management systems. This finding is doubly pertinent as foreign investors have discretion and may choose to disengage from governance activities (Han, Ding, and Zhang 2022), such as environmental commitment.

Pertaining the second key finding, the effect of foreign ownership on export intensity, it has also been gathered that when INVs have FO, their volume of foreign sales as a proportion of total sales is enhanced. This result is consistent with Narteh and Acheampong's (2018) argument that foreign owners validate their firms in foreign networks where the

TABLE 2 | Sample characteristics.

Country	Frequency	Percent
Albania	14	7.7
Azerbaijan	3	1.7
Bosnia and Herzegovina	3	1.7
Bulgaria	8	4.4
Croatia	4	2.2
Cyprus	2	1.1
Czech Republic	7	3.9
Estonia	8	4.4
Georgia	29	16.0
Hungary	6	3.3
Italy	10	5.5
Kosovo	5	2.8
Latvia	4	2.2
Lithuania	6	3.3
Moldova	5	2.8
North Macedonia	2	1.1
Poland	7	3.9
Portugal	15	8.3
Romania	1	0.6
Russia	17	9.4
Serbia	4	2.2
Slovak Republic	1	0.6
Slovenia	4	2.2
Turkey	15	8.3
Ukraine	1	0.6
Total	**181**	**100.0**

Sector	Frequency	Percent
Manufacturing firms	121	66.9
Service firms	53	29.3
Retail firms	7	3.9
Total	**181**	**100.0**

Founding year	Frequency	Percent
2015	80	44.2
2016	71	39.2
2017	30	16.6
Total	**181**	**100.0**

Year of first export	Frequency	Percent
2015	49	27.1
2016	67	37.0
2017	49	27.1
2018	16	8.8
Total	**181**	**100.0**

Number of employees	Frequency	Percent
0–19	74	40.9
20–49	49	27.1
50–99	25	13.8
100–250	21	11.6
>250	12	6.6
Total	**181**	**100.0**

Percentage of FO	Frequency	Percent
0%–40%	153	84.5
41%–70%	3	1.7
71%–100%	25	13.8
Total	**181**	**100.0**

TABLE 3 | Measurement model.

	CEI
CR	0.834
α	0.601
AVE	0.715

VIF	CEI	FOREIGN	BOARD	EXPINT	SIZE
	1.249	1.552	1.093	1.167	1.465

market expectations exceed what domestic owners are able to satisfy. Moreover, Hymer's (1960) longstanding view that foreign owned firms are more oriented toward international markets is corroborated here. Admittedly, examining the influence of the social incentives of export intention such as the liability of outsidership (Teagarden 2015), domestic litigation (Mezias 2002) and crime (Acheampong and Dana 2017) are beyond the scope of this study. Nevertheless, the strength of the relationship between FO and EXPINT ($\beta = 0.31^{***}$) suffices to support Filatotchev, Stephan, and Jindra's (2008) assessment that there is a positive relationship between foreign ownership and export intensity. Morgan, Sui, and Baum (2018) refer to foreign owners as "immigrant owners" who possess valuable human and social capital for identifying, evaluating, developing, and exploiting opportunities in international markets. Nonetheless, in this study, the examination of INVs as the unit of analysis adds a new perspective to the FO–EXPINT nexus. The empirical limits evident in Haddoud, Onjewu, and Nowiński (2021) and Onjewu et al.'s (2023)

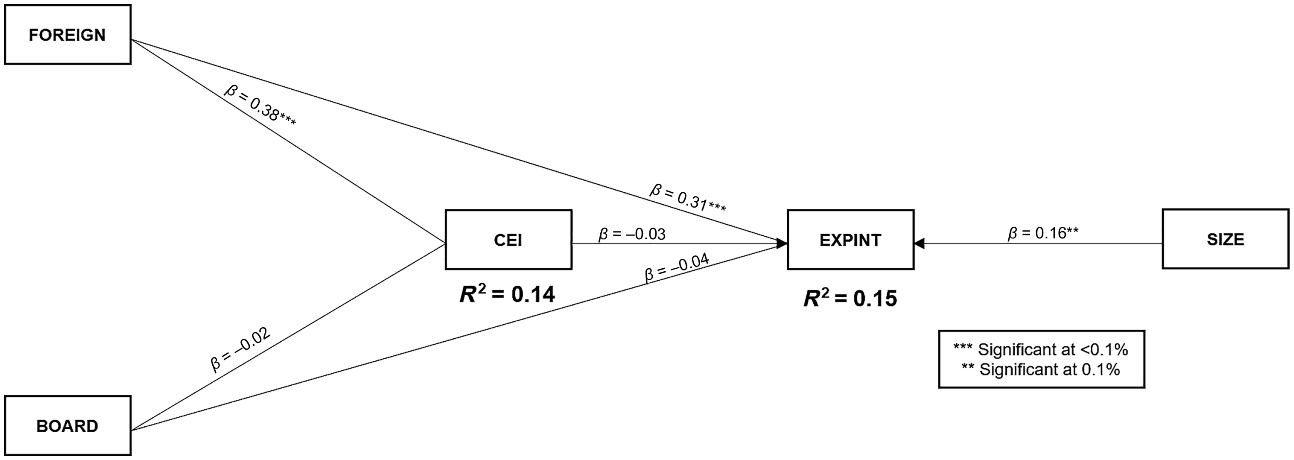

FIGURE 2 | Structural model.

