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Entrepreneurial strategic posture and learning effort in international ventures: The moderating roles of operational flexibilities

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ABSTRACT

Drawing from the attention-based view, this article extends the study of international entrepreneurship by investigating how the contribution of international ventures' entrepreneurial strategic posture to their actual learning efforts in foreign markets depends on various flexibilities that underlie their operations. The results from a sample of international Chinese ventures indicate that an entrepreneurial strategic posture enhances international learning effort more to the extent that the ventures possess greater cognitive and political flexibilities. Somewhat paradoxically, greater structural flexibility impedes the translation of an entrepreneurial strategic posture into international learning effort. The findings have important implications for the growing body of research that adopts an international new venture perspective.

1. Introduction

Ventures that enter foreign markets early in their lifetimes tend to encounter high levels of uncertainty, because of their limited knowledge about these markets (Eriksson, Johanson, Majkgard, & Sharma, 1997; Johanson & Vahlne, 1990). Efforts to learn about foreign markets can help them better understand specific institutional and competitive conditions of the markets they enter, as well as how to match their internal processes to those markets (Eriksson et al., 1997; Zaheer & Mosakowski, 1997). Organizational learning theory suggests that the amount of foreign knowledge a venture acquires depends critically on the intensity of learning efforts it expends in foreign markets (Cohen & Levinthal, 1990). Thus, the ability to learn about foreign markets increases to the extent that the venture devotes significant resources to activities aimed at new foreign knowledge acquisition (Ocasio, 1997). Because the venture's learning ability in relation to its foreign markets provides opportunities for increased international performance (Gabrielsson, Kirpalani, Solberg, & Zucchella, 2008; Jantunen, Nummela, Puumalainen, & Saarenket, 2008; Zahra, Ireland, & Hitt, 2000), investigating the drivers of the actual learning behaviors that underpin this ability should offer valuable insights into the deeper mechanisms that underlie a venture's international competitive position.

Whereas research on the internationalization of established firms emphasizes the ways that a lack of foreign knowledge can impede firms' early foreign market entry and rapid international expansion (Johanson & Vahlne, 1990), the international new venture perspective underscores the role of ventures' entrepreneurial character for stimulating learning and knowledge development (Jones & Coviello, 2005; Keupp & Gassmann, 2009; Zahra, 2005). In particular, the entrepreneurial character of international young ventures may fuel their capability development in foreign markets (Weerawardena, Sullivan Mort, Liesch, & Knight, 2007; Zhou, Wu, & Barnes, 2012) and contribute to their performance in those markets (Jantunen et al., 2008; Zhou, 2007). Yet explicit considerations of actual efforts devoted to developing new foreign knowledge, which precede such capability development, are scarce (Clercq, Sapienza, Yavuz, & Zhou, 2012; Keupp & Gassmann, 2009).

The attention-based view—which originates from strategic management research (Ocasio, 1997) but has not been applied much to international business literature—presents an appropriate framework for understanding why some international ventures are more likely to exhibit significant learning efforts in foreign markets. According to this theory, managerial attention can explain why firms focus on certain activities and not on others, and this managerial attention in turn is critically informed by the firm's strategic priorities (Barreto & Patient, 2013; Ocasio, 1997). In the context of early internationalization, managerial attention is

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particularly relevant, because managers in young ventures may be constrained by their ventures' liability of newness in terms of how much effort they can devote to foreign market learning activities (Zahra, 2005).

We therefore focus on the influence of ventures' entrepreneurial strategic posture on their propensity to engage in international learning effort, which we define as significant effort undertaken to develop new foreign knowledge (De Clercq et al., 2012; Sapienza, De Clercq, & Sandberg, 2005). In particular, we posit that translating such a strategic posture into enhanced learning efforts is not automatic but rather requires several underlying contingencies (Hultman, Robson, & Katsikeas, 2009).[3] Previous research suggests that an entrepreneurial strategic posture might contribute to the tendency to explore new knowledge domains (Clercq, Dimov, & Thongpapanl, 2013), but it also requires managers to go out of their way to question existing practices and replace them with new ways of doing business (Lumpkin & Dess, 1996), which can be costly. Thus, the resource constraints that young international ventures face may prevent their managers from effectively implementing strategic priorities for learning activities outside the domestic marketplace (Zahra, 2005).

In response, we investigate a critical set of contingencies that might influence the contribution of ventures' entrepreneurial strategic posture to their learning efforts in foreign markets, namely, the flexibilities that underlie their day-to-day operations, or operational flexibilities.[4] We focus on such flexibilities in line with extant research that advances the notion of the learning advantages of newness (LAN) for early internationalizers (Autio, Sapienza, & Almeida, 2000; Sapienza, Autio, George, & Zahra, 2006). According to the LAN concept, ventures that internationalize early in their lifetimes have inherent flexibilities that reduce the influences of rigidities stemming from their home-based activities, so they are more likely to learn from their foreign activities (Blomstermo, Eriksson, & Sharma, 2004; Sapienza et al., 2006; Zhou, Barnes, & Lu, 2010). Previous empirical tests of this argument tend to associate the presence of learning advantages with the age at which the ventures first engaged in foreign market entry though, without examining how different flexibilities may contribute to creating these advantages. Furthermore, prior research mostly has examined direct manifestations or outcomes of learning advantages—such as the development of marketing capabilities (Zhou et al., 2012) or enhanced financial performance (Autio et al., 2000)—rather than assessing how certain flexibilities may influence the exploitation of ventures' strategic posture for actual learning efforts that lead to the acquisition of new foreign knowledge.

With this view, we aim to make several contributions. First, there is much to gain from investigating why and when entrepreneurial ventures are more likely to allocate significant resources to international learning activities (De Clercq et al., 2012; Zahra, 2005). Prior work posits that the intensity of learning effort expended in foreign markets is greater among international new ventures that adopt an entrepreneurial posture and that were younger when they first internationalized (Autio et al., 2000; Sapienza et al., 2005). The focus on age at first foreign entry has led most studies to treat learning advantages as a black box, without empirically investigating the contingencies that explain why entrepreneurial ventures invest more into international learning activities, beyond the presence of age effects (De Clercq et al., 2012). We consider the roles of cognitive, structural, political, and relational flexibilities (Sapienza et al., 2006), and particularly focus on the impact of these four operational flexibilities on leveraging an entrepreneurial strategic posture into an enhanced resource allocation to international learning effort.

In acknowledging that the advantages of an entrepreneurial strategic posture, and its associated potential for enhanced learning effort (Sapienza et al., 2005), are not automatic, we thus investigate contingencies that influence its effective application to international learning activities (Hultman et al., 2009; Zhou et al., 2012). In particular, we postulate that the usefulness of an entrepreneurial strategic posture for international learning efforts depends on operational flexibilities that speak to both the *ability* to devote company resources to learning activities in foreign markets (cognitive and structural flexibilities) and the *motivation* to do so (political and relational flexibilities). Thus, the allocation of the venture's resources to international learning activities is facilitated by two sets of underlying mechanisms: (1) the feasibility of this resource allocation because of managers' cognitive mindset for learning and the venture's enabling organizational structure, and (2) the desirability of the resource allocation to the extent that internal political battles and external obligations do *not* undermine managers' personal motivation to focus on international learning (Sapienza et al., 2006). These feasibility and desirability explanations for the varying contributions of an entrepreneurial strategic posture to international learning efforts have not, to the best of our knowledge, been addressed in empirical research on the early internationalization of young ventures (De Clercq et al., 2012).

