2023

New CEO Appointment and Its Influence on Foreign Market Re-Entry Decisions

Jawaher Falah O Alotaibi

NEW CEO APPOINTMENT AND ITS INFLUENCE

ON FOREIGN MARKET RE-ENTRY DECISIONS

by

Jawaher Falah O. Alotaibi

DISSERTATION

Submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy at

The University of Texas at Arlington

May 2023

Arlington, Texas

Supervising Committee:

Liliana Pérez-Nordtvedt, Ph.D. (Chair)

Pyayt Oo, Ph.D. (Internal member)

Mahmut Yasar, Ph.D. (External member)

To my parents and family,

Your love and support are the pillars of my success.

ACKNOWLEDGEMENT

First of all, I would like to thank God Almighty for giving me the courage and the strength to pursue this dream and overcome all challenges in doing so.

This journey would not also be possible without the help and support of key people that I would like to recognize and extend my gratitude to. I would like first to express my deepest appreciation to Dr. Liliana Pérez-Nordtvedt, my chair, for her enormous support and help that enabled me to complete this dissertation. Dr. Nordtvedt has been involved in my research throughout this journey and cared for my progress in every step along the way. Your encouragement and trust led to this accomplishment. I am also grateful to Dr. Mahmut Yasar and Dr. Pyayt Oo for serving on my dissertation committee and providing me with their invaluable knowledge and insights that helped in strengthen my research.

Lastly, I would like to recognize the government of my beloved country, Saudi Arabia, for providing me with a full-scholarship through Umm Al-Qura University which allowed me to pursue my Ph.D. degree and broaden my horizon as a scholar. I will always be in your debt.

ABSTRACT

New CEO Appointment and Its Influence on Foreign Market Re-Entry Decisions

Jawaher Falah O. Alotaibi

The University of Texas at Arlington

Supervising Professor: Liliana Pérez-Nordtvedt

This dissertation investigates the effect of new CEO appointment on foreign markets re-entry decisions given that new CEOs are likely to bring a new set of skills and knowledge to their firms, leading these firms to evaluate opportunities in foreign markets in a different way. To examine this relationship, data for exit and re-entry events were collected by relying on RavenPack analytics tool. Specifically, data of 294 exit and 144 re-entry events for 339 firms in BRIC economies (i.e., Brazil, Russia, India, and China) were used and supplemented by Compustat data and additional data sources. Conditional Fixed Effect Logit Regressions were used to test the hypotheses. Findings show that new outsider CEOs with strong present focus are less likely to return to foreign markets. However, the experience of newly appointed CEOs matters when the decision to re-enter foreign markets is evaluated, such that new outsider CEOs with prior international experience are more likely to make the decision to return to foreign markets. Those CEOs are also likely to utilize the power that CEO duality holds to push for such a decision. Finally, young new insider CEOs are more likely to re-enter foreign markets. Implications and future directions are also discussed.

Keywords: foreign market re-entry, internationalization, international business, CEO succession, upper echelon, temporal focus, prior international experience, age, CEO duality.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1: STATEMENT OF PURPOSE

In the current global environment, international expansion is rarely a linear process that moves in a single direction (Bell, McNaughton, & Young, 2001; Vissak & Zhang, 2016; Welch & Welch, 2009; Yayla, Yeniyurt, Uslay, & Cavusgil, 2018). For instance, some firms may enter international markets, cease all international operations, pause, and then re-internationalize, reflecting different stages of firms' internationalization (Dominguez & Mayrhofer, 2017). Other firms may enter new international markets, abandon some markets, and return to (i.e., re-enter) some of those previously exited markets (Blum, Claro, & Horstmann, 2013; Dominguez & Mayrhofer, 2017; Kriz & Welch, 2018; Vissak, Francioni, & Musso, 2012). Interestingly, these processes can be repeated several times and in different order (Ali, 2021; Ali, Mathur, & Jaiswal, 2022; Dominguez & Mayrhofer, 2017). As a result, firms' foreign involvement can vary depending on the frequency of their entry, exit, and re-entry into foreign markets (Dominguez & Mayrhofer, 2017; Freeman, Deligonul, & Cavusgil, 2013; Javalgi, Deligonul, Dixit, & Cavusgil, 2011; Vissak & Francioni, 2013; Vissak et al., 2012). The non-linear nature of internationalization shows that re-internationalization and foreign market re-entry are recurring phenomena that deserve scholarly investigation.

Nonetheless, while re-internationalization (i.e., returning to the international market arena after complete withdrawal) has received some attention in the literature during the last decade (Kafouros, Cavusgil, Devinney, Ganotakis, & Fainshmidt, 2022; Surdu & Narula, 2021; Welch & Welch, 2009), foreign market re-entry has received scant attention (Francioni, Vissak, & Musso, 2017; Surdu, Mellahi, & Glaister, 2019). Foreign market re-entry refers to the event in which firms return to "specific international markets from which they have withdrawn earlier [while sometimes] they continued operations in other territories" (Ali et al., 2022: 3).

I believe that the disparity of attention on re-internationalization versus foreign market re-entry has occurred for at least two reasons. First, re-internationalization is a simpler process that is easily measured (Ali, 2021; Ali et al., 2022; Welch & Welch, 2009). On the other hand, foreign market re-entry is a complex phenomenon as collecting data to measure it has been a struggle (e.g., Surdu et al., 2019; Yayla et al., 2018). In re-internationalization, multinational enterprises (MNEs) go from having international revenue as they expand internationally, to having zero international revenue as they exit all international markets, and then having international revenue as firms renew their international operations (Ali, 2021; Ali et al., 2022; Bernini, Du, & Love, 2016; Blum et al., 2013). However, in foreign market re-entry, international revenue may remain constant even if the MNE exits a single market because other markets can increase revenue at the same time (Ali, 2021; Ali et al., 2022; Dominguez & Mayrhofer, 2017). Teasing out this measurement complexity is challenging.

Second, the complete international withdrawal (i.e., full de-internationalization) before firms' re-internationalization is likely to stem from organizational-level decisions that drive firms to focus on their domestic operations (Dominguez & Mayrhofer, 2017; Swoboda, Olejnik, & Morschett, 2011). For instance, MNEs may exit because of unsatisfactory profit levels, unskilled managers (or the appointment of new managers), and change in firms' strategies and orientations, among many other drivers (Benito, & Welch, 1997). Firms also quit international trade when coordination between parent firms in home countries and subsidiaries in host countries becomes ineffective and costly (Tang, Zhu, Cai, & Han, 2021). Great institutional distance between home and host countries are likely to result in poor coordination and organization between entities. This tends to be associated with firms' withdrawal from international trade. Yet, when it comes to foreign market re-entry, the exit from a specific country is more likely due to reasons related to the host country itself. For instance, the MNE may decide to exit a specific market due to lack of intellectual property regulations (Aguzzoli, Lengler, Sousa, & Benito, 2021), unfavorable change in ownership regulations (Bala & Subramanium, 1996; Choudhury & Khanna, 2014), and low institutional quality (Surdu et al., 2019). For example, recently Nissan decided to cease all operations in Russia due to the Russian invasion of Ukraine. The reason for exit had to do specifically with Russia and not with Nissan (Trudell & Suga, 2022). Firms also tend to abandon foreign markets when performance is not satisfactory in those specific markets and decide to seize profitable opportunities in other markets (Crick & Chaudhry, 2006; Palmer, 2004; Tang et al., 2021).

It should be noted that reasons for de-internationalization or foreign market exit may overlap which also emphasizes the complexity that scholars face when examining these phenomena or other phenomena that are connected to de-internationalization or foreign market exit (e.g., foreign market exit is a precondition to foreign market re-entry). Recent research has indicated that firms' decision to either fully de-internationalize or only exit certain foreign markets is related to three main factors: managerial factors (e.g., manager's strategic goals, skills, motives, and perceptions), organizational factors (e.g., firm's performance, capabilities, and knowledge), and environmental factors (e.g., demand conditions, technological evolution, policy and regulations, and uncertainties and risks) (Kafouros et al., 2022; Tang et al., 2021). Research has also suggested that de-internationalization might be attributed to changes in regulations and polices in home countries while foreign market exit is associated with changes in regulations and polices in host countries (Dominguez & Mayrhofer, 2017; Kafouros et al., 2022; Tang et al., 2021). Therefore, even though de-internationalization is more connected to the firm itself (endogenous reasons) and foreign market exit is more related to foreign market environments (exogenous reasons), the two phenomena may overlap and exhibit some similarities, as stated earlier. In this dissertation, I focus on foreign market re-entry and not on re-internationalization.

Given the above, two research questions drive this dissertation. First, why is it that international firms that decided to exit a single market from their portfolio of host country operations chose to re-enter such market? Understanding what motivate firms to re-enter foreign markets is important as withdrawal from a single country likely stems from problems in that country (e.g., lack of intellectual property regulations, and changes in ownership regulations). However, since host countries rarely change dramatically within five years, which is the average length of time for foreign market re-entry, investigating drivers of firms' re-entry into foreign markets is crucial. Second, what role does the appointment of new insider and outsider CEOs play in motivating firms' re-entry decision into foreign markets? Since a material change in a specific foreign market is unlikely to have happened within five years, I suspect that a change in firm leadership – that is the appointment of new CEOs – is what ultimately drives a firm to re-enter an exited foreign market. Specifically, I focus on the moderating role of CEO temporal focus, prior international experience, age, and duality to further examine how the appointment of new insider and outsider CEOs might influence foreign market re-entry.

CEO temporal focus reflects "the extent to which [CEOs] characteristically devote their attention to perceptions of the past, present, and future" (Shipp, Edwards, & Lambert, 2009: 1). Nadkarni and Chen (2014) describe the different foci of CEO temporal focus as the following: CEOs past temporal focus reflects the extent to which they pay attention to their past knowledge and experience; CEOs present temporal focus shows whether they pay attention to current and relevant information, how well they are informed (i.e., possess real-time information), and their risk tendency; and CEOs future temporal focus reflects the extent to which they make future predictions and whether they are devoted towards the future or not. Prior international experience reflects whether the individual has spent some time studying, working, or living (and sometimes doing all three) in a foreign country (Athanassiou & Roth, 2006; Georgakakis, Dauth, & Ruigrok, 2016; Herrmann & Datta, 2006; Nielsen & Nielsen, 2011; Reuber & Fischer, 1997; Schmid & Baldermann, 2021). CEO age reflect how old is the CEO in years (Grimm & Smith, 1991; Hsu, Chen, & Cheng, 2013; Wiersema, & Bantel, 1992). CEO duality indicates that one person performs the roles of the CEO and the roles of the chairman of the board of directors (Boyd, 1995; Coles & Hesterly, 2000; Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994; Harris & Helfat, 1998; Rechner & Dalton, 1991).