TABLE 4 | Hypothesis testing.

Hypothesized relationships	Path coefficient	p	Test
H1: FOREIGN ⇒ CEI	0.38	<0.1	Significant, accepted
H2: BOARD ⇒ CEI	−0.02	0.38	Nonsignificant, rejected
H3: CEI ⇒ EXPINT	−0.03	0.33	Nonsignificant, rejected
H4: FOREIGN ⇒ EXPINT	0.31	<0.1	Significant, accepted
H5: BOARD ⇒ EXPINT	−0.04	0.30	Nonsignificant, rejected

focus on the environmental commitment of family firms has been expanded here. Also, the value of foreign ownership and board of directors beyond increasing firm value (Ahmed and Iwasaki 2021) and profitability (Peck-Ling, Nai-Chiek, and Chee-Seong 2016) has been demonstrated here to yield new knowledge in the INV corpus.

Furthermore, although the relationships between (1) board of directors and CEI, (2) CEI and export intensity, and (3) board of directors and export intensity were not evidenced (with p values exceeding 0.05), the results pave way for comparison with a larger sample of in-country INVs. As Onjewu, Puntaier, and Hussain (2022) mention, commonality in the social and environmental context of a sample has a bearing in the results derived from path analysis. Therefore, despite their nonsignificance, the conceptualization of H2, H3, and H5 still adds to the INV discourse by instigating comparative studies to probe these correlations.

5.1 | Theoretical Implications

Reverting to the self-selection versus learning-by-doing thesis, the positive link between FO and EXPINT, as well as the path model's effective prediction of EXPINT by 15% ($R^2 = 0.15$) among INVs suggests two things. First, INVs embody the resources needed to absorb financial and nonfinancial sunk costs (Girma, Greenaway, and Kneller 2004), and do so in an efficient manner as intimated by Wagner (2007) to self-select into international markets. Second, seeing as INVs are reliant on foreign owners' networks and social capital (Morgan, Sui, and Baum 2018; Narteh and Acheampong 2018) to enter into foreign markets, they also learn through knowledge spillovers that are a key ingredient for export activity (Fafchamps, El Hamine, and Zeufack 2008; Salomon and Jin 2008). In other words, INVs also internationalize through learning-by-doing. Therefore, this study argues that INVs, as opposed to late internationalizers (Hughes et al. 2019), dynamically self-select and learn-by-doing to realize export intensity. To this extent, Haddoud, Onjewu, and Nowiński (2021) and Onjewu, Hussain, and Haddoud's (2022) claim that self-selection is likely to occur first is contested where INVs are concerned.

Furthermore, the significant relationship between FO and CEI flanked by a nonsignificant relationship between BOARD and CEI is a telling theoretical contribution. This suggests that FO is of distinctive importance to INVs who rely on foreign capital for their operations (Gerschewski et al. 2018; Oviatt and McDougall 2005; Romanello and Chiarvesio 2019). Conceivably, this gives foreign owners an upper hand in masterminding the priorities and activities of INVs, to the extent that the board of directors have a limited influence. In this regard, Crisóstomo and de Freitas Brandão (2019) draw attention to a substitution effect mechanism in which shareholders with a higher leverage override their counterparts with lower stakes.

Overall, the utmost theoretical contribution of this paper is presenting one of the first findings on the effect of foreign ownership on INVs' environmental commitment and export intensity. This has been achieved through empirical observation and adds to the growing repository of knowledge on INVs. Specifically, it has been demonstrated that, similar to MNEs (Ellimäki et al. 2023) and business groups (Wang, Heugens, and Wijen 2023), INVs' foreign ownership produces divergent outcomes, paving way for additional research in this organizational context.

5.2 | Practical Implications

Policymakers and practitioners in Europe can appropriate the findings to shape their CEI and export planning. Particularly, the common market and free-trade policies that obtain in most parts of the continent already enable the flow of capital needed for FO, and frictionless movement of people to cultivate networks for export activities. On this basis, the European Commission can reflect on the current results alongside the European Green Deal to showcase the benefits of trade openness for environmental sustainability and export performance. Other economic blocs such as the United States–Mexico–Canada Agreement (USMCA) and the Regional Comprehensive Economic Partnership (RCEP) can also consider policies that obtain in Europe to incentivize FO for the purpose of intensifying CEI and EXPINT. Investors will also be encouraged to intensify their CEI knowing that there is a virtuous trade-off in acting proactively for the sake of the environment (Haddoud, Onjewu, and Nowiński 2021), and this does not require forfeiting the financial rewards of export performance.