Furthermore, we seek to explain entrepreneurial ventures' international learning efforts in the context of China, the world's biggest and fastest growing emerging market (Zhou et al., 2010). The early international expansion of ventures with home bases in emerging economies has received increasing attention (Child & Rodrigues, 2005; Luo & Tung, 2007; Yiu, Lau, & Bruton, 2007), particularly with respect to the aggressive routes to learning and capability development that these ventures take to enter developed foreign markets (Khavul, Perez-Nordtvedt, & Wood, 2010; Yamakawa, Peng, & Deeds, 2008; Zhou et al., 2012). However, little research has examined if or how the entrepreneurial strategic posture of these ventures informs their actual engagement in international learning activities that underpin capability development, let alone how their nimbleness or flexibility influences this process. This important omission ignores the challenges that ventures from emerging economies may confront in terms of finding adequate external resources to support their learning activities in foreign markets (Bruton, Ahlstrom, & Obloj, 2008). Explaining how and when an entrepreneurial strategic posture contributes to the allocation of *internal* resources to international learning activities thus is of great importance in this context.

2. Theory and hypotheses

2.1. International learning effort and the attention-based view

International business literature has responded to the phenomenon of early and rapid internationalization (Jones, Coviello, & Tang, 2011; McDougall, Shane, & Oviatt, 1994) by investigating the role of ventures' entrepreneurial character in their entry and growth in foreign markets (Chandra, Styles, & Wilkinson, 2012; Knight & Cavusgil, 1996; Zhou et al., 2012). A venture's entrepreneurial strategic posture—that is, its strategic propensity to be innovative, risk taking, and proactive (Covin & Slevin, 1991; Matsuno, Mentzer, & Ozsomer, 2002)—has instrumental

[3] The unit of analysis of our conceptual framework is the *firm* level, not the individual manager level; we focus on how and when ventures' overall strategic priorities inform their attention and commitment to international learning activities.

[4] Because the basic mechanisms underlying the LAN concept capture the presence of various flexibilities in the venture's operational activities (Sapienza et al., 2006), we label each underlying dimension a type of operational flexibility. The way we use this term thus is broader and more comprehensive than a narrow conceptualization of firms' flexibility in relation to specific manufacturing or product strategies (Ebben & Johnson, 2005).

importance for the exploitation of foreign market opportunities (De Clercq et al., 2012; Zhou et al., 2010). Such a strategic posture prioritizes a continuous search for opportunities outside the realm of the venture's current activities (Chandra et al., 2012; Jones & Coviello, 2005), so it can determine whether the venture survives and prospers in unknown international markets (Sapienza et al., 2006). Previous research indicates a positive link between an entrepreneurial strategic posture and learning capabilities in foreign markets (Knight & Cavusgil, 2004; Weerawardena et al., 2007), but less research has examined the impact of this posture on the actual learning efforts that underlie this capability (cf. Sapienza et al., 2005) or the role that ventures' operational flexibilities have in this process.

We draw from the attention-based view (Ocasio, 1997; Ocasio & Joseph, 2005) to frame arguments about the relationship between young ventures' entrepreneurial strategic posture and international learning efforts, as well as the contingencies underlying this relationship. The attention-based view suggests that firm-level priorities, as informed by the venture's strategic posture, drive the distribution of managerial attention to particular types of activities (Ocasio, 1997). Similarly, the preferences that underlie international young ventures' adoption of an entrepreneurial strategic posture, which emphasizes the exploration of new knowledge domains (Lumpkin & Dess, 1996), should have important ramifications for the likelihood that a venture invests significant resources in developing new knowledge about foreign markets (Sapienza et al., 2005).

The issue of managerial attention also is relevant to explanations of how the flexibility of ventures' internal operations influences the relative usefulness of their entrepreneurial strategic posture. As mentioned, the influences of operational flexibilities reflect the notion of learning advantages of newness (LAN): Compared with older first-time entrants, ventures that are younger when they first internationalize should overcome rigidities stemming from past home-based activities more easily (Autio et al., 2000; Sapienza et al., 2006). Autio et al. (2000) cite cognitive, political, and relational causes for the increased flexibility in how young international ventures operate. All else being equal, early internationalizers should have fewer domestic-rooted routines to "unlearn," less managerial inclination to protect their domestic turf, and fewer relational obligations to exchange partners. Yet these authors do not observe learning efforts directly; instead, they argue that increased international sales growth among early internationalizers is a manifestation of underlying learning advantages. Similarly, Sapienza et al. (2006) theorize a structural argument for LAN, in which the roles of managers of early internationalizers tend to be undifferentiated, so knowledge about international growth opportunities is exchanged more effectively across the venture's different functional areas. Generally, previous LAN studies have presumed that age at first foreign entry is associated with a pre-set constellation of circumstances that makes ventures more flexible (De Clercq et al., 2012). We extend this argument by suggesting that young entrepreneurial ventures may vary in the flexibility of their internal operations, and particularly by examining how these variations influence the likelihood that an entrepreneurial posture leads to more foreign market learning activities, irrespective of the age at which the ventures first internationalized.

Our conceptual framework and its constitutive hypotheses are summarized in Fig. 1. The connection between ventures' entrepreneurial strategic posture and international learning effort is the central axis, reflecting a critical reason for why some international ventures are more likely to expend significant effort to learn about their foreign markets, that is, their entrepreneurial character. The moderating roles of the four flexibility dimensions acknowledge that entrepreneurial ventures' allocation of company resources to