In this dissertation, I answer these questions by developing a model of foreign market re-entry. The model suggests that when new CEOs are appointed, those new CEOs are likely to bring new sets of skills and knowledge to their firms (Berns & Klarner, 2017; Biggs, 2004; Grühn, Strese, Flatten, Jaeger, & Brettel, 2017; Vancil, 1987; Virany, Tushman, & Romanelli, 1992; Zhang & Rajagopalan, 2003), influencing the firm's likelihood to make the decision to re-enter previously exited foreign markets. However, as the appointment of new CEOs can be from within the firm or from outside the firm (Berns & Klarner, 2017; Friedman & Olk, 1995; Zhang & Rajagopalan, 2003), accounting for succession origin is imperative for the purpose of this dissertation because I argue that the skills and knowledge that new insider CEOs may bring to the firm are not likely to affect the re-entry decision into foreign markets as much as the skills and knowledge of new outsider CEOs. However, I also propose that the effect of new CEOs appointment depends on several individual level characteristics (i.e., CEO temporal focus, prior international experience, age, and duality).

New insider CEOs with strong past temporal focus are likely to recall the past and remember their firms' prior negative experiences in foreign markets (Karniol & Ross, 1996; Shipp et al., 2009). Because they pay attention to the past, these CEOs would have seen their firms' failure in foreign markets and overthink that past, leading them to be hesitant to return to these markets (Nadkarni & Chen, 2014; Shipp et al., 2009). Additionally, even if new insider CEOs have not been with their firms for so long to witness their failure in foreign markets, they are likely to be affected by what has happened in the past as they are embedded within their firms. Therefore, the past of their firms is likely to impact their judgement when it comes to foreign market re-entry. Moreover, new CEOs (both insider and outsider) with strong present focus tend take higher risks compared to those with weak present temporal focus (Shipp et al., 2009; Zimbardo & Boyd, 1999), suggesting that new insider and outsider CEOs with strong present focus are more likely to make the decision to re-enter foreign markets even when such decision represent a higher level of risk. Those CEOs with strong present focus have higher risk-propensity because they are expected to be well-informed and possess up-to-date information (Nadkarni & Chen, 2014; Shipp et al., 2009; Zimbardo & Boyd, 1999) which enable them to plan their actions wisely even when risks are apparent. Therefore, I suggest that new insider and outsider CEOs with strong present focus are likely to return to exited foreign markets. Likewise, newly appointed CEOs (both insider and outsider) with strong future focus are assumed to be optimistic, visionary, and foresee opportunities in external environments (Buehler & Griffin, 2003; Kooij, Kanfer, Betts, & Rudolph, 2018; Spronken, Holland, Figner, & Dijksterhuis, 2016). I therefore argue that their devotion towards the future motivates them to resume operations in exited foreign markets.

New CEOs are also expected to rely on their prior international experience while evaluating the likelihood of returning to foreign markets (Herrmann & Datta, 2002; Piaskowska, Trojanowski, Tharyan, & Ray, 2021; Reuber & Fischer, 1997). Such experience makes CEOs more confident in their international abilities (Herrmann & Datta, 2006), suggesting that they will be motivated to resume operations in foreign markets in which their firms had failed earlier. Yet, I argue that prior international experience only matters in the case of outside succession because the effect of new insider CEOs prior international experience is likely to be weaker as they have witnessed their firms' failure. New insider CEOs tend to be embedded within their firms, indicating that their prior international experience is likely to be shaped by their firms' international experience in foreign markets. Therefore, new outsider CEOs with great prior international experience are more likely to make the re-entry decision into foreign markets.

In addition, young CEOs are likely to commit to long-term plans (Gray & Cannella Jr, 1997; Taylor, 1975), take risks (Bantel, 1994; Datta & Rajagopalan, 1998; Grimm & Smith, 1991; McClelland & O'Brien, 2011; Wiersema, & Bantel, 1992), and process information more accurately (Bantel, 1994; Child, 1974; Hambrick & Mason, 1984; Hart & Mellors, 1970; Taylor, 1975). This implies that when the re-entry decision into foreign markets is considered, new CEOs who are young are more likely to make such decision because the decision to return to foreign markets in which firms had failed earlier should involve a high level of risk.

CEOs who also serve as the chairman of their board of directors are likely to have more power in making decisions and taking actions (Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994). Therefore, when new outsider CEOs join firms and decide to re-enter foreign markets, serving as the chairmen of the board of directors is likely to help in pushing the re-entry decision because is it expected for the board of directors to be hesitant to return to foreign markets in which they previously failed as they have experienced failure firsthand. In other words, CEO duality provides new outsider CEOs with greater decision-making authority (Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994; Haynes & Hillman, 2010; Krause & Semadeni, 2013) to return to foreign markets.

I make several contributions to the international business literature. First, I further validate recent arguments that state that the internationalization process is rarely linear (e.g., Dominguez & Mayrhofer, 2017; Vissak & Francioni, 2013; Vissak & Zhang, 2016; Yayla et al., 2018) by providing empirical evidence based on unique data of foreign market re-entry events. That is, firms that enter foreign markets, exit, and then return to these previously exited markets have non-linear trajectories of international activities (Bala & Subramanium, 1996; Blum et al., 2013; Hadjikhani, 1997; Javalgi et al., 2011; Palmer, 2004; Vissak et al., 2012). In today's business world, firms rarely follow the specific path of entering a new market and later existing this market permanently. Firms, today, adapt to the changing environment faster by adjusting the way they operate more frequently than they used to do in the past (Dominguez & Mayrhofer, 2017; Yayla et al., 2018) which suggests that it is almost impossible for firms to exhibit linear internationalization trajectories.

Therefore, I emphasize the distinctive nature of foreign market re-entry by specifically exploring foreign market re-entry in an empirical setting. To date, most research on foreign market re-entry has failed to distinguish between re-internationalization and foreign market re-entry per se when using qualitative approaches (e.g., Freeman et al., 2013; Kriz & Welch, 2018; Ojala, Evers, & Rialp, 2018; Vissak et al., 2012). The distinction between the two is critical as the similarities that they share might muddy these two phenomena which deserve separate treatment. In addition, research on firms' behavior after failing in their initial attempts in foreign markets has caught scholars' attention just recently (e.g., Aguzzoli et al., 2021; Bernini et al., 2016; Freeman et al., 2013), indicating that there is dearth of research on foreign market re-entry. This signals that more research is needed to better understand foreign market re-entry (Surdu & Mellahi, 2016). Accordingly, quantitative analysis of the phenomenon is important because most research on foreign market re-entry has utilized qualitative studies to provide insights regarding the phenomenon (e.g., Aguzzoli et al., 2021; Vissak, Francioni, & Freeman, 2020). As my dissertation attempts to fill this gap, I manually collect and code data on foreign market re-entry from online databases to further examine this phenomenon.

To my knowledge, only eight studies relied on primary or secondary data in their examination (Bernini et al., 2016; Blum et al., 2013; Chen, Sousa, & He, 2019; Görg & Spaliara, 2018; Surdu & Narula, 2021; Surdu et al., 2019; Surdu, Mellahi, Glaister, & Nardella, 2018; Yayla et al., 2018) as there are no databases from which to collect such data. However, these studies differ from this dissertation. Bernini et al. (2016) examined antecedents to export firms' decisions to exit and re-enter export markets. The data of French firms between 1997 and 2007 demonstrated that re-entry decisions are related to exit decisions. Firms that had high exit probabilities (i.e., firms that are expected to leave export markets for several reasons such as low production capacity and low demand) are less likely to re-enter export markets. Demand conditions at the time of exit also influence firms' decision to re-enter export markets such that firms are less likely to return to export markets if demand at the time of exit was high in foreign markets. In addition, firms that stay out of export markets for long periods of time (i.e., time-out period) are less likely to return to export markets.

Further, using a sample of exporter firms, Blum et al. (2013) investigated what influence 456 Chilean firms to exit and re-enter export markets several times. Their findings show that demand is a key driver to firms' behavior in export markets. When demand in domestic markets is high firms tend to exit export markets and focus on fulfilling demand in domestic markets. Those firms are more likely to return to export markets when demand decreases in domestic markets and at the same time increases in export markets. Chen et al. (2019) also investigated the re-entry probability of Chinese export firms between 2000 and 2009. The findings showed that firm size, exit probability, and the time-out period have a negative effect on firms' likelihood to return to export markets. Moreover, Görg and Spaliara (2018) studied how firms' financial health influence their decisions to exit and re-enter export markets. Firms with weak financial positions are likely to exit export markets during crises periods. These firms are less likely to return post crisis periods. Firms that are financially healthy are flexible because they can exit and return to export markets once the surrounding environment is stable.

Surdu et al. (2019) explored whether firms change their operation modes when they return to foreign markets based on data of 1020 re-entry events between 1980 and 2016. The findings affirmed that firms that exited due to unsatisfactory performance are likely to increase their commitment strategies and operate using different modes in foreign markets when they return to these markets. Moreover, when favorable changes take place in foreign markets (i.e., increased institutional quality), firms are likely to increase their commitment levels in those markets. Yayla et al. (2018) studied how 156 Turkish firms operated in the Egyptian market between 2010 and 2015. The results indicated that during political uncertainties, firms tend to exit foreign markets and return once markets are stable. Those firms that re-entered the Egyptian market relied on their previous networks and relationships in making a successful re-entry.

Surdu et al. (2018) examined how host market specific-knowledge (i.e., measured as prior experience in a foreign market), in addition to host market institutional quality, encourage firms to return to exited foreign markets faster. The findings showed that faster foreign market re-entry is attributed to greater host market experience depth (i.e., experience gained when operating through higher commitment strategies such as joint ventures) and higher host market institutional quality. However, in a recent study, Surdu and Narula (2021) studied how emerging market multinationals (EMNEs) and developed market multinationals (DMNEs) differ regarding the speed of foreign market re-entry. The analysis of 786 re-entry events between 2000 and 2016 showed that EMNEs, which had less experience, were more likely to make an early return into foreign markets while DMNEs, which possessed greater experience, took longer to re-enter foreign markets. They found that market-specific knowledge does not always have a positive effect on firms' re-entry decision into foreign markets because organizational inertia plays an important role when firms plan to return to foreign markets. Firms sometimes must unlearn ineffective practices to be capable of making a comeback into exited foreign markets.