5.3 | Limitations and Future Research

The first limitation of this study is its exclusive focus on European INVs. Therefore, the results may only reflect outcomes in the European context. To this end, new studies are solicited to explore FO in the African, Asia-Pacific, and American terrains for comparison. Also, in spite of examining 181 INV cases, the national representativeness of the 25 countries in the study is low, owing to the secondary nature of the data. To remedy this weakness, future studies can take an in-country purposive sampling approach to identify and appraise a broader quorum of INVs. As with all cross-sectional studies, the relationships determined in the structural model are merely associations rather than causal links. Therefore, future inquiries can take a longitudinal approach to prove causation and, by the same token, address endogeneity issues that are likely to arise in cross-sectional works. It is also noted that the measures in this study are mostly single item and dichotomous indicators that may weaken the relationships estimated. Forthcoming papers can employ latent and continuous constructs that may better capture the attributes and possibly strengthen the correlations. Further work also can be carried out on the effect of dissent among foreign owners on environmental commitment and export intensity, as well as on the intersection between CG and export issues, such as CG practices and international regulations in relation to exports. In other studies, scholars can observe and investigate institutional and environmental factors that may moderate and/or mediate INVs' environmental commitment and export intensity. Finally, attribution of the self-selection versus learning-by-doing hypotheses in this study is only reflective owing to data limitations. Upcoming studies can observe and estimate the influence of both perspectives on the relationships in the structural model.

Endnotes

[1] This was the most recent cohort of new firms recorded in The World Bank's 2019 enterprise survey.

[2] The raw data comprised of 377 cases for Albania, 225 for Azerbaijan, 362 for Bosnia & Herzegovina, 772 for Bulgaria, 404 for Croatia, 240 for Cyprus, 502 for Czech Republic, 360 for Estonia, 581 for Georgia, 805 for Hungary, 760 for Italy, 271 for Kosovo, 359 for Latvia, 358 for Lithuania, 360 for Moldova, 150 for Montenegro although none met the criteria, 360 for North Macedonia, 1369 for Poland, 1062 for Portugal, 814 for Romania, 1323 for Russia, 361 for Serbia, 429 for the Slovak Republic, 410 for Slovenia, 1663 for Turkey, and 1337 for Ukraine.

References

Acheampong, G., and L. Dana. 2017. “Liability of Foreignness in Fast-Expanding Markets: Evidence From Ghana.” *Thunderbird International Business Review* 59, no. 1: 51–61.

Adomako, S., J. Amankwah-Amoah, A. Danso, R. Konadu, and S. Owusu-Agyei. 2019. “Environmental Sustainability Orientation and Performance of Family and Nonfamily Firms.” *Business Strategy and the Environment* 28, no. 6: 1250–1259.

Aguilera, R. V., V. Marano, and I. Haxhi. 2019. “International Corporate Governance: A Review and Opportunities for Future Research.” *Journal of International Business Studies* 50: 457–498.

Ahmed, A., and T. Iwasaki. 2021. “Foreign Ownership, Appointment of Independent Directors, and Firm Value: Evidence From Japanese Firms.” *Journal of International Accounting, Auditing and Taxation* 43, no. C: 100401.

Albitar, K., H. Al-Shaer, and Y. Liu. 2023. “Corporate Commitment to Climate Change: The Effect of Eco-Innovation and Climate Governance.” *Research Policy* 52, no. 2: 104697.

Alchian, A., and H. Demsetz. 1973. “The Property Right Paradigm.” *Journal of Economic History* 33, no. 1: 16–27.

Appiah, K., H. Mensah, J. Amankwah-Amoah, and A. Agyapong. 2023. “Does Corporate Governance Matter in the Failures of Listed Home-Grown Banks?” *International Journal of Critical Accounting* 13, no. 2: 131–150.

Axinn, C. N. 1988. “Export Performance: Do Managerial Perceptions Make a Difference?” *International Marketing Review* 5, no. 2: 61–71.

Bae, S. M., M. A. K. Masud, and J. D. Kim. 2018. “A Cross-Country Investigation of Corporate Governance and Corporate Sustainability Disclosure: A Signaling Theory Perspective.” *Sustainability* 10, no. 8: 2611.

Baldwin, J., and W. Gu. 2003. “Export-Market Participation and Productivity Performance in Canadian Manufacturing.” *Canadian Journal of Economics/Revue Canadienne d'économique* 36, no. 3: 634–657.

Bello, D., and N. Williamson. 1985. “Contractual Arrangement and Marketing Practices in the Indirect Export Channel.” *Journal of International Business Studies* 16, no. 2: 65–82.

Bernard, A., and J. Jensen. 1999. “Exceptional Exporter Performance: Cause, Effect, or Both?” *Journal of International Economics* 47, no. 1: 1–25.

Bhaumik, S., N. Driffield, A. Gaur, T. Mickiewicz, and P. Vaaler. 2019. “Corporate Governance and MNE Strategies in Emerging Economies.” *Journal of World Business* 54, no. 4: 234–243.