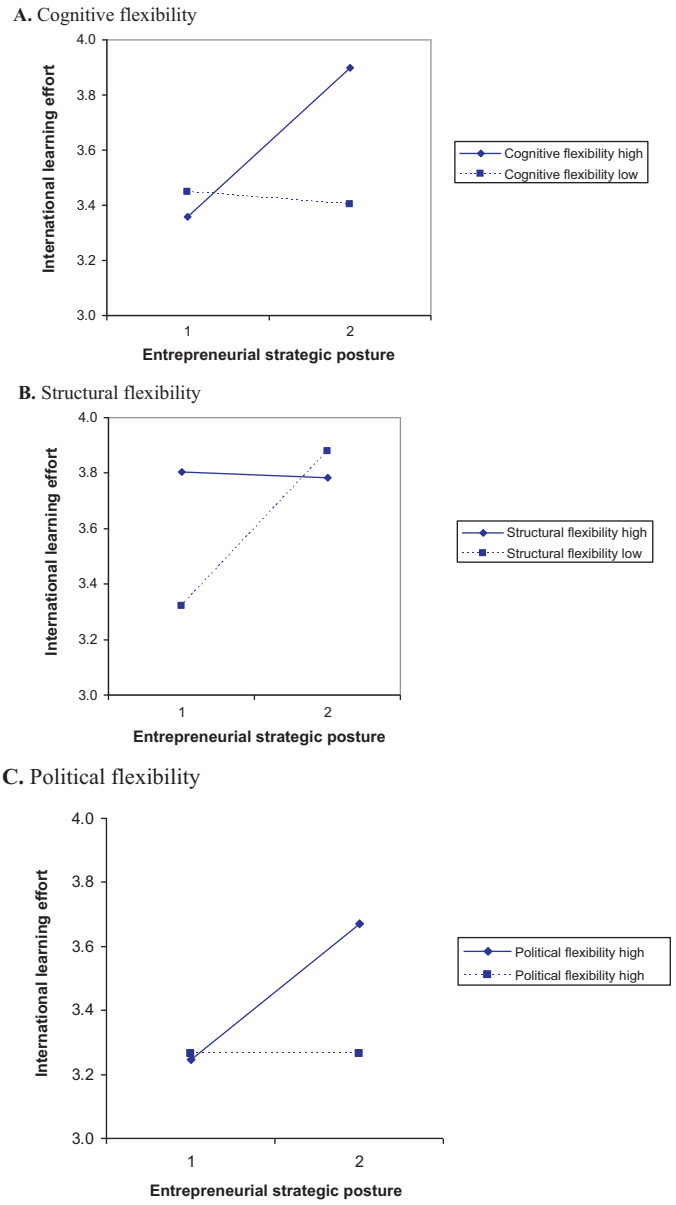

Fig. 1. Moderating effects on the entrepreneurial strategic posture–international learning effort relationship. (A) Cognitive flexibility, (B) structural flexibility, and (C) political flexibility.

international learning activities is not automatic and may be particularly challenging when ventures *lack* critical flexibilities. Conversely, to the extent that entrepreneurial ventures exhibit higher levels of flexibility, their strategic posture should be more likely to enhance their learning effort in foreign markets.

2.2. Entrepreneurial strategic posture and international learning effort

According to the attention-based view (Ocasio, 1997), "the schemas used by organizational decision makers to characterize and describe existing resources are part of the repertoire of action alternatives considered" (p. 198). As our baseline hypothesis, we therefore posit that a venture whose strategic schema emphasizes innovation, risk taking, and proactiveness is better equipped to allocate company resources to significant learning efforts in foreign markets (Sapienza et al., 2005).

Ventures that emphasize innovation should be motivated to devote significant resources to international learning activities in

order to reap the potential benefits from refining and improving new product introductions in foreign markets (Knight & Cavusgil, 2004; Sapienza et al., 2005). Further, those ventures that are risk oriented likely undertake intensive international learning activities, because they do not shy away from the uncertainty and complexity that typically mark these activities (Liesch, Welch, & Buckley, 2011). Finally, the more likely ventures are to engage proactively in environmental scanning of new markets, the stronger their motivation to undertake significant international learning efforts, because of the anticipated knowledge benefits associated with such scanning (Cohen & Levinthal, 1990). Taken together, to the extent that ventures exhibit an entrepreneurial strategic posture, they are more likely to go out of their way to allocate significant resources to activities that promote international learning (Ocasio, 1997). In contrast, in the absence of such a strategic posture, the venture may become "under-resourced" with respect to its attention to international learning activities (Sepulveda & Gabrielsson, 2013) and refrain from developing new knowledge about foreign markets.

Hypothesis 1. There is a positive relationship between ventures' entrepreneurial strategic posture and international learning effort.

2.3. Moderating effects of operational flexibilities

Hypothesis 1 anticipates that a strategic posture that emphasizes innovation, risk taking, and proactiveness is geared toward the allocation of firm-level resources to the continuous search for opportunities outside the venture's current realm of activities (Lumpkin & Dess, 1996; McDougall et al., 1994), so it lends itself to the exploration of new knowledge in foreign markets. We further argue that the resource allocation process that underlies an entrepreneurial strategic posture can be challenging though, to the extent that managers lack the ability or willingness to leverage relevant company resources flexibly.

Extant literature offers cognitive, structural, political, and relational explanations for why early internationalizers may be more prone to allocate company resources to learning activities, compared with their older counterparts (Autio et al., 2000; Sapienza et al., 2006). In particular, the enhanced flexibility that underlies the LAN concept becomes manifest in two ways. In some cases, flexibility steers ventures toward increased learning activities, because of their increased ability to do so (i.e., cognitive and structural dimensions). In other cases, flexibility mostly increases the motivation to allocate significant resources to learning (i.e., political and relational dimensions) (Sapienza et al., 2006). We propose positive moderating effects of each operational flexibility on the likelihood that the resource allocation decisions that underlie the venture's entrepreneurial strategic posture enhance its international learning effort.

Cognitive flexibility, or the extent to which ventures change or adapt their thinking and routines to new situations, reflects how quickly ventures adapt to changed conditions (Autio et al., 2000). This type of flexibility involves internal decision-making rules, including the extent to which managers may question current assumptions (Levinthal & March, 1993) or attempt to overcome core rigidities (Leonard-Barton, 1992). In the context of internationalization among entrepreneurial ventures, the degree of cognitive flexibility is associated with the venture's attempts to assess the knowledge and assumptions that underlie its current resource allocation processes, and particularly its openness to leverage strategic priorities pertaining to innovation, risk taking, and proactiveness into heightened learning activities in foreign markets (Autio et al., 2000; Zahra, Korri, & Yu, 2005). Consistent with the attention-based view, we expect that the greater the venture's cognitive flexibility, the more likely it is to leverage its entrepreneurial strategic posture into enhanced international learning effort, because its managers seek alternatives to current organizational rules and are keen to suggest ways to exploit entrepreneurial opportunities through the acquisition of new foreign knowledge (Cohen & Levinthal, 1990; Ocasio, 1997).

Hypothesis 2. Ventures' cognitive flexibility moderates the relationship between their entrepreneurial strategic posture and international learning effort, such that the relationship is stronger at higher levels of cognitive flexibility.

Structural flexibility, which is the extent to which ventures communicate across functional and product market boundaries, reflects how managerial roles within the ventures influence resource allocation decisions (Ocasio, 1997), and particularly the extent to which the venture's managers understand how resources that span a broad set of knowledge domains can be leveraged (Sapienza et al., 2006). When managers wear different functional hats and cross-functional communication is more likely (i.e., structural flexibility is high), the resulting integration of disparate pieces of information facilitates the exploitation of entrepreneurial opportunities in new knowledge domains (Cohen & Levinthal, 1990; De Clercq, Dimov, & Thongpapanl, 2010). Similarly, we expect that when a venture's managers have less differentiated roles, it enhances the venture's propensity to leverage resource allocation decisions that underlie its entrepreneurial strategic posture into international learning activities (Sapienza et al., 2006). Conversely, a more rigid structure diminishes the ability of international ventures, inherent to their entrepreneurial strategic posture, to explore new knowledge domains (Autio et al., 2000; Grant, 1996). Thus, high levels of role differentiation limit ventures' ability to scan different functional areas for relevant knowledge to exploit entrepreneurial opportunities in foreign markets (Eriksson et al., 1997).

Hypothesis 3. Ventures' structural flexibility moderates the relationship between their entrepreneurial strategic posture and international learning effort, such that the relationship is stronger at higher levels of structural flexibility.