Overall, these studies have focused on the re-entry decision into export markets (e.g., Bernini et al., 2016; Blum et al., 2013; Chen et al., 2019; Görg & Spaliara, 2018), the re-entry decision into a single market (e.g., Yayla et al., 2018), or the re-entry decision into serval foreign markets considering only host market conditions (e.g., Surdu & Narula, 2021; Surdu et al., 2019; Surdu et al., 2018) when studying foreign market re-entry. However, the purpose of this dissertation differs from previous eight studies. In this dissertation, I employ firm-specific data (i.e., new CEO characteristics) while accounting for host market conditions to explain the phenomenon in question in a range of host markets (i.e., BRIC economies). The goal of this research is to examine how specific managerial factors motivate firms to re-enter BRIC economies while controlling for other key factors.

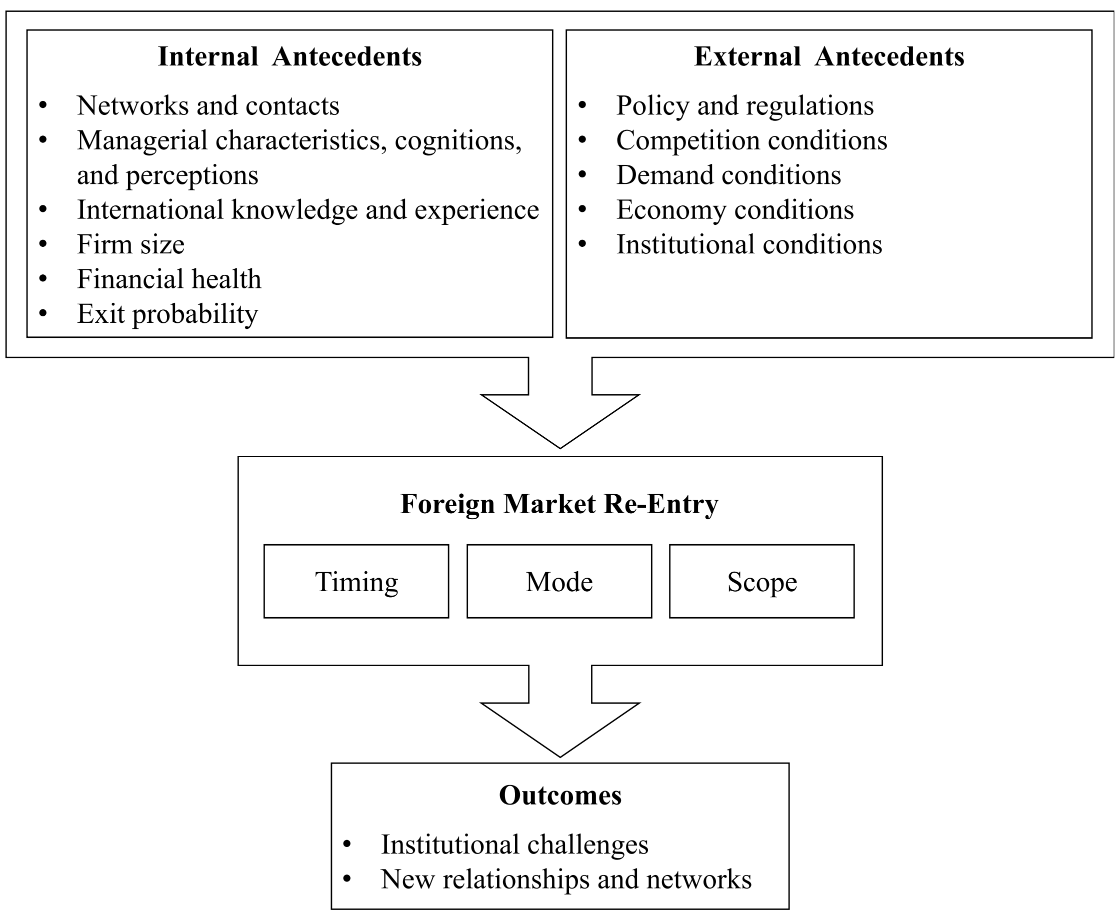
I also extend research on foreign market re-entry and the upper echelon theory by empirically examining how the appointment of new CEOs (moderated by other specific CEO characteristics, cognitions, and perceptions) drive firms to re-enter foreign markets. By doing this, I attempt to improve our understating of the managerial factors underlying the decision-making process that leads firms to make the decision to re-enter foreign markets. This is important because criticism of the internationalization process theory urges for integrating managerial variables when investigating international phenomena (Schweizer & Vahlne, 2022; Treviño & Doh, 2021) because these variables are assumed to have a significant impact on firms' strategic decisions such as foreign market re-entry. As the firm's decisions are a reflection of its management and decision-makers (Hambrick & Mason, 1984), it is important to account for their impact on the firm's international orientation represented by returning to previously abandoned foreign markets.

This dissertation consists of six chapters. The first chapter, as shown, provides an overview of this dissertation and its purpose. In the second chapter, I review literature on foreign market re-entry, including antecedents and outcomes of the phenomenon. I also distinguish between foreign market re-entry and other related constructs. In addition, I review research on new CEO appointment and specific CEO characteristics, cognitions, and perceptions. In the third chapter, I illustrate how the hypotheses are developed and the reasoning behind each one of them. The fourth chapter details the selected method to examine the hypotheses, data collection, and measures employed. The analysis results are presented in the fifth chapter. And finally, in the sixth chapter, I discuss the results and conclude with implications, limitations, and future directions.

CHAPTER 2: LITERATURE REVIEW

After identifying the gap in the literature and proposing the research questions in Chapter 1, in this chapter, Chapter 2, I first provide in-depth review of foreign market re-entry research, including its definition, antecedents (internal and external), and outcomes. Figure 1 displays antecedents and outcomes of foreign market re-entry that have been investigated in the literature. Furthermore, I distinguish between foreign market re-entry and other related constructs (i.e., re-internationalization, and initial market re-entry) as foreign market re-entry is inaccurately thought to be identical to these constructs. Later, I summarize recent research related to new CEO appointment and specific CEO characteristics, cognitions, and perceptions.

Figure 1: Foreign Market Re-Entry Antecedents and Outcomes



2.1. Foreign Market Re-Entry

Research on foreign market re-entry is still in its early stages (Surdu & Mellahi, 2016; Yayla et al., 2018). Foreign market re-entry occurs when "a firm re-enters the particular location it had exited from international operations while [sometimes] continuing operations in other host countries" (Ali, 2021: 252). Firms might make the decision to re-enter foreign markets fast, within a few years, or slow, after a few decades (Aguzzoli et al., 2021; Bala & Subramanium, 1996; Choudhury & Khanna, 2014). For example, Coca-Cola entered the Indian market for the first time in the early 1920s, exited the market in 1977, and re-entered the Indian market again in 1993. Coca-Cola spent 16 years out of the Indian market before resuming operations in India (Bala & Subramanium, 1996; Choudhury & Khanna, 2014). Importantly, Coca-Cola was still present in other foreign markets during this time such as Mexico, China, Russia, and Germany, to name a few (The Coca-Cola Company, 2011). Despite the frequency of occurrence of this phenomenon, motives that drive firms' decision to re-enter foreign markets are not yet fully comprehended. As international firms compete in rapidly changing environments, these firms are likely to enter some foreign markets, exit other markets, and later re-enter some of those previously abandoned markets based on multiple factors (Dominguez & Mayrhofer, 2017; Freeman et al., 2013; Javalgi et al., 2011; Vissak & Francioni, 2013; Vissak et al., 2012).

As a result, scholars' interest in examining different external and internal antecedents to firm's decision to re-enter a specific foreign market has increased (Aguzzoli et al., 2021; Sousa, He, Lengler, & Tang, 2021). The firm's external antecedents to foreign market re-entry that have been mentioned or examined in the literature are changes in policy and regulations (e.g., Choudhury & Khanna, 2014; Vissak & Francioni, 2020), competition conditions (e.g., Donzé, 2015; Freeman et al., 2013), demand conditions (e.g., Bernini et al., 2016; Vissak & Zhang, 2016), economy conditions (e.g., Kriz & Welch, 2018; Lee, Song, & Kwak, 2014), and institutional conditions (e.g., Surdu & Narula, 2021; Surdu et al., 2018). The internal antecedents that have been studied encompass firm's networks and relationships (e.g., Bunz, Casulli, Jones, & Bausch, 2017; Francioni et al., 2017), managerial characteristics, cognitions, and perceptions (e.g., Kriz & Welch, 2018; Palmer, 2004), international knowledge and experience (e.g., Javalgi et al., 2011; Surdu & Narula, 2021), and firm size (e.g., Chen et al., 2019; Yayla et al., 2018). For most of these antecedents, scholars have relied on qualitative studies (i.e., case studies) in examining how these antecedents are associated with foreign market re-entry. Only eight studies utilized primary or secondary data (Bernini et al., 2016; Blum et al., 2013; Chen et al., 2019; Görg & Spaliara, 2018; Surdu & Narula, 2021; Surdu et al., 2019; Surdu et al., 2018; Yayla et al., 2018) as will be explained thoroughly later in this chapter. Yet, these eight studies did not look at the effect of appointing new CEOs on the decision to re-enter foreign markets. Thus, while they give us an idea of foreign market re-entry antecedents, there is a need to investigate more antecedents and outcomes of foreign market re-entry in a quantitative manner to better understand this phenomenon. In this dissertation, I attempt to examine how the characteristics, cognitions, and perceptions of new insider and outsider CEOs influence the firms' decision to re-enter foreign markets.

However, examining the decision to re-enter foreign markets is not easy as it involves the timing, scope, and mode of re-entry into these markets (Javalgi et al., 2011; Surdu & Mellahi, 2016). The timing of re-entry refers to when firms decide to re-enter foreign markets. The timing of re-entry takes place after exiting foreign markets and spending sometime out of these markets. Re-entry into foreign markets depends on the removal of exit reasons. Firms return to markets once conditions are favorable compared to how they used to be in their initial attempt (Javalgi et al., 2011; Surdu et al., 2018). Research has shown that firms usually return to foreign markets within five years of their departure (Aguzzoli et al., 2021; Bernini et al., 2016; Blum et al., 2013; Bunz et al., 2017; Chen et al., 2019; Dominguez & Mayrhofer, 2017; Görg & Spaliara, 2018; Javalgi et al., 2011; Surdu et al., 2019; Surdu et al., 2018; Vissak & Francioni, 2013; Yayla et al., 2018). However, firms that do not re-enter previously exited markets within five years are less likely to make the re-entry decision as time goes by (Bernini et al., 2016; Chen et al., 2019; Javalgi et al., 2011).