Bigos, K., and A. Michalik. 2020. “The Influence of Innovation on International New Ventures' Exporting in Central and Eastern Europe and Central Asia Countries.” *Entrepreneurial Business and Economics Review* 8, no. 3: 47–63.

Bilkey, W. 1985. “Development of Export Marketing Guidelines.” *International Marketing Review* 2, no. 1: 31–40.

Bravo-Ortega, C., J. Benavente, and Á. González. 2014. “Innovation, Exports, and Productivity: Learning and Self-Selection in Chile.” *Emerging Markets Finance and Trade* 50, no. 1: 68–95.

Buccieri, D., R. G. Javalgi, and V. E. Jancenelle. 2021. “Dynamic Capabilities and Performance of Emerging Market International New Ventures: Does International Entrepreneurial Culture Matter?” *International Small Business Journal* 39, no. 5: 474–499.

Bueno-García, M., B. Delgado-Márquez, P. Georgallis, and J. Aragón-Correa. 2022. “How Do Shareholders Influence International Firms' Environmental Strategies? The Differential Impact of Strategic and Financial Investors.” *Long Range Planning* 55, no. 6: 102183.

Burton, F., and B. Schlegelmilch. 1987. “Profile Analysis of Non-Exporters Versus Exporters Grouped by Export Involvement.” *Management International Review* 27, no. 1: 38–49.

Calabrò, A., and D. Mussolino. 2013. “How Do Boards of Directors Contribute to Family SME Export Intensity? The Role of Formal and Informal Governance Mechanisms.” *Journal of Management and Governance* 17, no. 2: 363–403.

Clark, D., and R. Pidduck. 2023. “International New Ventures: Beyond Definitional Debates to Advancing the Cornerstone of International Entrepreneurship.” *Journal of Small Business Management* 62: 1–23. https://doi.org/10.1080/00472778.2022.2149761.

Contractor, F., C. Hsu, and S. Kundu. 2005. “Explaining Export Performance: A Comparative Study of International New Ventures in Indian and Taiwanese Software Industry.” *Management International Review* 45, no. 3: 83–110.

Cordeiro, J., and J. Sarkis. 1997. “Environmental Proactivism and Firm Performance: Evidence From Security Analyst Earnings Forecasts.” *Business Strategy and the Environment* 6, no. 2: 104–114.

Crisóstomo, V., and I. de Freitas Brandão. 2019. “The Ultimate Controlling Owner and Corporate Governance in Brazil.” *Corporate Governance* 19, no. 1: 120–140.

Darnall, N., I. Henriques, and P. Sadorsky. 2010. “Adopting Proactive Environmental Strategy: The Influence of Stakeholders and Firm Size.” *Journal of Management Studies* 47, no. 6: 1072–1094.

Deligianni, I. 2023. “Revisiting the Relationship Between Product and International Diversification in New Ventures: The Moderating Effect of Effectuation Processes.” *International Business Review* 32, no. 1: 102051.

Dias, V., M. Cunha, F. M. Peixoto, and D. Jesuka. 2021. “Do Ownership Concentration and the Board of Directors Affect Exports?” *Revista de Administração Mackenzie* 22, no. 3: 1–27.

Diestre, L., and N. Rajagopalan. 2014. “Toward an Input-Based Perspective on Categorization: Investor Reactions to Chemical Accidents.” *Academy of Management Journal* 57, no. 4: 1130–1153.

Djupdal, K., and P. Westhead. 2015. “Environmental Certification as a Buffer Against the Liabilities of Newness and Smallness: Firm Performance Benefits.” *International Small Business Journal* 33, no. 2: 148–168.

Dooley, K. 2018. “Routine Rigidity and Environmental Sustainability: Why Rational Innovations Are Regularly Ignored.” *Business Strategy and the Environment* 27, no. 1: 70–81.

Eesley, C., and M. Lenox. 2006. “Firm Responses to Secondary Stakeholder Action.” *Strategic Management Journal* 27, no. 8: 765–781.

Ellimäki, P., R. Aguilera, N. Hurtado-Torres, and J. Aragón-Correa. 2023. “The Link Between Foreign Institutional Owners and Multinational Enterprises' Environmental Outcomes.” *Journal of International Business Studies* 54, no. 5: 910–927.

Estrin, S., K. Meyer, M. Wright, and F. Foliano. 2008. “Export Propensity and Intensity of Subsidiaries in Emerging Economies.” *International Business Review* 17, no. 5: 574–586.

European Commission. 2021. “Business Demography Statistics.” https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Business_demography_statistics.

Fafchamps, M., S. El Hamine, and A. Zeufack. 2008. “Learning to Export: Evidence From Moroccan Manufacturing.” *Journal of African Economies* 17, no. 2: 305–355.

Fernandes, A., and A. Isgut. 2015. “Learning-by-Exporting Effects: Are They for Real?” *Emerging Markets Finance and Trade* 51, no. 1: 65–89.