Political flexibility, or the extent to which ventures are unbound by internal power structures and preferences, reflects how internal social relationships shape decisions (Ocasio, 1997) and captures the extent to which resource allocations are based on organizational merit, not personal, departmental, or hierarchical authority (Autio et al., 2000). To the extent that decisions about foreign activities are unaffected by personal agendas related to existing domestic activities, ventures should be more likely to steer their strategic priorities toward foreign market learning activities, because there is no threat of undermining managers' personal turf (Autio et al., 2000). Conversely, if foreign market entry poses threats to the firm's existing power structure, the venture's managers likely resist leveraging their firm's entrepreneurial posture into full-fledged efforts to learn about foreign markets, in order to protect their own personal privileges (Barkema & Vermeulen, 1998). Moreover, if decisions are made by a dominant coalition or fall under the influence of a powerful group (i.e., political flexibility is low), steering resource allocation decisions that underlie the venture's entrepreneurial strategic posture toward learning in foreign markets may appear redundant (Autio et al., 2000; Ocasio, 1997).

Hypothesis 4. Ventures' political flexibility moderates the relationship between their entrepreneurial strategic posture and international learning effort, such that the relationship is stronger at higher levels of political flexibility.

Finally, relational flexibility captures the extent to which ventures' internal operations are unbound by external ties and

obligations (Ocasio, 1997). It refers to the extent to which the venture's managers feel free to abandon or significantly deemphasize their existing relationships with customers, suppliers, or other stakeholders (Autio et al., 2000). We argue that when established relationships with domestic business partners can be untied or altered with impunity, the venture grows more eager to exploit entrepreneurial opportunities, including opportunities to allocate significant resources to learning activities in foreign markets, because it does not expect any negative consequences of paying less attention to existing partnerships (Freeman, Hutchings, Lazaris, & Zyngier, 2010; Sapienza et al., 2006). Conversely, when existing interfirm relationships are so "sticky" that they induce high levels of interdependence and mutual obligations, they impede the priorities and resources that underlie the use of an entrepreneurial strategic posture to engage in efforts to learn about foreign markets (Cohen & Levinthal, 1990; Sapienza et al., 2005). The dark side of strong relationships is that living up to obligations can be inconvenient (Gargiulo & Benassi, 2000), leaving less room to exploit company resources in new knowledge domains. All else being equal, the higher the venture's relational flexibility, the greater its motivation to leverage an entrepreneurial strategic posture into intense learning efforts in foreign markets should be.

Hypothesis 5. Ventures' relational flexibility moderates the relationship between their entrepreneurial strategic posture and international learning effort, such that the relationship is stronger at higher levels of relational flexibility.

3. Research method

3.1. Data collection

Extant research in the realm of international entrepreneurship conceptualizes international ventures as independently operating, small and medium-sized firms that start to engage in internationalization activities (from exporting or importing to foreign direct investment) early in their existence (e.g., Autio et al., 2000; Knight & Cavusgil, 2004; Zhou, 2007). We used the following sampling criteria to select ventures for this study: (1) They engaged in foreign business activities, such as exporting, importing, or any other activity that involves cross-border business transactions; (2) their first internationalization occurred within five years of their inception; and (3) they were independently owned, private businesses, not spin-off firms or subsidiaries of established organizations. A sample of 800 such ventures (400 from Zhejiang Province and 400 from Fujian Province) was randomly selected from a database held by the Provincial Administration for Industry and Commerce. We focused on international ventures in these regions, which have been very important in China's economic reform and development (Chen & Yi, 2000; Nee, 1992). In addition, firms from these regions tend to be known for their entrepreneurial characteristics and international growth models (Naudé & Rossouw, 2010; Yu & Stough, 2006). Thus, they provide a suitable setting to test our hypotheses.

We collected our data through the on-site administration of a questionnaire. We took several measures to bolster the response rate. First, we obtained support from a local government agency that endorsed the study, as well as verbal agreement from the ventures' top management about their willingness to participate in the study. Second, the participants were promised a summary report of the study. We obtained valid data from 176 ventures, yielding a response rate of 22%.

To ensure the informants were knowledgeable about their venture's internal functioning and strategic posture, we included only senior managers as possible participants. To avoid common method bias, we obtained responses from two managers as the key informants for each venture. The interviewer made an appointment with each key informant for an onsite interview; before each interview, the respondents were guaranteed complete confidentiality and provided an explanation of the academic purpose of the study. During the interviews, we confirmed with the respondents that their ventures were independently run and not ever tied to any established organization. The two respondents in each venture were interviewed separately.

The questions were originally prepared in English, then translated into Chinese. To avoid cultural bias, ensure validity, and identify any misunderstanding that might have arisen due to translation, the Chinese version was back-translated into English (Brislin, Lonner, & Thorndike, 1973). A preliminary version of the survey also was pretested with ten executives, and the resulting feedback was incorporated into the revised version. This procedure helped us increase the readability of the questions and the quality of the collected data, efforts that are particularly important for surveys conducted in emerging economies (Peng & Luo, 2000).

The participating ventures were relatively young: on average, they had been in business for seven years, and 83% had been established within ten years or less. Most ventures also were small to medium-sized, with 92% employing fewer than 500 people. More than 85% generated their first foreign sales within the first three years of their inception. The participating ventures represented a variety of industries, including manufacturing (53%), textiles (15%), pharmaceutical or chemicals (6%), wholesalers or retail (8%), telecommunications or computers (3%), finance (3%), and other (12%). To assess non-response bias, we compared early and late respondents and found no significant difference in the study constructs (Armstrong & Overton, 1977).

3.2. Measures

The dependent and predictor variables were measured on five-point Likert scales, ranging from 1 (strongly disagree) to 5 (strongly agree). In line with our research focus, the questions were worded to capture phenomena at the firm level, rather than at the level of the individual manager. To avoid common method concerns, we used responses from one representative of a venture to measure the dependent variable and the answers from the other respondent from that same venture to measure the independent variables. The items for each multi-item measure (six focal constructs, two control variables) are in the Appendix.

3.2.1. International learning effort

Drawing from previous research (Eriksson et al., 1997; Sapienza et al., 2005), we measured international learning effort with seven items that captured the extent to which the venture engaged in activities to develop new knowledge about its foreign markets (α = .86). A sample statement was, "We put in great effort to develop new knowledge regarding competitors who operate in foreign markets."

3.2.2. Entrepreneurial strategic posture

We drew from previous research on firms' entrepreneurial orientation (De Clercq et al., 2010) and entrepreneurial proclivity (Matsuno et al., 2002) to assess ventures' entrepreneurial strategic posture, using Miller's (1983) seven-item scale, which captured ventures' levels of innovation (e.g., introduction of new products), risk taking (e.g., tolerance for high-risk projects), and proactiveness (e.g., bold, wide-ranging strategic actions rather than minor tactical changes) (α = .77). We adopted the composite dimension approach to conceptualize the venture's entrepreneurial strategic posture (Covin & Slevin, 1989; Miller, 1983), which posits that the underlying dimensions work together, and thus that a venture is

entrepreneurial to the extent that it scores high on the innovation, risk taking, and proactiveness dimensions collectively. This approach is appropriate, because we are interested in how ventures' *overall* strategic posture informs their international learning effort (Covin & Lumpkin, 2011).