The scope of re-entry refers the level of commitment (i.e., resources) that firms dedicate to re-enter foreign markets. The scope of re-entry varies according to home and host countries' conditions, and firm's capabilities. Firms may return to foreign markets with a greater commitment level or a reduced commitment level in these markets compared to how they used to operate during their initial entry (Javalgi et al., 2011). Firms that learned from their past experiences tend to re-enter international markets on a greater scale by allocating more resources to these markets (Figueira-de-Lemos & Hadjikhani, 2014; Javalgi et al., 2011). Surdu et al. (2019) also emphasize that favorable changes in foreign markets' institutional conditions motivate firms to re-enter these markets on a larger scale by increasing their commitment level.

The re-entry mode decision is a critical strategic decision because it reflects how firms decide to re-enter foreign markets. Firms may re-enter foreign markets via exporting, joint ventures, strategic alliances, acquisitions, or wholly owned subsidiaries. Each mode reflects a different degree of control over assets and operations. Firms that aim to have full control over operations in foreign markets are more likely to re-enter these markets by establishing wholly owned subsidiaries (Crick & Chaudhry, 2006; Javalgi et al., 2011). Prior research suggests that when firms return to specific foreign markets, they are more likely to choose the same initial entry mode (e.g., joint ventures) to re-enter these markets (Choudhury & Khanna, 2014; Javalgi et al., 2011). According to the path dependency literature, when firms decide to renew operations in foreign markets with the same initial entry mode, they are assuming that all factors in home and host countries are still the same. However, the internationalization process theory emphasizes the role that market-specific knowledge has on these decisions (Johanson, & Vahlne, 1977) such that firms that learn from past experience in foreign markets are likely to re-enter these markets via a different mode (Crick & Chaudhry, 2006). In other words, firms' knowledge influences their re-entry mode decision. That is, firms that did not acquire market-specific knowledge when they were present in the foreign market are likely to repeat the same mode that was chosen during their initial entry into this market. Yet, firms that have acquired knowledge and learned from their initial attempts in a foreign market are likely to re-enter this market by choosing a different mode (Crick & Chaudhry, 2006; Javalgi et al., 2011). Furthermore, it should be noted that the scope and mode of re-entry decision into foreign markets are significantly related to each other. Surdu et al. (2019) found that firms that exited foreign markets due to unsatisfactory performance are more likely to change their re-entry mode by increasing their commitment level and allocating more resources to have stronger control over their operations when re-entering these foreign markets.

Research also asserts that firms with high exit probability are less likely to re-enter foreign markets (Bernini et al., 2016; Chen et al., 2019). For instance, firms that had shown poor financial performance during their initial attempt in foreign markets are more likely to depart these markets (i.e., high exit probability) compared to firms with satisfying financial performance (i.e., low exit probability). Such high exit probability, reflected by poor performance, influences subsequent re-entry into foreign markets negatively (Bernini et al., 2016). This demonstrates that the firm's decision to re-enter a previously abandoned foreign market is linked to its reasons for exit and how the firm performed during its initial entry (Bernini et al., 2016; Chen et al., 2019). If the factors that led to exit are still present, firms are likely to be discouraged from re-entering foreign markets in which they failed (Chen et al., 2019; Palmer, 2004), especially as they stay out of these markets for a long time (Bernini et al., 2016; Chen et al., 2019). Firms that understand what led to their failure tend to go through organizational restructuring to be prepared before re-entering foreign markets (Palmer, 2004) which stresses the complexity of the decision to re-enter foreign markets.

Research has also shown that firms return to previously exited foreign markets to reduce costs associated with entry. Specifically, sunk costs have a positive effect on exporters' decisions to re-enter foreign markets (Görg & Spaliara, 2018; Roberts & Tybout, 1997). The costs associated with firms' re-entry into foreign markets are lower compared to the costs that new entrants into these markets incur as re-entrant firms tend to have a degree of international heritage[1]. However, the positive effect of sunk costs on the re-entry decision into foreign markets depreciates overtime; typically, after two to three years of exit. When re-entry occurs within two years of exit, the re-entry costs are not as substantial as first-time entry costs (Love & Máñez, 2019; Roberts & Tybout, 1997). The financial health of firms has also been found to affect re-entry (Görg & Spaliara, 2018). Görg and Spaliara (2018) have found that export firms that are financially flexible (i.e., financially healthy firms) are more likely to re-enter export markets post

[1] International heritage represents an intangible asset that usually firms maintain even after existing foreign markets. Firms develop international heritage as they operate in different markets. The firm's international heritage is comprised of its managerial skills and attitudes, experiential knowledge, and international networks. Further, the extent or the degree of international heritage differs according to the length and depth of experience of each firm in foreign markets (Welch & Welch, 2009).

crisis. They utilized a profitability ratio to capture the impact of financial health of export firms on re-entry probability. The results emphasize that firms with financial flexibility tend to return to foreign markets when these markets are stabilized.

In general, firms' re-entry into a foreign market has been associated with their reasons for exit (Bernini et al., 2016; Chen et al., 2019). Although, exit probability, costs, and firms' financial health may motivate firms to re-enter foreign markets (Bernini et al., 2016; Chen et al., 2019; Görg & Spaliara, 2018; Roberts & Tybout, 1997), other antecedents have been the focus of scholars in the literature on foreign market re-entry. Hence, the following section details antecedents of the phenomenon under investigation as portrayed in the literature.

2.1.1. Antecedents to Foreign Market Re-Entry

The decision to re-enter foreign markets has been associated with several factors of which can be internal or external to firms.

2.1.1.1. External Antecedents to Foreign Market Re-Entry

Several factors in the external environments of firms impact their strategic decisions in international markets such as foreign market re-entry decision. These factors are policy and regulations, competition conditions, demand conditions, economy conditions, and institutional conditions. These external antecedents will be discussed in following sections.

Policy and regulations. One of the biggest drivers of firms' behavior in international markets relates to policy and regulations that exist in firms' home or host country(ies). Changes in policy and regulations reflect changes in the external environment of the firms (Bala & Subramanium, 1996; Choudhury & Khanna, 2014; Hadjikhani, 1997). Changes in host countries affect firms' operations in these countries because firms must react to these changes (Bala & Subramanium, 1996; Yayla et al., 2018). Although changes in policy and regulations in host countries are more common, changes in policy and regulations in home countries can also alter how firms operate. To clarify, during the financial crisis of 2008, Estonia employed strict regulations that forced Estonian firms to leave most international markets. Later, when the Estonian economy recovered from the crisis, the regulations were lessened, and these firms were able to return to foreign markets (Vissak & Francioni, 2020).

Policy and regulations are not static, and can be altered for economic, political, cultural, and environmental objectives (Bala & Subramanium, 1996; Yayla et al., 2018). Changes in policy and regulations may represent an opportunity or a threat for firms (Aguzzoli et al., 2021; Choudhury & Khanna, 2014). For instance, these changes sometimes represent radical events that may increase the uncertainty firms face in foreign environments. Such uncertainty, in turn, influences how firms operate and whether they enter, stay in, or leave markets. (Aguzzoli et al., 2021; Bala & Subramanium, 1996; Choudhury & Khanna, 2014; Figueira-de-Lemos & Hadjikhani, 2014; Javalgi et al., 2011; Yayla et al., 2018).

Furthermore, while firms try to mitigate the possible negative outcomes of such changes, "firms are more vulnerable to the turbulences that stem from radical changes" (Yayla et al., 2018: 1105). As an example, Hadjikhani (1997) examined nine Swedish multinational corporations (MNCs)[2] in Iran at three points in time (i.e., before, during, and after the Islamic revolution). The author pointed out that when the Islamic revolution events started in Iran in 1979, firms were anxious to see how the market would be affected. Later, the new political regime that took over after the revolution established its new policies and regulations with which some firms (e.g., Alfa) could not comply at that time. These sudden changes forced firms to

[2] The nine Swedish MNCs that Hadjikhani (1997) examined in the Iranian market were Volvo, Electrolux, Atlas Copco, ASEA, SAAB, Ericsson, Pars, Alfa, and Studsvik.

leave the Iranian market and restructure their operations before trying to re-enter the market again. Among the nine Swedish MNCs, five firms left the market due to the sudden changes associated with the revolution. However, four MNCs (i.e., SAAB, Ericsson, Pars, and Alfa) returned to the Iranian market once it was stabilized and regulations were lessened (Figueira-de-Lemos & Hadjikhani, 2014; Hadjikhani, 1997).

Firms return to foreign markets when favorable changes in policy and regulations take place (Javalgi et al., 2011). Coca-Cola and IBM are well-known examples of how policy and regulations in a host country can affect firms. The two firms left the Indian market after the Foreign Exchange Regulation Act (FERA) of the 1970s became effective. The new regulations required multinational firms to dilute shareholdings to 40% which meant that the Reserve Bank of India would have direct control over these firms. The FERA altered the firms' strategies by forcing them to leave the Indian market if they did not wish to comply with the new regulations and lose control over their operations. Indeed, this is what happened. However, Coca-Cola and IBM returned to the Indian market once the 40% cap was not mandated anymore (Bala & Subramanium, 1996; Choudhury & Khanna, 2014).

Competition conditions. Firms also return to foreign markets when competition pressure decreases compared to how it used to be in their prior attempts in those markets (Freeman et al., 2013; Vissak & Zhang, 2016). Intense competition forces firms to stay out of foreign markets, especially, when these firms cannot compete with other international rivals. This incites firms to focus on domestic markets (Crick & Chaudhry, 2006). Thus, changes in the competition structure may encourage firms to re-enter previously exited markets. While increasing competition reduces the firm's likelihood to re-enter previously abandoned markets (Palmer, 2004), a decrease in competition in foreign markets influences the firm's re-entry decision positively (Bala & Subramanium, 1996). For instance, Donzé (2015) found that Siemens-Reiniger-Werke (SRW), a German electromedical equipment maker, returned to some of the Latin American markets because there were changes in global competition in those markets after World War II. Many firms had struggled in resuming their international operations after the war, resulting in a global decrease in competition. Accordingly, SRW took advantage of the decrease in competition as it had only one standing competitor (i.e., the American Hospital Supply Corporation) after the war. The firm re-entered some of the Latin American markets and dominated these markets for a long time due to the limited competition.