Ferrero-Ferrero, I., M. Fernández-Izquierdo, and M. Muñoz-Torres. 2015. “Integrating Sustainability Into Corporate Governance: An Empirical Study on Board Diversity.” *Corporate Social Responsibility and Environmental Management* 22, no. 4: 193–207.

Fiedler, A., B. Fath, N. Sinkovics, and R. Sinkovics. 2023. “On-Ramp or Speed Bump? How Boards Influence the Internationalisation of International New Ventures.” *International Small Business Journal* 41, no. 6: 590–622.

Filatotchev, I., J. Stephan, and B. Jindra. 2008. “Ownership Structure, Strategic Controls and Export Intensity of Foreign-Invested Firms in Transition Economies.” *Journal of International Business Studies* 39, no. 7: 1133–1148.

Gallais, B., C. Gagnon, G. Forgues, I. Côté, and L. Laberge. 2017. “Further Evidence for the Reliability and Validity of the Fatigue and Daytime Sleepiness Scale.” *Journal of the Neurological Sciences* 375: 23–26.

García-Sánchez, I., and J. Martínez-Ferrero. 2017. “Independent Directors and CSR Disclosures: The Moderating Effects of Proprietary Costs.” *Corporate Social Responsibility and Environmental Management* 24, no. 1: 28–43.

García-Sánchez, I., L. Rodríguez-Domínguez, and J. Frías-Aceituno. 2015. “Board of Directors and Ethics Codes in Different Corporate Governance Systems.” *Journal of Business Ethics* 131, no. 3: 681–698.

Gardberg, N., and C. Fombrun. 2006. “Corporate Citizenship: Creating Intangible Assets Across Institutional Environments.” *Academy of Management Review* 31, no. 2: 329–346.

Gerschewski, S., Y. K. Lew, Z. Khan, and B. I. Park. 2018. “Post-Performance of International New Ventures: The Mediating Role of Learning Orientation.” *International Small Business Journal* 36, no. 7: 807–828.

Girma, S., A. Greenaway, and R. Kneller. 2004. “Does Exporting Increase Productivity? A Microeconometric Analysis of Matched Firms.” *Review of International Economics* 12, no. 5: 855–866.

Góes, H., G. Fatima, R. Santos Jhunior, and J. Boaventura. 2023. “Managing for Stakeholders Towards Corporate Environmental Sustainability.” *Corporate Social Responsibility and Environmental Management* 30, no. 4: 1561–1572.

Greeno, J. 1994. “Corporate Environmental Excellence and Stewardship: Five Critical Tasks of Top Management.” *Environmental Quality Management* 3, no. 4: 479–499.

Haddoud, M., A. Onjewu, and W. Nowiński. 2021. “Environmental Commitment and Innovation as Catalysts for Export Performance in Family Firms.” *Technological Forecasting and Social Change* 173: 121085.

Haddoud, M., A. Onjewu, W. Nowiński, and P. Jones. 2021. “The Determinants of SMEs' Export Entry: A Systematic Review of the Literature.” *Journal of Business Research* 125: 262–278.

Haladu, A., and B. Salim. 2016. “Corporate Ownership and Sustainability Reporting: Environmental Agencies' Moderating

Effects." *International Journal of Economics and Financial Issues* 6, no. 4: 1784–1790.

Han, M., A. Ding, and H. Zhang. 2022. "Foreign Ownership and Earnings Management." *International Review of Economics and Finance* 80, no. C: 114–133.

Heim, I., A. Vigneau, and Y. Kalyuzhnova. 2023. "Environmental and Socio-Economic Policies in Oil and Gas Regions: Triple Bottom Line Approach." *Regional Studies* 57, no. 1: 181–195.

Hughes, M., B. Cesinger, C. Cheng, F. Schuessler, and S. Kraus. 2019. "A Configurational Analysis of Network and Knowledge Variables Explaining Born Globals' and Late Internationalizing SMEs' International Performance." *Industrial Marketing Management* 80: 172–187.

Hymer, S. 1960. *The International Operations of National Firms: A Study of Direct Foreign Investment*. Cambridge, MA: Massachusetts Institute of Technology.

International Monetary Fund. 2021. "Report for Selected Countries and Subjects: October 2021." https://www.imf.org/en/Publications/WEO/weo-database/2021/October/weo-report.

Kaczmarek, S., and R. Nyuur. 2016. "Review of the Literature on Board Committees: Taking Stock and Looking Ahead." *International Journal of Business Governance and Ethics* 11, no. 2: 89–115.

Keay, A. 2017. "Stewardship Theory: Is Board Accountability Necessary." *International Journal of Law and Management* 59, no. 6: 1292–1314.

Kock, N. 2014. "Advanced Mediating Effects Tests, Multi-Group Analyses, and Measurement Model Assessments in PLS-Based SEM." *International Journal of e-Collaboration* 10, no. 3: 1–13.

Kock, N. 2015. "Common Method Bias in PLS-SEM: A Full Collinearity Assessment Approach." *International Journal of e-Collaboration* 11, no. 4: 1–10.