3.2.3. Cognitive flexibility

The cognitive flexibility scale combines items from Baker and Sinkula's (1999) measure of organizational open-mindedness and Capon, Farley, Lehmann, and Hulbert's (1992) measure of informal organization. This six-item scale measures the openness of management to disagreement and the ease of changing existing routines (α = .72). A sample item was, "Senior managers in our firm are not afraid to reflect critically and openly on their assumptions about the way the firm operates."

3.2.4. Structural flexibility

The six items capturing structural flexibility derived from Sapienza et al.'s (2006) theoretical arguments about managerial role differentiation and previous research on cross-functional collaboration (Song, Xie, & Dyer, 2000). The items tap such things as the extent to which senior managers are in charge of multiple functional areas in the venture's operations or the extent to which domestic business activities are undertaken by senior managers with broad task descriptions that span different areas, rather than narrow task descriptions (α = .86). A sample statement was, "Our senior managers are in charge of multiple functional areas of our firm's operations."

3.2.5. Political flexibility

The four political flexibility items came from previous research on intra-organizational political behavior (Dean & Sharfman, 1996; Kacmar & Ferris, 1991); they reflected how free from political or power considerations managers were in considering new foreign markets. For example, respondents assessed the extent to which senior managers were inclined to protect their own turf when making decisions about foreign activities or feared that foreign activities could decrease their influence in the firm (α = .81). For example, "In our firm, decisions about foreign activities are strongly affected by the use of power among senior managers" (reverse coded).

3.2.6. Relational flexibility

The six-item relational flexibility scale combined items from research on interfirm commitment (Morgan & Hunt, 1994) and non-coercive power in interfirm relationships (Leonidou, Talias, & Leonidou, 2008). This construct indicated the extent to which the venture was unencumbered by its obligations to customers or other critical domestic relationships (α = .80). For example, we used, "Our domestic business partners expect a long-term relationship with us" (reverse coded).

3.2.7. Control variables

We included several variables to account for alternative explanations for the venture's international learning effort. First, to test whether ventures' entrepreneurial posture and operational flexibilities informed international learning effort, beyond the timing of first internationalization, we controlled for ventures' *age at first internationalization*, using a log transformation to account for skewness.[5] Second, we included the logarithm of ventures' *international sales* to control for the amount of their foreign activities. Third, *venture age* indicated the number of years the ventures had been in existence. Fourth, *venture size* was calculated as the logarithm of the number of full-time employees, which offered a crude proxy for the ventures' slack resources (Audia & Greve, 2006) that could be applied to international learning efforts. Fifth, we controlled for the venture's *domestic learning effort*—measured with items that mirror those we used to capture international learning effort but applied to the venture's home-based learning activities (α = .86)—to account for its general propensity to learn, an issue that is important but typically overlooked (cf. De Clercq et al., 2012). Sixth, ventures may be more prone to learn in dynamic industry environments (Kim & Atuahene-Gima, 2010), so we controlled for *market turbulence* with three items from Jansen, Van den Bosch, and Volberda (2006) that captured the rate of change and instability in the ventures' external environment (α = .73).

To assess the reliability and validity of the eight multi-item constructs (i.e., six focal constructs, domestic learning effort, and market turbulence), we undertook confirmatory factor analyses of the corresponding measurement model. The measurement model fit the data well: $\chi^2_{(935)} = 1556.86$; confirmatory fit index (CFI) = .93; Tucker–Lewis index (TLI) = .91; and root mean squared error of approximation (RMSEA) = .05. The composite reliabilities exceeded the cut-off value of .70 for each multi-item construct (Lattin, Caroll, & Green, 2003). We also affirmed the convergent validity of the scales, because each factor loading exceeded the suggested cut-off value of .40 and was significant at $p < .001$ (e.g., Anderson & Gerbing, 1988; De Clercq, Thongpapanl, & Dimov, 2009; Stevens, 1992). Further, we found evidence of discriminant validity, because (1) significant differences appeared between the unconstrained model and constrained model for all 28 pairs of the eight multi-item constructs and (2) none of the confidence intervals for the correlations between these construct pairs included 1.0 ($p < .05$) (Anderson & Gerbing, 1988).

4. Results

Table 1 contains the correlations and descriptive statistics. International learning effort correlated significantly and positively with entrepreneurial strategic posture, as well as with cognitive and structural flexibilities, but not significantly with political and relational flexibilities. An explanation for these two insignificant correlations may be that their true value is masked by some of the other variables included in this study (Warner, 2013), as suggested by our finding that they related significantly to international learning effort in the regression analysis in Table 2 (see Model 3). Further, cognitive flexibility and structural flexibility correlated positively with each other, but both correlated negatively with political and relational flexibility. This pattern indicated that in this sample, the ventures' operational flexibilities did not co-vary in a consistent pattern.

In Table 2 we report the regression results. Model 1 included the control variables, Model 2 added entrepreneurial strategic posture, Model 3 also added the four operational flexibilities, and Model 4 included the four interactions of entrepreneurial strategic posture with each operational flexibility. For each model, the variance inflation factor values of the variables were less than 10, so multicollinearity was not an issue (Aiken & West, 1991). From Model 1 we noted a negative relationship between age at first internationalization and international learning effort, in line with previous LAN research (Autio et al., 2000; Sapienza et al., 2005). High levels of domestic learning effort also were associated with greater international learning effort, suggesting that ventures did not trade off learning effort in one market for another.

In Hypothesis 1 we predicted a positive relationship between ventures' entrepreneurial strategic posture and international

[5] Many ventures went international during their first year of existence, which would create an undefined logarithm of their age at first foreign entry (i.e., 0). Therefore, we added one year to the age at first internationalization variable before undertaking the log transformation.

Table 1
Correlations and descriptive statistics ($N = 176$).

	1	2	3	4	5	6	7	8	9	10	11	12
1. International learning effort												
2. Entrepreneurial strategic posture	.201**											
3. Cognitive flexibility	.246**	.314**										
4. Structural flexibility	.254**	.206**	.317**									
5. Political flexibility	.085	−.150*	−.349**	−.187*								
6. Relational flexibility	−.041	−.216**	−.230**	−.399**	.088							
7. Age at first internationalization	−.165*	−.059	−.035	.089	.025	−.171*						
8. Foreign sales	.119	.078	.054	−.096	.150*	−.001	−.121					
9. Venture age	.041	.040	.132	.138	.033	−.176*	.363**	.149*				
10. Venture size	.018	.074	.004	.029	.034	.025	−.037	.116	.119			
11. Domestic learning effort	.245**	.332**	.363**	.376**	−.123	−.488**	−.041	−.100	.040	.075		
12. Market turbulence	.173*	.226**	.314**	.325**	−.051	−.339**	−.048	.012	.056	.106	.332**	
Mean	3.719	3.481	3.604	3.710	2.717	2.362	1.513	5.983	7.324	236.976	3.734	3.771
Standard deviation	0.648	0.617	0.659	0.758	0.879	0.661	1.912	13.724	3.126	536.716	0.656	0.789

** $p < .01$.
* $p < .05$.

learning effort. Our Model 2 findings confirmed this hypothesis, according to the significant regression coefficient for entrepreneurial strategic posture ($\beta = .111$, $p < .10$). This effect was relatively weak, compared with the findings of previous research (Sapienza et al., 2005), likely because we control for ventures' domestic learning effort and thus assess the effect of an entrepreneurial strategic posture, over and beyond their general propensity to learn. Although not directly hypothesized, Model 3 also indicated that each of the four flexibilities contributed to increased international learning effort, as reflected in the positive coefficients for cognitive ($\beta = .173$, $p < .05$), structural ($\beta = .191$, $p < .01$), political ($\beta = .153$, $p < .01$), and relational ($\beta = .162$, $p < .10$) flexibilities. We also observed in Model 3 that the effect of a venture's entrepreneurial strategic posture on its international learning effort grew insignificant when we accounted for operational flexibilities, so the two sets of variables appear to compete to explain variation in ventures' international learning effort, which warrants an investigation of their interplay.