Hadjikhani (1997) has also illustrated how competition influenced some firms' behavior in the Iranian market. The Iranian market changed during and after the Islamic revolution events of 1979 as new policies and regulations were enforced which resulted in market exit for many firms. Because the revolution had driven many firms to leave the Iranian market, the market was not saturated compared to how it used to be prior to the revolution. This incited some firms to re-enter the market due to limited competition. Among the five Swedish MNCs who exited the Iranian market, three firms (i.e., SAAB, Pars, and Alfa) were motivated to return to the market because competition had decreased after the revolution (Figueira-de-Lemos & Hadjikhani, 2014; Hadjikhani, 1997).

Demand conditions. Changes in demand conditions force firms to evaluate their internal resources to decide whether they can meet these changes. These changes in demand can occur domestically, internationally, or both (Bernini et al., 2016; Blum et al., 2013; Crick & Chaudhry, 2006; Javalgi et al., 2011). Interestingly, for the purpose of foreign market re-entry, demand in both host and home countries is relevant. Demand in foreign markets has a significant impact on whether firms return to these previously exited markets (Vissak et al., 2012). Firms usually operate in foreign markets where demand is high and depart these markets if demand decreases (Blum et al., 2013; Dominguez & Mayrhofer, 2017; Vissak & Francioni, 2020; Vissak, Francioni, & Freeman, 2020). Thus, an increase in the level of demand in foreign markets incites firms to re-enter these markets (Vissak et al., 2012).

Firms return to foreign markets when business opportunities emerge, and demand increases. (Aguzzoli et al., 2021; Blum et al., 2013; Javalgi et al., 2011; Vissak & Francioni, 2013; Vissak & Francioni, 2020; Vissak & Zhang, 2016). For instance, after the financial crisis of 2008, the foreign demand for banking services increased which motivated South Korean banks to make a comeback in some international markets (e.g., China, the United States, and Vietnam) (Lee et al., 2014). In addition, research has shown that there is a negative relationship between the growth rate of demand in foreign markets at the time of exit and the firm's decision to re-enter foreign markets. Firms that exit foreign markets, while demand is growing in these markets, are less likely to return to these markets because demand growth in foreign market results in increasing competition (Bernini et al., 2016).

Domestic market conditions also affect re-entry decisions into foreign markets. In a qualitative study of 12 high-technology British small-sized firms, Crick and Chaudhry (2006) found that managers evaluated the decision to re-enter foreign markets based on the costs associated with operating in these markets compared to domestic markets. Firms decided to remain in their domestic markets because demand was fairly sufficient to meet their financial goals with lower costs. The growth in demand in their domestic market motivated these firms to stay out of foreign markets and to dedicate more resources to the domestic market. In other words, increasing demand in domestic markets influence firms' decision to re-enter foreign markets negatively. Moreover, demand conditions in domestic markets (i.e., home countries) at the time of exit affect the firm's decision to re-enter foreign markets. Specifically, Bernini et al. (2016) found that, in export markets, the growth rate of domestic markets at the time of exit influences the firm's re-entry decision negatively. The marginal cost of exporting increases when the growth rate of domestic markets increases which discourages firms from re-entering foreign markets. Firms that decide to operate in foreign markets while domestic markets have a high growth rate are less profitable compared to firms that only focus on domestic markets with high growth rate (Bernini et al., 2016).

Economy conditions. When sudden events hit economies (e.g., financial crisis, changes in policy and regulations, and civil war), uncertainty increases and the institutional quality of market changes, leading to unstable markets that threaten how firms operate (Bala & Subramanium, 1996; Hadjikhani, 1997; Kriz & Welch, 2018; Vissak & Francioni, 2020). For instance, the financial crisis, in particular, affected the transaction costs associated with internationalization, increasing the level of risk of foreign operations (Lee et al., 2014; Vissak & Francioni, 2013; Vissak & Francioni, 2020). In general, economies that enter a recession period usually represent unattractive markets (Hadjikhani, 1997; Kriz & Welch, 2018), driving firms to exit those markets. However, once these foreign markets are stabilized and firms recognize such stabilization, the likelihood that these firms return to foreign markets increases (Aguzzoli et al., 2021; Figueira-de-Lemos & Hadjikhani, 2014; Hadjikhani, 1997; Kriz & Welch, 2018; Lee et al., 2014; Vissak & Francioni, 2013; Vissak & Francioni, 2020; Vissak & Zhang, 2016). For example, G-cluster, a Finnish digital platform provider, withdrew from the US market in 2010 because of the market conditions following the financial crisis. Yet, the Finnish digital platform provider returned to the US market in 2013 when the economy recovered from the recession (Ojala et al., 2018).

Institutional conditions. Host market institutional quality also plays an important role in motivating firms' decision to re-enter foreign markets (Aguzzoli et al., 2021; Surdu et al., 2018). Firms tend to re-enter foreign markets that have higher institutional quality. Highly institutionalized markets reflect a context that reduces uncertainties leading firms to make a faster decision to re-enter foreign markets. Firms are more likely to return to foreign markets within five years when markets are highly institutionalized (Surdu et al., 2018). Markets that improve their institutional environments (e.g., trade regulations, and property rights) are a better context for gaining experience and knowledge (Aguzzoli et al., 2021). Basically, foreign markets with high institutional quality have less uncertainties making them attractive markets when making risky decisions such as the re-entry decision into foreign markets. Surdu et al. (2018) have asserted that changes in institutional conditions of host countries impact the firms' decision of whether to return to international markets such that when favorable institutional changes occur in host markets, firms are more likely to re-enter these markets faster. In other words, favorable changes in institutional environment of foreign markets have a positive effect on firms' decision to re-enter these markets (Surdu et al., 2019; Surdu et al., 2018). Firms return to foreign markets faster when these markets develop their institutional environments (Surdu & Narula, 2021).

2.1.1.2. Internal Antecedents to Foreign Market Re-Entry

The decision to re-enter foreign markets can be also attributed to internal factors. As internal factors are likely to vary in each firm, it is important to take these factors into consideration when discussing what influences a firm's decision to return to foreign markets. These factors are networks and contacts, international knowledge and experience, firm size, and managerial characteristics, cognitions, and perceptions. Thus, in the next section, internal antecedents to foreign market re-entry will be presented.

Networks and contacts. Firms are able develop their operations, explore more markets, and establish a competitive advantage in foreign markets when they have "a web of relationships" with different actors in these markets (Johanson & Vahlne, 2009: 1411). While it may be challenging to do, when firms exit markets, they can still maintain relationships with actors in those abandoned markets and reap benefits upon re-entry. Hadjikhani (1996) referred to maintaining previous networks and contacts in specific markets as *sleeping relationships* because these relationships are kept during the period where there is discontinuity in transactions between the actors involved in these relationships.

Networks and relationships in foreign markets can reduce uncertainty in these markets (Johanson & Vahlne, 2009; Yayla et al., 2018) when a firm decides to return to such markets. In addition, firms that retain past relationships can use them as examples to form new relationships with suppliers and customers in the foreign market upon re-entry (Bala & Subramanium, 1996; Freeman et al., 2013; Ojala et al., 2018). Since markets are dynamic, firms can bridge the market-knowledge gap during their absence by re-establishing ties with dormant relationships and be better positioned to exploit new opportunities (Vissak et al., 2020). For example, the study of the nine Swedish MNCs showed that five MNCs exited the Iranian market during the Islamic revolution events of 1979 but only four of them made a comeback post the revolution. Two of the four MNCs (i.e., Pars and Alfa) returned quickly to the Iranian market by strengthening their relationships with previous partners. Pars and Alfa maintained their relationship with former partners even after leaving Iran. On the other hand, the other two firms (i.e., SAAB and Ericsson) made a late comeback because they could not maintain their previous networks and contacts. It took them a while to form new strategic relationships with the public sector to be able to re-enter the market again (Figueira-de-Lemos & Hadjikhani, 2014;

Hadjikhani, 1997). In short, firms that maintain past relationships and networks are more likely to return to foreign markets compared to firms that must go through the process of establishing new networks. Relying on networks of local people and establishing trusting relationships with key actors in the market was essential for these firms to make a comeback in the Iranian market.

Similarly, when IBM withdrew from the Indian market in 1977, it maintained its contacts and ties in India. The firm depended on its previous local networks in securing several projects that enabled the firm to make a partial return with a limited number of Indian employees. IBM continued working on small projects to stay informed about the market until it fully returned to India in 1992 (Choudhury & Khanna, 2014). IBM maintained previous networks and relationships in addition to forming new alliances with new partners. Likewise, Donzé (2015) has asserted that SRW is another example of how a firm makes the re-entry decision into foreign markets based on previous networks and contacts. The firm returned to international markets by relying on its past relationships, especially, in Latin America. SRW understood the importance of local people and the valuable market information that they possess. As a result, the firm reached out to their past relationships in foreign markets before making the re-entry decision after World War II.

In a study of four Italian wine producers, Francioni et al. (2017) found that two wine producers returned to previously exited foreign markets by utilizing their relationships with tourists who had visited their stores in Italy. These tourists either partnered with these Italian wine producers to export wine in foreign markets or helped the Italian wine producers establish relationships with agents in these foreign markets. The wine producers also depended on their own networks of relatives, friends, neighbors, and Italians living abroad in re-entering international markets from which they had withdrawn earlier.

Moreover, a case study of a single German service firm revealed that managers failed in their first attempt in two markets (i.e., France and Russia) because they were not embedded in those markets, leading to insufficient performance (Bunz et al., 2017). Managers lacked institutional knowledge, and local networks and contacts; they did not develop their market-specific knowledge through building a good network in the local market. Thus, the firm decided to only attract and hire managers who had institutional knowledge of the foreign market, had access to local networks and contacts, and were aware of the cultures of both home and host countries to re-enter these markets. The firm's awareness of the importance of local networks and contacts, and its attempt to secure such relationships resulted in a successful comeback of the firm in French and Russian markets (Bunz et al., 2017).