Kock, N. 2018. "Should Bootstrapping Be Used in PLS-SEM: Toward Stable *p*-Value Calculation Methods." *Journal of Applied Structural Equation Modelling* 2, no. 1: 1–12.

Kock, N. 2020. *WarpPLS User Manual: Version 7.0*. Laredo, TX: ScriptWarp Systems.

Kock, N., and L. Gaskins. 2014. "The Mediating Role of Voice and Accountability in the Relationship Between Internet Diffusion and Government Corruption in Latin America and Sub-Saharan Africa." *Information Technology for Development* 20, no. 1: 23–43.

Kusi, S. Y., P. Gabrielsson, and M. Kontkanen. 2021. "Developing Brand Identities for International New Ventures Under Uncertainty: Decision-Making Logics and Psychic Distance." *International Business Review* 30, no. 6: 101867.

Larson, A. L. 2000. "Sustainable Innovation Through an Entrepreneurship Lens." *Business Strategy and the Environment* 9, no. 5: 304–317.

Li, E., L. Zhou, and A. Wu. 2017. "The Supply-Side of Environmental Sustainability and Export Performance: The Role of Knowledge Integration and International Buyer Involvement." *International Business Review* 26, no. 4: 724–735.

Li, H., S. Terjesen, and T. Umans. 2020. "Corporate Governance in Entrepreneurial Firms: A Systematic Review and Research Agenda." *Small Business Economics* 54: 43–74.

Li, J., R. Pike, and R. Haniffa. 2008. "Intellectual Capital Disclosure and Corporate Governance Structure in UK Firms." *Accounting and Business Research* 38, no. 2: 137–159.

Liu, J., and J. Xie. 2020. "Environmental Regulation, Technological Innovation, and Export Competitiveness: An Empirical Study Based on China's Manufacturing Industry." *International Journal of Environmental Research and Public Health* 17, no. 4: 1427.

Long, W., L. Luo, H. Sun, and Q. Zhong. 2023. "Does Going Abroad Lead to Going Green? Firm Outward Foreign Direct Investment and Domestic Environmental Performance." *Business Strategy and the Environment* 32, no. 1: 484–498.

Lööf, H., and I. Viklund-Ros. 2020. "Board of Directors and Export Spillovers: What Is the Impact on Extensive Margins of Trade?" *The World Economy* 43, no. 5: 1188–1215.

Madsen, T. 2013. "Early and Rapidly Internationalizing Ventures: Similarities and Differences Between Classifications Based on the Original International New Venture and Born Global Literatures." *Journal of International Entrepreneurship* 11, no. 1: 65–79.

Martínez-Ferrero, J., M. Lozano, and M. Vivas. 2021. "The Impact of Board Cultural Diversity on a Firm's Commitment Toward the Sustainability Issues of Emerging Countries: The Mediating Effect of a CSR Committee." *Corporate Social Responsibility and Environmental Management* 28, no. 2: 675–685.

Martín-Tapia, I., J. Aragón-Correa, and A. Rueda-Manzanares. 2010. "Environmental Strategy and Exports in Medium, Small and Micro-Enterprises." *Journal of World Business* 45, no. 3: 266–275.

Maury, C., and A. Pajuste. 2002. "Controlling Shareholders, Agency Problems, and Dividend Policy in Finland." *Liiketaloudellinen Aikakauskirja* 1, no. 2: 15–45.

Mezias, J. 2002. "How to Identify Liabilities of Foreignness and Assess Their Effects on Multinational Corporations." *Journal of International Management* 8, no. 3: 265–282.

Mezias, S., I. Pant, and R. Abzug. 2020. "Sustainability in Asia: Family Business at the Forefront" (INSEAD Working Paper No. 2020/38/EFE).

Michelon, G., and A. Parbonetti. 2012. "The Effect of Corporate Governance on Sustainability Disclosure." *Journal of Management and Governance* 16, no. 3: 477–509.

Morgan, H., S. Sui, and M. Baum. 2018. "Are SMEs With Immigrant Owners Exceptional Exporters?" *Journal of Business Venturing* 33, no. 3: 241–260.

Naciti, V. 2019. "Corporate Governance and Board of Directors: The Effect of a Board Composition on Firm Sustainability Performance." *Journal of Cleaner Production* 237: 117727–117746.

Nakamura, M., T. Takahashi, and I. Vertinsky. 2001. "Why Japanese Firms Choose to Certify: A Study of Managerial Responses to Environmental Issues." *Journal of Environmental Economics and Management* 42, no. 1: 23–52.

Narteh, B., and G. Acheampong. 2018. "Foreign Participation and Internationalization Intensity of African Enterprises." *International Marketing Review* 35, no. 4: 560–579.

Nas, T., and O. Kalaycioglu. 2016. "The Effects of the Board Composition, Board Size and CEO Duality on Export Performance: Evidence From Turkey." *Management Research Review* 39, no. 11: 1374–1409.