Our main theoretical contribution results from our investigation of the interplay between ventures' entrepreneurial strategic posture and operational flexibilities, and particularly the contingent nature of the entrepreneurial strategic posture–international learning effort relationship. According to our Hypotheses 2–5, this relationship should be invigorated at higher levels of each operational flexibility. We found partial support for this prediction in Model 4. In support of Hypotheses 2 and 4, the contribution of an entrepreneurial strategic posture to international learning efforts grew stronger at higher levels of cognitive ($\beta = .344$, $p < .01$) and political ($\beta = .190$, $p < .05$) flexibility. However, contrary to Hypothesis 3, we found a negative interaction between entrepreneurial strategic posture and structural flexibility ($\beta = -.303$, $p < .01$), suggesting that the relative usefulness of an entrepreneurial strategic posture for spurring international learning effort was actually higher in conditions of *low* structural flexibility. Finally, the interaction between entrepreneurial strategic posture and relational flexibility was not significant ($\beta = .033$, *ns*), so Hypothesis 5 did not receive support.

To illustrate the nature of the three significant interactions, we plotted the effects of entrepreneurial strategic posture on international learning effort at high and low levels of the corresponding operational flexibility dimensions in Fig. 1, Panels A–C (Aiken & West, 1991). The plots suggested that though the cognitive and political flexibilities reinforced the positive association between the venture's entrepreneurial strategic posture and

Table 2
Regression results (dependent variable: International learning effort) ($N = 176$).

	Model 1	Model 2	Model 3	Model 4
Age at first internationalization (log)	−.166*	−.160*	−.145+	−.149*
Foreign sales (log)	.018	.019	.020	.017
Venture age	.011	.011	.005	.002
Venture size (log)	.024	.014	.005	.006
Domestic learning effort	.215**	.185*	.166+	.160+
Market turbulence	.070	.059	.019	−.018
Entrepreneurial strategic posture		.111+	.099	.154
Cognitive flexibility			.173*	.196*
Structural flexibility			.191**	.177**
Political flexibility			.153**	.120*
Relational flexibility			.162+	.160*
Entrepreneurial strategic posture × cognitive flexibility				.344**
Entrepreneurial strategic posture × structural flexibility				−.303**
Entrepreneurial strategic posture × political flexibility				.190*
Entrepreneurial strategic posture × relational flexibility				.033
F-value	3.380**	3.665**	3.899***	4.503***
R^2	.107	.136	.207	.297
ΔR^2		.029+	.071***	.090***

Notes: Unstandardized coefficients (two-tailed *p*-values).
*** $p < .01$.
** $p < .01$.
* $p < .05$.
+ $p < .10$.

international learning effort, structural flexibility substituted for the effect of entrepreneurial strategic posture. In particular, at high levels of structural flexibility, an entrepreneurial strategic posture had virtually no impact on international learning effort, but when structural flexibility was low, greater levels of entrepreneurial strategic posture were associated with increasingly high levels of learning effort.

5. Discussion

5.1. Discussion of findings

Prior research indicates that foreign market capabilities may help international young ventures attenuate the uncertainty they encounter when they enter foreign markets (Knight & Cavusgil, 2004; Weerawardena et al., 2007; Zhou et al., 2012) and that such capability development may be more likely when ventures adopt an entrepreneurial strategic posture (Zhou et al., 2010). The key premise of our study was that even if such enhanced capability building may emerge from a venture's entrepreneurial character, an equally important issue is how the entrepreneurial strategic posture informs the actual learning activities that underpin such capability building, and particularly the circumstances in which the beneficial role of this strategic posture is most prevalent.

Although some research has taken important first steps to understand how entrepreneurial ventures learn from their foreign activities (cf. De Clercq et al., 2012), no studies have explicated how certain operational flexibilities inform the ease with which an entrepreneurial strategic posture transforms into actual international learning efforts. In response, we have applied the attention-based view to achieve a better understanding of the conditions in which an entrepreneurial strategic posture likely contributes to international young ventures' engagement in learning activities related to their foreign markets. We have investigated the roles of two sets of contingencies, one that speaks to the *ability* to apply the resources that underlie an entrepreneurial posture (cognitive and structural flexibilities) to international learning activities, and another that captures the *motivation* to do so (political and relational flexibilities). In other words, we have argued that the conversion of an entrepreneurial strategic posture into international learning efforts is hampered to the extent that cognitive limitations or rigid organizational structures reduce the feasibility of this conversion, or that the conversion becomes less attractive because of internal political struggles or external obligations.

Our findings regarding these moderating effects are mixed. First, cognitive and political flexibilities complement and leverage an entrepreneurial strategic posture into enhanced international learning effort. As hypothesized, international young ventures are more likely to use their entrepreneurial posture to engage in intensive learning efforts in foreign markets when they are more eager to adapt internal operational rules and routines, as well as when their foreign activities are *not* impeded by a focus on the personal turf associated with existing domestic activities. Conversely, and as shown in Fig. 1, Panels A and C, in the absence of such cognitive and political flexibilities, an entrepreneurial strategic posture has a nearly neutral effect on the extent to which the venture invests in international learning activities; in these cases, the complexity and associated costs of an entrepreneurial strategic posture balance out its advantages (De Clercq et al., 2010; Lumpkin & Dess, 1996). Overall, these findings extend previous theoretical arguments about the role of cognitive and political barriers for ventures' propensity to engage in international learning (Autio et al., 2000; Sapienza et al., 2006) by explicating how, in the *absence* of these barriers, the resource allocation decisions that underlie an entrepreneurial strategic posture are more easily translated into international learning effort.

The unexpected finding for structural flexibility, in Fig. 1, Panel B, indicates that when the venture's structure does *not* emphasize task specialization and lends itself to cross-functional knowledge exchange (i.e., when structural flexibility is high), the relative usefulness of an entrepreneurial strategic posture for instilling learning efforts in foreign markets gets subdued. Thus, while structural flexibility enhances international learning effort directly, it hampers the conversion of an entrepreneurial strategic posture into international learning activities, possibly because some structure is needed in order to implement entrepreneurial strategic goals in a concerted fashion (Lumpkin & Dess, 1996; Ocasio, 1997). Alternatively, this counter-finding illustrates that structural flexibility *substitutes* for an entrepreneurial strategic posture, such that this posture is more useful for stimulating international learning efforts to the extent that managerial roles are narrowly defined and focus on specific tasks, perhaps because this strategic posture helps overcome the learning myopia associated with structural rigidities (Levinthal & March, 1993).