Overall, maintaining international networks or relationships can be beneficial for firms that still have intentions to return to previously exited foreign markets (Freeman et al., 2013; Kriz & Welch, 2018; Lee et al., 2014; Vissak et al., 2012; Yayla et al., 2018) because local relationships in these market can provide firms with legitimacy, unique information, access to resources, and help in processing legal requirements (Bala & Subramanium, 1996; Choudhury & Khanna, 2014; Donzé, 2015; Figueira-de-Lemos & Hadjikhani, 2014; Johanson & Vahlne, 2009; Oviatt & McDougall, 2005; Vissak et al., 2012). Furthermore, in some cases, returning to specific markets is only feasible via local networks (Francioni et al., 2017; Vissak & Francioni, 2013; Vissak & Francioni, 2020; Vissak et al., 2012). As a result, firms' re-entry into foreign markets can be delayed when such local networks and contacts are non-existent (Vissak & Zhang, 2016).

Managerial characteristics, cognitions, and perceptions. Expanding or returning to international markets reflects a decision-making process (Beugelsdijk, Kostova, Kunst, Spadafora, & Van Essen, 2018; Crick, Crick, & Chaudhry, 2020; Vissak et al., 2020) in which the characteristics, cognitions, and perceptions of the upper echelons of any firm matter (Oviatt & McDougall, 1994; Oviatt & McDougall, 2005). The logic that the upper echelon applies to their decisions affects whether firms return to foreign markets and how they return (Vissak et al., 2020). Thus, managerial characteristics, cognitions, and perceptions (e.g., age, experience, knowledge, preferences, etc.) are crucial when making the re-entry decision (Aguzzoli et al., 2021; Vissak & Francioni, 2013) as different sets of characteristics, cognitions, and perceptions can influence firms' behavior in international markets in various ways (Bell et al., 2001; Vissak & Francioni, 2020; Welch & Welch, 2009). For example, managers who are internationally oriented are more likely to be flexible which means that they are willing to change strategies and allocate resources to ensure that their firms have an international presence whenever the conditions are favorable (Vissak & Francioni, 2020). Thus, managers with prior international experience are more confident in making the re-entry decision into foreign markets (Palmer, 2004).

Relevant managerial experience such as knowing how to deal with competitors, or how to react to radical events can also provide firms with an advantage when returning to foreign markets (Bala & Subramanium, 1996; Lee et al., 2014). For instance, before Coca-Cola was even considering returning to India, the firm hired a CEO who had previously worked at Pepsi, the firm's biggest rival, in other international markets. This CEO prior experience at Pepsi influenced Coca-Cola's re-entry decision into the Indian market (Bala & Subramanium, 1996). Highly specialized decision-makers and managers are more likely to have sufficient knowledge and experience that enable them to make the re-entry decision into foreign markets. Such decision-makers and managers tend to support their firms in returning to foreign markets (Crick et al., 2020; Dominguez & Mayrhofer, 2017; Donzé, 2015). In addition, managers who have sufficient institutional knowledge of foreign markets in which firms operate are more likely to meet their goals and anticipate necessary strategic actions to adapt to changes in foreign markets (Bala & Subramanium, 1996; Bunz et al., 2017; Dominguez & Mayrhofer, 2017; Freeman et al., 2013; Oviatt & McDougall, 1994; McDougall, Shane, & Oviatt, 1994).

Moreover, managers' perception of the risk associated with operating in foreign markets also affects how they evaluate the likelihood of returning to a specific international market. If managers perceive the re-entry decision into foreign markets as risky, their firms are less likely to re-enter such foreign market (Kriz & Welch, 2018). However, overconfident managers are likely to make the re-entry decision too soon. Managers who believe that they have learned from challenges and mistakes that they have encountered during their previous attempts in foreign markets tend to overestimate their ability in returning successfully to these markets. Their perception influence how they make strategic decisions. Managers could overestimate what they have learned from their past attempts in foreign markets and whether their learning led to sufficient knowledge accumulation (Aguzzoli et al., 2021).

Firm international knowledge and experience. The internationalization process theory states that firms internationalize (i.e., expand internationally) to more markets as they develop their stock of knowledge, and acquire more resources (Bernini et al., 2016; Johanson, & Vahlne, 1977). As firms accumulate international knowledge and experience, their confidence increases regarding how they operate in foreign markets (Surdu et al., 2018). Knowledge and experience are crucial factors because firms rely on what they know before making a strategic decision such as re-entering a foreign market (Bala & Subramanium, 1996; Vissak et al., 2012). Indeed, firms utilize their foreign market-specific knowledge which had accumulated in previous attempts to make the re-entry decision (Javalgi et al., 2011; Palmer, 2004; Vissak et al., 2012). Specifically, most firms usually retain specific knowledge of foreign markets (i.e., international heritage) after their departure (Surdu & Narula, 2021; Welch & Welch, 2009) while other firms engage in international knowledge acquisition activities (e.g., strategic alliances) to plan a systemic return to these foreign markets (Vissak et al., 2020). Local strategic alliances can provide firms with specific institutional knowledge that fosters and accelerates the re-entry process (Aguzzoli et al., 2021; Palmer, 2004).

Higher levels of international knowledge and experience can encourage firms to return to foreign markets faster (Lee et al., 2014; Surdu et al., 2018; Vissak & Francioni, 2013; Vissak & Zhang, 2016) because the risk level associated with operating in foreign markets decreases when firms learn more about these markets (Hadjikhani, 1997; Johanson, & Vahlne, 1977). Thus, relevant knowledge enables firms to identify favorable markets, possible opportunities, and appropriate strategic actions to utilize in these markets (Bala & Subramanium, 1996; Oviatt & McDougall, 2005; Surdu et al., 2018). However, the value of the knowledge that firms acquired while operating in foreign markets decreases with time which demonstrates that it is less likely for firms to re-enter foreign markets if they have been absent for a long time (Bernini et al., 2016; Roberts & Tybout, 1997; Vissak & Francioni, 2020). In other words, the firm's knowledge of a specific market has a limited lifespan. Knowledge becomes irrelevant as time goes by. That is, knowledge depreciation discourages firms that stayed out for a long time from returning to foreign markets even if they possess knowledge about the foreign market at some point in the past (Bernini et al., 2016; Chen et al., 2019; Love & Máñez, 2019; Roberts & Tybout, 1997; Surdu et al., 2019; Vissak & Francioni, 2020).

Moreover, using 1020 re-entry events, Surdu et al. (2018) stress that there are three types of experience that can be gained in foreign markets – length, depth, and nature – which affect the speed of firms' decision to re-enter foreign markets. Experience length reflects the duration that firms spent in foreign markets during their initial entry. Firms that stayed in a specific foreign market for a longer period of time (i.e., experience length) do not re-enter this market faster (Surdu et al., 2019; Surdu et al., 2018). Firms that spent a long time in the foreign markets during their initial entry take, on average, more than ten years to return to these markets (Surdu et al., 2019; Surdu et al., 2018). Surdu et al. (2018) have also highlighted that longer experience length may not always result in relevant knowledge that fosters the re-entry decision. This is because staying in foreign markets for long periods of time is not the only determinant of subsequent re-entry into these markets as there is no value of this length if not associated with other factors. For instance, the authors found that in markets that are highly institutionalized, the negative association between experience length and the speed of re-entry decision becomes positive. In other words, host market institutional quality moderates the relationship between experience length and the speed of re-entry decision (Surdu et al., 2018). The length of experience in highly institutionalized markets increases the firm's probability to re-enter these markets within five years (Surdu et al., 2018; Xia, Boal, & Delios, 2009).

Experience depth represents the entry mode of the firm's initial attempt in the foreign market. Firms that entered foreign markets via non-equity modes (e.g., exports) are less likely to re-enter these markets compared to firms that entered via equity modes such as joint ventures (JVs). The depth of experience gained with non-equity modes does not result in greater knowledge that can be utilized to facilitate the re-entry decision (Surdu et al., 2018). Firms that operate in foreign markets via non-equity modes are not fully embedded in these markets, and thus have less depth of experience. For example, exporting firms mainly interact with agents in foreign markets to meet orders. They know little about these markets even if they have been in these markets for decades. Therefore, because a firm's past knowledge and experience gained via a non-equity mode cannot reduce uncertainties, the firm becomes reluctant to re-enter a foreign market (Chen et al., 2019; Hadjikhani, 1997; Johanson, & Vahlne, 1977). However, firms that operated via JVs during their first attempt are more likely to make the re-entry decision within five years. When operating via JVs, firms are closer to the institutional environment of foreign markets which enables them to develop a greater level of market-specific knowledge by interacting with their partners and local people (Surdu et al., 2018).

Experience nature reflects exit reasons or motives. The experience nature has an impact on foreign market re-entry speed. The reasons that forced firms to departure foreign markets in the first place influence their market-specific experience. Firms are less likely to return to foreign markets when the reasons for exit are still present. Therefore, when the reasons for exit are removed, firms tend to return to foreign markets faster (Surdu et al., 2018). Research has shown that firms learn from their failures more than their successes (Surdu et al., 2019; Xia et al., 2009). Firms that left markets due to poor performance tend to go through organizational restructuring to overcome challenges that led to their exit before returning to foreign markets within two years. For example, firms may fail in foreign markets because their chosen entry modes were inappropriate. Thus, these firms exit markets, restructure, and re-enter later via more appropriate modes (Surdu et al., 2019; Surdu et al., 2018).

Previous work suggests that international knowledge and experience have a positive effect on the speed of foreign market re-entry (Figueira-de-Lemos & Hadjikhani, 2014; Surdu et al., 2018). For example, among nine Swedish MNCs that operated in the Iranian market which

Figueira-de-Lemos and Hadjikhani (2014) have examined, Pars and Alfa exited the market as they could not develop higher levels of market-specific knowledge when the market was changing too fast during the Islamic revolution of 1979. As a result, the two firms were forced to leave Iran. However, Pars and Alfa were able to return to the Iranian market after acquiring a substantial level of knowledge through their local relationships. Previous partners reported market information on a regular basis to keep these two MNCs informed, so they could plan their return based on relevant and updated knowledge. This led to a relatively quick return to the Iranian market. On the contrary, Ericsson did not have any knowledge of the market after its exit which resulted in a late market re-entry.