Nowiński, W., and A. Rialp. 2013. "Drivers and Strategies of International New Ventures From a Central European Transition Economy." *Journal of East European Management Studies* 18, no. 2: 191–231.

Ochie, C., R. Nyuur, G. Ludwig, and J. Cunningham. 2022. "Dynamic Capabilities and Organizational Ambidexterity: New Strategies From Emerging Market Multinational Enterprises in Nigeria." *Thunderbird International Business Review* 64, no. 5: 493–509.

OECD. 2009. *Top Barriers and Drivers to SME Internationalisation*. Paris: Centre for Entrepreneurship, SME and Local Development.

O'Neill, H., C. Saunders, and A. McCarthy. 1989. "Board Members, Corporate Social Responsiveness and Profitability: Are Tradeoffs Necessary?" *Journal of Business Ethics* 8, no. 5: 353–357.

Onjewu, A., S. Hussain, and Y. Haddoud. 2022. "The Interplay of E-Commerce, Resilience and Exports in the Context of COVID-19." *Information Systems Frontiers* 24, no. 4: 1209–1221.

Onjewu, A., V. Jafari-Sadeghi, and S. Hussain. 2022. "Revisiting Innovation Practices in Subsistence Farming: The Net Effects of Land Management, Pesticide, Herbicide and Fungicide Practices on Expected Crop Harvest in Ethiopia." *International Journal of Technological Learning, Innovation and Development* 14, no. 1/2: 23–51.

Onjewu, A., V. Jafari-Sadeghi, N. Kock, M. Haddoud, and G. Sakka. 2023. "The Catalyzing Role of Customer Pressure on Environmental Initiatives and Export Intensity: A Study of Family Firms." *Journal of Business Research* 166: 114134.

Onjewu, A., E. Puntaier, and S. Hussain. 2022. "The Correlates of Energy Management Practices and Sales Performance of Small Family Food Firms in Turkey." *British Food Journal* 124, no. 7: 2343–2360.

Onjewu, A., N. Walton, and I. Koliousis. 2023. "Blockchain Agency Theory." *Technological Forecasting and Social Change* 191: 122482.

Ossorio, M. 2020. "Board of Directors and Export Activity Under a Controlling Shareholder System: Evidence From Italy." *International Journal of Business and Social Science* 11, no. 3: 50–57.

Ouvrard, S., S. Jasimuddin, and A. Spiga. 2020. "Does Sustainability Push to Reshape Business Models? Evidence From the European Wine Industry." *Sustainability* 12, no. 6: 2561.

Oviatt, B., and P. McDougall. 1994. "Toward a Theory of International New Ventures." *Journal of International Business Studies* 25, no. 1: 45–64.

Oviatt, B., and P. McDougall. 2005. "Toward a Theory of International New Ventures (2004 Decade Award Winning Article)." *Journal of International Business Studies* 36: 29–41.

Palmer, K., W. Oates, and P. Portney. 1995. "Tightening Environmental Standards: The Benefit-Cost or the No-Cost Paradigm?" *Journal of Economic Perspectives* 9, no. 4: 119–132.

Peck-Ling, T., A. Nai-Chiek, and L. Chee-Seong. 2016. "Foreign Ownership, Foreign Directors and the Profitability of Malaysian Listed Companies." *Procedia-Social and Behavioral Sciences* 219: 580–588.

Prashantham, S., and S. Young. 2011. "Post–Entry Speed of International New Ventures." *Entrepreneurship Theory and Practice* 35, no. 2: 275–292.

Pullin, A., A. Baldi, O. Can, et al. 2009. "Conservation Focus on Europe: Major Conservation Policy Issues That Need to Be Informed by Conservation Science." *Conservation Biology* 23, no. 4: 818–824.

Purwanto, A., and Y. Sudargini. 2021. "Partial Least Squares Structural Equation Modeling (PLS-SEM) Analysis for Social and Management Research: A Literature Review." *Journal of Industrial Engineering & Management Research* 2, no. 4: 114–123.

Puthusserry, N., Z. Khan, and P. Rodgers. 2018. "International New Ventures Market Expansion Through Collaborative Entry Modes: A Study of the Experience of Indian and British ICT Firms." *International Marketing Review* 35, no. 6: 890–913.

Ranjan, P., and J. Raychaudhuri. 2011. "Self-Selection vs Learning: Evidence From Indian Exporting Firms." *Indian Growth and Development Review* 4, no. 1: 22–37.

Rehman, N. 2017. "Self-Selection and Learning-by-Exporting Hypotheses: Micro-Level Evidence." *Eurasian Economic Review* 7, no. 1: 133–160.

Roman, A., I. Bilan, and C. Ciumaș. 2018. "What Drives the Creation of New Businesses? A Panel-Data Analysis for EU Countries." *Emerging Markets Finance and Trade* 54, no. 3: 508–536.

Romanello, R., and M. Chiarvesio. 2019. "Early Internationalizing Firms: 2004–2018." *Journal of International Entrepreneurship* 17: 172–219.