Finally, we do not find any evidence of a significant moderating effect of relational flexibility that leverages an entrepreneurial strategic posture into enhanced international learning effort, possibly because external network relationships in general tend to be so valued in a collectivistic country such as China (Hofstede, 1991; Zhou et al., 2010), such that entrepreneurial ventures engage in international learning efforts *irrespective* of the specific level of "stickiness" or rigidity of their external relationships. The lack of a significant moderating effect of relational flexibility may also be explained by the presence of two opposing forces in terms of its interplay with an entrepreneurial strategic posture. In particular, while the presence of relational obligations with domestic partners may diminish the propensity of entrepreneurial ventures to devote significant resources to international learning activities (as we hypothesized), these obligations may also steer ventures toward exploring learning activities through foreign partnerships in order to reduce their dependence on domestic partners (Gargiulo & Benassi, 2000).

Whereas our findings with respect to the moderating effects of the operational flexibilities were mixed, our findings in Model 3 also revealed that each flexibility contributed positively and directly to the ventures' international learning efforts. Thus, the tendency to exert significant efforts in international learning activities was informed not just by the venture's age at first foreign entry—as emphasized in the argument about the existence of LAN (Autio et al., 2000)—or its entrepreneurial posture (Sapienza et al., 2005), but also by distinct operational flexibilities, which directly increased the propensity to engage in such efforts. In fact, it was interesting that the significance of an entrepreneurial strategic posture disappeared when we accounted for the *concurrent* role of operational flexibilities, which may be because operational issues are experienced as more proximate and tangible by managers, in contrast to the venture's overall strategic posture. It is also noteworthy that these four flexibility dimensions do not necessarily co-vary, though. As we show in Table 1, the cognitive and structural flexibilities instead are negatively correlated with their political and relational counterparts. Thus, it is not accurate to qualify international ventures as "flexible" in general; rather, we must understand and distinguish among the different facets of flexibility. For example, some ventures may discourage critical thinking about operational procedures and thus exhibit cognitive rigidity, yet they may also have few domestic relational commitments. Other ventures that depend heavily on a few external partners and thus have limited relational flexibility instead could still maintain high cognitive flexibility.

Finally, we focused on international young ventures with a home base in an emerging market. Previous empirical investigations have explored the logic behind the success of early and rapid internationalization among ventures based in China or other emerging economies (e.g., Elango & Pattnaik, 2007; Ellis, 2011; Liu, Jiang, Zhang, & Zhao, 2013; Zhou, 2007) but without explicitly explaining variations in the actual commitments made by these ventures to foreign learning activities. Young entrepreneurial ventures from emerging economies can be aggressive when it comes to foreign knowledge development because of the specific contextual circumstances that they confront in their home market (Child & Rodrigues, 2005; Luo & Tung, 2007; Zhou et al., 2010), and their associated motivation to gain fast access to critical competencies and resources abroad is thus critical for their continued competitiveness and success (Yamakawa et al., 2008). However, we lack investigations of how the learning behaviors that underpin knowledge development come about (Kiss, Danis, & Cavusgil, 2012). We have identified the need for an appropriate theoretical lens that explicates why some ventures are more likely than others to allocate significant resources to international learning activities. In particular, we drew on the attention-based view (Ocasio, 1997) to reveal how international young ventures in emerging economies can overcome the challenges they may confront in their home base through their entrepreneurial strategic posture, and particularly highlighted in which circumstances (i.e., in terms of various operational flexibilities) such a strategic posture is most beneficial.

5.2. Limitations and future research

This study has some limitations that offer opportunities for future research. First, the cross-sectional research design requires some caution in terms of causality. Perhaps extensive efforts to learn about foreign markets may also fuel ventures' ability to adopt an entrepreneurial posture or enhance the flexibility of their internal operations. Although the directions of our hypotheses were strongly grounded in extant theory, further research could use longitudinal designs to elucidate the long-term, causal, and perhaps recursive processes that link ventures' entrepreneurial strategy and international learning effort, as well as how different flexibilities might influence these processes. By focusing on the antecedents of ventures' international learning *efforts*, rather than the *ability* to learn from such efforts, we also leave open for additional research the question of whether the operational flexibility dimensions influence not just how ventures' entrepreneurial posture informs their learning efforts but also the strength or nature of the translation of these efforts into enhanced capability building and performance.

Second, research could consider facets of the venture's strategic posture other than the entrepreneurial view, such as its market orientation. Market orientation reflects the intensity with which a venture gathers information about customers and competitors and the way it uses this information in its decision-making processes (Kohli & Jaworski, 1990; Ruokonen & Saarenketo, 2009). Prior research suggests that a strong market orientation promotes access to knowledge required in international competitive environments and facilitates the integration of that knowledge (Blesa, Monferrer, Nauwelaerts, & Ripolles, 2008). Therefore, future research could examine whether and how a venture's operational flexibilities might leverage its market orientation into stronger learning efforts in foreign markets. Similarly, studies might examine the interplay between an entrepreneurial strategic posture and market orientation; as Ruokonen and Saarenketo (2009) demonstrate, a strong entrepreneurial character can help generate international learning outcomes, but only if that strategic posture combines with a strong market orientation.

Third, beyond the four operational flexibilities we examined, which originated from theoretical reflections in previous work on the LAN notion (Autio et al., 2000; Sapienza et al., 2006), further research could consider additional dimensions. For example, leveraging an entrepreneurial strategic posture into enhanced learning efforts in foreign markets could be enhanced by a venture's propensity to ignore expectations from external *institutional* pressures. As a venture develops a particular image and reputation in the eyes of institutional actors (Aldrich & Fiol, 1994), its resulting identity may instill moral principles that managers use to evaluate the appropriateness of a venture's actions. In an internationalization context, attempts to pursue new foreign knowledge might not fall within the boundaries of these principles, and steering strategic priorities toward learning efforts in foreign markets may appear inappropriate (Sapienza et al., 2005). To maintain its hard-earned legitimacy and identity, the venture may be unwilling to make resource allocation decisions, underlying its entrepreneurial strategic posture, to engage in such efforts (Aldrich & Fiol, 1994; Whetten, 2006). Thus, research could investigate the role of "institutional flexibility," which is prevalent when the venture has a less firmly established identity and associated expectations, leaving it freer to apply its entrepreneurial decision making to the pursuit of international learning activities.

Fourth, this study is based on international young ventures with a home base in two provinces of a particular country, namely China, which may limit the generalizability of its findings. Although our theoretical arguments were general and not country-specific, institutional or cultural factors could play a role. For example, the influence of an entrepreneurial strategic posture may be particularly salient among ventures that use it to compensate for regulatory deficiencies in their home institutions (Bruton et al., 2008). Furthermore, research could compare the relative potency of ventures' operational flexibilities in transforming their entrepreneurial strategic posture into enhanced international learning efforts, depending on the cultural characteristics of their home market—for example, its normative support for entrepreneurship (Busenitz, Gomez, & Spencer, 2000)—or of the foreign markets entered, including the cultural distance from their home country, which may impede efficient learning (Shenkar, 2001). Another extension might examine the influence of industry differences; for example, more competitive rivalry in an industry could increase the need to engage in intensive learning activities (Kim & Atuahene-Gima, 2010).