However, Surdu and Narula (2021) argued that greater prior international experience accumulated in foreign markets may also represent a disadvantage for firms when re-entering foreign markets if such experience is not appropriate. The authors stated that international experience does not always have a positive impact on the speed of foreign market re-entry as some firms must first unlearn what they have experienced during their past attempts in foreign markets to make a faster return into these markets. The logic behind that is that some practices and routines are not helpful in all international arenas which would require firms to obtain more relevant international knowledge. Firms' practices and routines in international markets cannot be treated as one-size-fit-all. Therefore, it may not be possible for firms to re-enter specific foreign markets without disregarding prior international experience and past knowledge. Unlearning reflects firms' flexibility to operate in international markets by adapting to external environments as needed.

Moreover, Surdu and Narula (2021) have also found that firms with lesser experience – such as multinational firms from emerging markets (EMNEs) – are more likely to make an early return into foreign markets. On the other hand, multinational firms from developed markets (DMNEs) – which possess greater experience – take longer to re-enter foreign markets compared to EMNEs. Specifically, EMNEs are more likely to re-enter foreign markets faster than DMNEs because EMNEs tend to have lesser specific international experience (i.e., practices and routines) to unlearn. In short, when firms have irrelevant knowledge, they have to ignore such knowledge and obtain more updated and appropriate information regarding foreign markets before making the decision to re-enter these markets.

Firm size. Firm size plays a role in determining whether the firm has the capability to meet domestic and international demand (Blum et al., 2013). Smaller firms have less capacity to meet high demand in both domestic and foreign markets (Blum et al., 2013; Freeman et al., 2013). Firms usually want to meet the demand of their domestic markets first before considering entering or re-entering international markets (Bernini et al., 2016). For example, the size of global start-ups affected their ability in meeting international demand which led some of these ventures to exit foreign markets (Freeman et al., 2013). However, once they managed to have higher capacity to meet foreign demand through strategic alliances in the domestic market, these global start-ups returned to some of the international markets in which they used to operate (Freeman et al., 2013). Yayla et al. (2018) have also asserted that larger firms are more likely to make the re-entry decision earlier than smaller firms. Yet, Surdu et al. (2018) found that there is a negative relationship between firm size and foreign market re-entry speed. Larger firms tend to follow their strategic plans and remain focused regarding their international expansion which suggests that larger firms do not return to foreign markets while uncertainty is still an issue regardless of their resources and capabilities level. In addition, even though larger firms tend to delay their return to foreign markets as they proceed with their planned international expansion, they keep an eye on exited foreign markets and plan their return to these markets but not as fast as small firms (Chen et al., 2019; Surdu & Narula, 2021; Surdu et al., 2018).

2.1.2. Outcomes of Foreign Market Re-Entry

To my knowledge, the outcomes of foreign market re-entry have not received much attention in academia. Three studies are an exception of that. Aguzzoli et al. (2021) have recognized that firms that re-enter a foreign market too soon are likely to face institutional challenges that hinder their success. Unplanned re-entry into foreign markets results in firms' failure in these markets. Moreover, firms that re-enter foreign markets tend to form new relationships and networks with local actors. This suggests that foreign market re-entry drives firms' network and contacts positively (Aguzzoli et al., 2021; Dominguez & Mayrhofer, 2017). For instance, Dominguez and Mayrhofer (2017) found that a French firm that returned to the Chinese market was able to get access to local networks and establish collaborative relationships with them only after its re-entry even though the firm had tried to establish local networks and relationships prior to its re-entry.

Choudhury and Khanna (2014) also asserted that foreign market re-entry enables firms to establish vital relationships. The authors explained that IBM established new relationships after re-entering the Indian market when it created a joint venture with Tata Group. The joint venture with a new partner ensured that IBM had access to all needed networks and resources before establishing a separate firm in 1997. IBM maintained previous networks and relationships in addition to forming new alliances with new partners. In sum, re-entry into foreign markets enable firms to form new networks and relationships with local actors. However, rushed and unplanned re-entry may lead to unsuccessful operations and institutional challenges in foreign markets.

2.1.3. Foreign Market Re-Entry vs. Similar Constructs

As discussed earlier, research on foreign market re-entry is still in its early stages (Surdu & Mellahi, 2016; Yayla et al., 2018), which explains why scholars might confuse the phenomenon with other similar constructs. Therefore, in this section, I highlight how foreign market re-entry is distinct from (1) initial foreign market entry, and (2) re-internationalization. I also discuss why foreign market re-entry might overlap with these constructs. Table 1 shows the definition, motivation, and frequency of each event (i.e., initial foreign market entry, foreign market re-entry, and re-internationalization).

Table 1: Comparison between Initial Foreign Market Entry, Foreign Market Re-Entry, and Re-Internationalization

	Initial Foreign Market Entry	Foreign Market Re-Entry	Re-Internationalization
Definition	It reflects the firm's first attempt to operate in a specific foreign market regardless of the entry mode. Initial foreign market entry indicates that the firm has no prior experience in this foreign market as it is a new market to the firm.	It occurs when the firm return to a specific foreign market after exiting this market for a period of time. The firm had prior experience in this market. Firms that exist some foreign markets might operate in other foreign markets and maintain domestic operations as well.	Firms re-internationalize their activities after a complete withdrawal from international markets. Firms may enter new foreign markets or return to previously exited markets. Re-internationalization requires firms to exit all foreign markets foreign markets for a period of time while some time maintain domestic operations.
Motivation	Expand to new markets, increase market share, and exploit emerging opportunities	Reduce sunk costs, utilize international heritage, and exploit emerging opportunities	Renew international presence, utilize international heritage, and exploit emerging opportunities
Frequency	Only once	Varies	Varies
Time-out period	No	Yes	Yes

2.1.3.1. Foreign Market Re-Entry vs. Foreign Market Initial Entry

Even though research on initial foreign market entry (i.e., *de novo* entry) is well established (Schweizer & Vahlne, 2022), foreign market re-entry differs from foreign initial entry (Surdu et al., 2018; Yayla et al., 2018) because the "motivation for [re-entry] is different from that of entering a foreign market for the first time" (Bala & Subramanium, 1996: 143). Foreign market initial entry has received sufficient attention in the literature as several antecedents to foreign market *de novo* entry have been investigated such as knowledge and experience (e.g., Barkema & Vermeulen, 1998; Chang, 1995; Johanson & Vahlne, 1977), competition (e.g., Chan, Makino, & Isobe, 2006; Delios, Gaur, & Makino, 2008; Gimeno, Hoskisson, Beal, & Wan, 2005), social ties (e.g., Ellis, 2000; Zhao & Hsu, 2007), CEO characteristics (e.g., Herrmann & Datta, 2002; Schweizer & Vahlne, 2022), and cross-border transaction costs (e.g., Madhok, 1997; Petersen, Welch, & Liesch, 2002). Furthermore, prior research has asserted that firms tend to expand internationally to close markets or markets with low psychic distance. The psychic distance reflects the differences between home and host markets. Firms enter foreign markets that are closer or similar to the cultures and environments of their home markets (i.e., markets with lower psychic distance) (Barkema & Vermeulen, 1998; Beugelsdijk et al., 2018; Erramilli, 1991; Johanson & Vahlne, 1977; Rothaermel, Kotha, & Steensma, 2006).

However, the factors that led firms to make their foreign market initial entry decision cannot be recognized as drivers to firms' re-entry decision into foreign markets without empirical support. One reason for that is that the nature of some of these drivers might be constantly changing which means that they cannot be treated in the same way while investigating foreign market initial entry and re-entry. For instance, among the antecedents to foreign market initial entry, knowledge and experience have been also examined in the context of foreign market re-entry (e.g., Surdu & Narula, 2021; Surdu et al., 2018), implying that some of the factors that influence the decision to enter foreign markets for the first time can also have impact on firms' re-entry decision into foreign markets. However, it should be noted that the knowledge and experience that firms use in making the decision to enter foreign markets for the first time are not the same as when making the re-entry decision into foreign markets. To illustrate, firms tend to have a degree of international heritage after they exit foreign markets, reflecting that the decision-making process for foreign market entry and re-entry cannot be identical. On the other hand, before their initial entry into foreign markets, firms rely on different stocks of knowledge (e.g., their domestic experience, and information regarding rivals attempts in foreign markets). This knowledge base is later shaped and changed by their own experience in foreign markets (i.e., international heritage). As a result, firms that utilize knowledge and experience in making the re-entry decision into foreign markets are not using the same stock of knowledge and experience that drive their *de novo* entry into foreign markets. That is, the degree of international heritage that firms have is embedded in the decision-making process regarding foreign market re-entry, not *de novo* entry (Welch & Welch, 2009).

Nonetheless, the two phenomena, foreign market *de novo* entry and re-entry, share some similarities that should be recognized before investigating foreign market re-entry. First, based on the organizational learning perspective, both initial entry and re-entry decisions are associated with learning and knowledge such that firms tend to expand to international markets as they grow and learn (i.e., experiential learning) (Johanson & Vahlne, 1977; Johanson & Vahlne, 2009). In a similar fashion, firms are likely to return to foreign markets when they effectively capitalize on their international heritage and learn from their previous attempts (Surdu & Narula, 2021; Surdu et al., 2018; Welch & Welch, 2009). Second, as *de novo* entry and re-entry decisions are related to knowledge, such decisions are also evaluated in terms of risks. Higher levels of knowledge and experience help firms in reducing uncertainties in foreign markets that implies a higher likelihood to enter or re-enter foreign markets (Casillas, Barbero, & Sapienza, 2015; Delios & Henisz, 2003; Johanson, & Vahlne, 1977; Johanson & Vahlne, 2009; Kwon & Konopa, 1993; Rothaermel et al., 2006). Even though foreign market re-entry decision is likely to be associated with less risks compared to *de novo* entry, this is conditioned on the time of re-entry as the value of firms' international heritage depreciates with time. In other words, when firms that stayed out of foreign markets for longer periods of time plan to re-enter these markets, such a decision is likely to be associated with risks that are similar to the risks associated with initial market entry because the knowledge that they possess is expected to be irrelevant when returning to these markets.

Finally, decisions to operate in international markets whether in an initial entry or in a re-entry are made while taking the institutional and economic contexts of host markets into consideration. Firms do not operate in context-free environments. Their actions, activities, and even routines are influenced by institutional and economic factors. The institutional and economic contexts reflect a range of factors such as regulations, taxes, demand, and competition in foreign markets (e.g., Ang, Benischke, & Doh, 2015.; Bernini et al., 2016; Dominguez & Mayrhofer, 2017; Donzé, 2015; Sousa et al., 2021; Surdu et al., 2019; Surdu et al., 2018; Rothaermel et al., 2006) which manifest how firms would operate in these markets as such contexts are likely to impact how decisions related to the timing, mode, and scope of initial entry or re-entry are made (Javalgi et al., 2011; Sousa et al., 2021; Surdu et al., 2019; Surdu et al., 2018).