Saini, N., and M. Singhania. 2019. "Performance Relevance of Environmental and Social Disclosures: The Role of Foreign Ownership." *Benchmarking: An International Journal* 26, no. 6: 1845–1873.

Saiyed, A., E. Eryarsoy, A. Mondal, and K. Dhandapani. 2023. "Business Group Affiliation and Internationalization of New Ventures: Moderating Role of Industry and Liberalization." *Journal of Business Research* 157, no. C: 113610.

Sajid, M., N. Muhammad, R. Zakaria, A. Shahbaz, and A. Nauman. 2020. "Associated Factors of Cardiovascular Diseases in Pakistan: Assessment of Path Analyses Using Warp Partial Least Squares Estimation." *Pakistan Journal of Statistics and Operation Research* 16, no. 2: 265–277.

Salomon, R., and B. Jin. 2008. "Does Knowledge Spill to Leaders or Laggards? Exploring Industry Heterogeneity in Learning by Exporting." *Journal of International Business Studies* 39, no. 1: 132–150.

Sharma, S., and I. Henriques. 2005. "Stakeholder Influences on Sustainability Practices in the Canadian Forest Products Industry." *Strategic Management Journal* 26, no. 2: 159–180.

Silva, A., O. Afonso, and A. Africano. 2012. "Learning-by-Exporting: What We Know and What We Would Like to Know." *The International Trade Journal* 26, no. 3: 255–288.

Song, W., Y. Ma, X. Fan, and X. Peng. 2023. "Corporate Environmental Ethics and Employee's Green Creativity? The Perspective of Environmental Commitment." *Corporate Social Responsibility and Environmental Management* 30, no. 4: 1856–1868.

Strange, R., I. Filatotchev, T. Buck, and M. Wright. 2009. "Corporate Governance and International Business." *Management International Review* 49, no. 4: 395–407.

Suchman, M. 1995. "Managing Legitimacy: Strategic and Institutional Approaches." *Academy of Management Review* 20, no. 3: 571–610.

Takacs, S. 2015. *The Modern World: Civilizations of Africa, Civilizations of Europe, Civilizations of the Americas, Civilizations of the Middle East and Southwest Asia, Civilizations of Asia and the Pacific*. London: Routledge.

Teagarden, M. 2015. "Globalization Challenges and Controversies." *Thunderbird International Business Review* 57, no. 2: 85–86.

Vahlne, J., and J. Johanson. 2017. "From Internationalization to Evolution: The Uppsala Model at 40 Years." *Journal of International Business Studies* 48, no. 9: 1087–1102.

Waddock, S., and S. Graves. 1997. "The Corporate Social Performance—Financial Performance Link." *Strategic Management Journal* 18, no. 4: 303–319.

Wagner, J. 2007. "Exports and Productivity: A Survey of the Evidence From Firm-Level Data." *The World Economy* 30, no. 1: 60–82.

Wan Abdullah, W., M. Ghazali, and S. Buniamin. 2012. "The Effect of Board and Ownership Structure on Environmental Reporting: A Case of the Top 100 MCG Index Companies." *OIDA International Journal of Sustainable Development* 4, no. 7: 71–80.

Wang, R., P. Heugens, and F. Wijen. 2023. "Green by Affiliation? Ownership Identity and Environmental Management System Adoption in Chinese Business Groups." *Journal of Management* 50: 01492063221143721. https://doi.org/10.1177/01492063221143721.

Worldometer. 2022. "Europe Population." https://www.worldometers.info/world-population/europe-population/#:~:text=The%20current%20population%20of%20Europe,of%20the%20total%20world%20population.

Xiang, C., F. Chen, P. Jones, and S. Xia. 2021. "The Effect of Institutional Investors' Distraction on Firms' Corporate Social Responsibility Engagement: Evidence From China." *Review of Managerial Science* 15, no. 6: 1645–1681.

Yang, D., W. Jiang, and W. Zhao. 2019. "Proactive Environmental Strategy, Innovation Capability, and Stakeholder Integration Capability: A Mediation Analysis." *Business Strategy and the Environment* 28, no. 8: 1534–1547.

Zaiţ, A., and P. Bertea. 2011. “Methods for Testing Discriminant Validity.” *Management & Marketing Journal* 9, no. 2: 217–224.

Zelezny, L., and P. Schultz. 2000. “Psychology of Promoting Environmentalism: Promoting Environmentalism.” *Journal of Social Issues* 56, no. 3: 365–371.

Zeriti, A., M. Robson, S. Spyropoulou, and C. Leonidou. 2014. “Sustainable Export Marketing Strategy Fit and Performance.” *Journal of International Marketing* 22, no. 4: 44–66.

Zhou, C. 2021. “How Does Capital Intensity Affect the Relationship Between Outward FDI and Productivity? Micro-Evidence From Chinese Manufacturing Firms.” *Emerging Markets Finance and Trade* 57, no. 14: 4004–4019.