5.3. Practical implications

From a practical perspective, this article provides international ventures with insight into whether and how they can stimulate learning efforts in foreign markets. To reap benefits from their entrepreneurial posture, international young ventures should consider the flexibilities that underlie their international operations. The usefulness of an entrepreneurial strategic posture for fuelling international learning efforts can be established by stimulating some flexibilities (cognitive and political) but not others (structural). A focus on innovation, risk taking, and proactiveness is more likely to increase international learning activities when managers question and think critically about their venture's current operations, as well as when they refrain from protecting their own domestic political turf. For example, managers whose current power base derives mostly from their venture's home-based activities might consider investments in foreign market learning threatening to their personal situation, rather than as an opportunity (Sapienza et al., 2006), leading them to resist moves to steer their ventures' entrepreneurial posture toward such investments. In contrast, we show that international ventures can become less sensitive to the rigidities imposed by organizational structures that emphasize task specialization and impede cross-functional knowledge sharing, to the

extent that they take on a more entrepreneurial strategic posture. The nuanced findings with respect to the interplay between an entrepreneurial strategic posture and the operational flexibilities thus suggest that ventures seeking to increase their learning activities in foreign markets should be aware of the different possible routes to find effective matches between their strategic and operational decisions in these markets.

This study also has implications for emerging economies. These countries present a unique and relevant setting for studying the interplay between international ventures' strategic posture and the learning effort they expend in foreign markets. Young ventures often function as agents of structural change and economic reform (Estrin, Meyer, & Bytchkova, 2006), yet they also confront institutional hurdles, such as a lack of policies and services to support internationalization (Bruton et al., 2008). Thus, for policy makers and other stakeholders (e.g., consultants, educators, institutions, foreign alliance partners) of young ventures with a home base in emerging economies, our findings reveal different levers they can use to encourage ventures to take an active learning approach when entering foreign markets. They could provide training or other resources to assist these ventures in meeting their entrepreneurial aspirations; they also should encourage the ventures to align their strategic priorities effectively with their internal operations. In particular, entrepreneurial ventures, with a home base in emerging countries, that seek to learn as much as possible about their foreign markets should maintain sufficient flexibility in their internal decision rules and procedures, as well as understand that the protection of personal turf may be counter-productive for the venture in the long term. Finally, foreign multinationals that seek to enter a remote emerging country as a stepping stone to learn about that country's surrounding foreign markets, can benefit greatly from alliances with local ventures that are highly entrepreneurial in nature and generally unconstrained by "red tape" or rigidities stemming from internal political battles.

6. Conclusion

Extant research on international entrepreneurship has highlighted that the entrepreneurial strategic posture of young international ventures can contribute to their learning potential in foreign markets; it also has pointed to the learning advantages that these ventures enjoy due to their inherent operational flexibilities. However, it has mostly focused on direct manifestations or outcomes of these learning advantages, without explicating how the learning behaviors that underlie these advantages arise. Thus, researchers seemingly have assumed that young ventures' international learning capability gets realized automatically through their entrepreneurial character, without considering which factors influence the contribution of such an entrepreneurial character to the actual allocation of resources to international learning activities. To address this gap, we have revealed that the usefulness of an entrepreneurial strategic posture for enhancing international learning efforts depends on various aspects of ventures' nimbleness or flexibility. We hope this study functions as a catalyst for further investigations into the processes by which international young ventures can create stronger international market positions through their active engagement in learning activities in their foreign markets.

Appendix. Measurement items

International learning effort (α = .86)

- We put great effort in developing new knowledge regarding competitors who operate in foreign markets.
- We put great effort in developing new knowledge regarding foreign cooperative agreements in our industry.
- We put great effort in developing new knowledge regarding foreign laws that affect our business.
- We put great effort in developing new knowledge regarding foreign business norms affecting our industry.
- We put great effort in developing new internal procedures for our foreign activities.
- We put great effort in developing new reward systems for our foreign activities.
- We put great effort in developing new knowledge in foreign markets.

Entrepreneurial strategic posture (α = .77)

- We spend more time on long-term R&D (3+ years) than on short-term R&D.
- We are usually among the first in the industry to introduce new products.
- We explicitly reward risk taking.
- We have a great deal of tolerance for high-risk projects.
- We use only "tried-and-true" procedures, systems, and methods (reverse coded).
- We challenge our major competitors, rather than simply responding to them.
- We take bold, wide-ranging strategic actions rather than minor changes in tactics.

Cognitive flexibility (α = .72)

- Senior managers in our firm are not afraid to reflect critically and openly on their assumptions about the way the firm operates.
- Senior managers of our firm do not want their "view of the world" to be questioned (reverse coded).
- Senior managers in our firm are encouraged to "think outside of the box."
- Unusual and exciting ideas are highly valued in our firm.
- It is very difficult to change the routines that guide how things are currently done in our firm (reverse coded).
- Questioning how decisions are made is a highly encouraged practice in our firm.

Structural flexibility (α = .86)

- Our senior managers are in charge of multiple functional areas of our firm's operations.
- Senior managers in our firm can be requested to conduct tasks that are beyond their departmental responsibility.
- Our senior managers tend to have responsibility or authority in several task areas rather than one central task area.
- Our domestic business activities are undertaken by senior managers who have broad task descriptions that span different areas, rather than very narrow task descriptions.
- The exchange of ideas across functional boundaries is encouraged in our organization.
- There are lots of possibilities for senior managers to gain better insights into what other departments are doing.

Political flexibility (α = .81)

- In our firm, decisions about foreign activities are strongly affected by the use of power among senior managers (reverse coded).
- When making decisions about foreign activities, senior managers are strongly inclined to protect their own turf (reverse coded).

- Our senior managers often fear that foreign activities could decrease their influence in the firm (reverse coded).
- Senior managers are usually reluctant to accept decisions about foreign activities that decrease their power (reverse coded).

Relational flexibility (α = .80)

- Our domestic business partners expect a long-term relationship with us (reverse coded).
- We feel a strong obligation to continue our relationships with domestic business partners (reverse coded).
- A substantial amount of our time is devoted to maintaining our relationships with domestic business partners (reverse coded).
- We spend significant resources on our relationships with domestic business partners (reverse coded).
- It would be strategically costly for us to break up established relationships with domestic business partners (reverse coded).
- Failing to comply with the requests of domestic business partners would be detrimental for our reputation (reverse coded).

Domestic learning effort (α = .86)

- We put great effort in developing new knowledge regarding competitors who operate in our domestic market.
- We put great effort in developing new knowledge regarding domestic cooperative agreements in our industry.
- We put great effort in developing new knowledge regarding domestic laws that affect our business.
- We put great effort in developing new knowledge regarding domestic business norms affecting our industry.
- We put great effort in developing new internal procedures for our domestic activities.
- We put great effort in developing new reward systems for our domestic activities.
- We put great effort in developing new knowledge in our domestic market.

Market turbulence (α = .73)

- Environmental changes in our industry are rapid and frequent.
- In our industry, changes are taking place continuously.
- In our industry, the volumes of products and services to be delivered change fast and often.

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