2.1.3.2. Foreign Market Re-Entry vs. Re-Internationalization

As a sign of foreign market re-entry literature's infancy, many scholars have identified and conceptualized foreign market re-entry as re-internationalization, and referred to the two interchangeably (e.g., Freeman et al., 2013; Kriz & Welch, 2018; Vissak & Francioni, 2013; Vissak & Zhang, 2016). Yet, the two cannot be treated as one phenomenon. Re-internationalization has been described as "a process involving a period of international business activity, then exit from [all] international operations, followed by a time-out period of some duration, then a process of international re-entry, concluding with successfully renewed international operations" (Welch & Welch, 2009: 568). Firms re-internationalize after exiting *all* international markets while only maintaining domestic activities. That is, re-internationalization is the *renewal* of the firm's international presence after *complete withdrawal* from all foreign markets (Ali, 2021; Ali et al., 2022; Welch & Welch, 2009).

Firms that consider internationalizing their activities, usually, go through initial internationalization, de-internationalization, and then re-internationalization (Welch & Welch, 2009). Initial internationalization only occurs once as it reflets the firm's first attempt to expand internationally to one or multiple foreign markets at once (Ali, 2021; Ali et al., 2022; Dominguez & Mayrhofer, 2017; Welch & Welch, 2009). Later, the firm may either increase or decrease its international expansion (Dominguez & Mayrhofer, 2017). De-internationalization can be either full or partial as firms may withdraw from all international markets (i.e., full de-internationalization) or decrease their internationalization level by only leaving some international markets (i.e., partial de-internationalization) (Ali, 2021; Ali et al., 2022; Dominguez & Mayrhofer, 2017; Vissak & Francioni, 2013).

After partial de-internationalization, the firm can increase its internationalization level by entering new foreign markets, returning to previously exited markets, or both (Ali, 2021; Ali et al., 2022; Dominguez & Mayrhofer, 2017; Welch & Welch, 2009). However, if the firm withdraws from all international markets (i.e., full de-internationalization), then any international activities following that represent the re-internationalization phase which can only take place after the firm withdraws completely from all international markets. After some time (i.e., time-out period), the firm can resume its international operations (i.e., re-internationalize) by entering brand new international markets, returning to previously abandoned markets, or both (Ali, 2021; Ali et al., 2022). While re-internationalization is a later stage in the internationalization process for some firms, firms can go back and forth between de-internationalization and re-internationalization which reflects the non-linear nature of the internationalization process (Vissak & Francioni, 2013). Evidently, some firms may never go through re-internationalization as they may always maintain an international presence after their initial international entry.

Re-internationalization and foreign market re-entry may share some characteristics such as exhibiting non-linear trajectories and requiring a time-out period between international market(s) exit and market(s) re-entry (Ali et al., 2022; Surdu et al., 2018; Welch & Welch, 2009). However, withdrawal from all international markets is not a required condition for foreign market re-entry to occur. Firms that operate in international markets can exit some foreign markets, maintain operations in other markets, and then return to the previously abandoned markets (Ali, 2021; Ali et al., 2022). For re-entry to occur, then, firms must *fully* exit the specific foreign market for a specific period of time, and then return to this market. This is the only required condition for foreign market re-entry. While foreign market re-entry and re-internationalization may overlap regarding antecedents and outcomes, the distinction between the two phenomena is important to further unpack specific antecedents and outcomes of each one. Specifically, empirical research on foreign market re-entry is needed due to its scarcity.

2.2. New CEO Appointment

CEO succession reflects the appointment of new CEOs which is often a planned process that requires a long time to search for, select, and evaluate potential candidates before the decision is finally made by the board of directors (Berns & Klarner, 2017; Biggs, 2004; Harris & Helfat, 1998; Vancil, 1987). The current CEO is also expected to be involved in the succession process (Berns & Klarner, 2017; Vancil, 1987). Nonetheless, the process that leads to the appointment of new CEOs is not always controlled and carefully planned. Sometimes, some external factors may motivate a sudden or unplanned CEO succession in a short time such as unsatisfactory performance fluctuations, scandals and lawsuits, sudden CEO death, or a shocking drop in stock prices (Berns & Klarner, 2017; Ertugrul & Krishnan, 2011; Gomulya & Boeker, 2014; Zhang & Rajagopalan, 2010). This forces the board of directors to appoint a new CEO without an exhaustive evaluation. Unplanned succession or forced succession motivates firms to appoint interim CEOs or temporary CEOs (Ballinger & Marcel, 2010; Mooney, Semadeni, & Kesner, 2017) to deal with uncertainties that accompany such sudden change (Berns & Klarner, 2017). Interim CEOs are associated with higher costs, lower long-term investments (Wu, Yu, Zhao, & Zhou, 2021), lower performance (Ballinger & Marcel, 2010; Hoitash, & Mkrtchyan, 2018), and a negative market reaction (Hoitash, & Mkrtchyan, 2018). Yet, they act as full CEOs with the same discretion as planned new CEOs (Ballinger & Marcel, 2010; Mooney et al., 2017). In this dissertation, I will focus on the appointment of new insider and outsider CEOs regardless of whether the process was planned or not.

The appointment of new CEOs tends to be classified based on the succession origin as the appointment of new CEOs can be from within the firm (i.e., inside succession) or outside the firm (i.e., outside succession). Furthermore, inside succession is the result of either relay CEO succession or horse race (Berns & Klarner, 2017; Friedman & Olk, 1995). The first, relay CEO succession, takes place when the board of directors and the current CEO prepare an heir, a specific candidate, ahead of time to replace the current CEO when time comes for the CEO to step down. This process usually takes years for the potential successor to take on the CEO position (Berns & Klarner, 2017; Biggs, 2004; Cannella & Shen, 2001; Friedman & Olk, 1995; Vancil, 1987; Zhang & Rajagopalan, 2004). Horse race reflects situations where the board of directors run a competition between few potential candidates to see who is the best one to take over the CEO position. The succession process that is based on horse race tend to be shorter compared to relay CEO succession (Berns & Klarner, 2017; Friedman & Olk, 1995; Vancil, 1987).

On the other hand, outside succession can be from within the same industry in which the firm is operating (i.e., intra-industry succession) or from another industry (i.e., inter-industry succession) (Berns & Klarner, 2017; Vancil, 1987; Zhang & Rajagopalan, 2003). Outside succession is more likely when organizational restructure and changes are critical for firms' survival (Boeker & Goodstein, 1993; Harris & Helfat, 1997; Greiner, Cummings, & Bhambri, 2003; Schepker, Kim, Patel, Thatcher, & Campion, 2017). In addition, outside succession is more likely when firms are struggling in achieving goals and meetings shareholders expectations whereas inside succussion is more likely when firms are enjoying favorable outcomes such as positive financial performance (Berns & Klarner, 2017; Boeker & Goodstein, 1993; Harris & Helfat, 1997; Greiner et al., 2003).

When new executives are hired, this can "enable effective organizational reorientations" that help firms in adapting to changing environments (Eggers & Kaplan, 2009: 461). Therefore, CEO succession occurs as firms want to improve performance, restructure their operations, and compete in rapidly changing environments (Berns & Klarner, 2017; Claessens & Djankov, 1999; DeFond & Park, 1999; Louca, Petrou, & Procopiou, 2020; Warzynski, 2003). Executives' continuation in their positions tends to be linked to financial performance of firms (Boeker & Goodstein, 1993; DeFond & Park, 1999; Virany et al., 1992; Warzynski, 2003), suggesting that the appointment of new managers is likely to occur when managers do not deliver expected results or do not meet organizational goals (Bunz et al., 2017; DeFond & Park, 1999). For instance, Warzynski (2003) investigated how performance and competition influence CEO succession using a sample of 300 Ukrainian firms. The findings asserted that poor performance leads to the appointment of new CEOs while competition does not have a significant impact on CEO succession. However, the author also highlights that the relationship is insignificant in state-owned firms. In addition, when there is a misfit between the CEO's interests and the firm's interests, it is more likely that a new CEO will be appointment because shareholders want someone that cares about their goals (Berns & Klarner, 2017). In sum, the appointment of new CEOs has a positive impact, in general, on firms' performance and labor productivity because new managers focus on proving their capabilities by improving performance and meeting organizational goals as soon as possible (Beatty & Zajac, 1987; Claessens & Djankov, 1999; Warzynski, 2003).

2.3. CEO Characteristics, Cognitions, and Perceptions

Research on the effects of CEO characteristics, cognitions, and perceptions on various organizational outcomes has been of interest to many scholars during the past four decades under the rubric of upper echelons theory (Hambrick & Mason, 1984). When Hambrick and Mason (1984) first introduced the idea of the upper echelon theory, they proposed that organizations are just a reflection of their decision-makers and top managers. They emphasized that the characteristics, cognitions, perceptions, and backgrounds of the upper echelon of any firm can influence the firm's outcomes (i.e., strategic choices and performance). Following the upper echelons theory, CEO characteristics, cognitions, and perceptions have been found to impact firms in terms of their goals, orientations, and strategies (Eggers & Kaplan, 2009; Gamache, McNamara, Mannor, & Johnson, 2015; Hambrick, 2007; Hambrick & Mason, 1984) because the variation in the characteristics, cognitions, and perceptions of CEOs reflects variations in how CEOs make decisions (Buehler & McFarland, 2001; Hahn, Preuss, Pinkse, & Figge, 2014; Hambrick, 2007; Hambrick & Mason, 1984; Herrmann & Datta, 2002; Zimbardo & Boyd, 1999). Apparent characteristics (e.g., age, education, and tenure) that managers possess can indicate what givens (i.e., values, principles, abilities, and preferences) they have and behaviors that they will engage in (Hambrick & Mason, 1984).

Therefore, as this dissertation's main focus is to investigate how new CEO appointment influences firms' decision to re-enter foreign markets, it is imperative to summarize prior research findings regarding CEO temporal focus, prior international experience, age, and duality to set the stage for the next chapter. While many other CEO characteristics could potentially matter to the decision to engage in foreign market re-entry, I focus on these because these are likely more relevant to the specific decision to re-enter a particular market that the firm had exited in the past. For instance, new insider CEOs with strong past temporal focus are less likely to re-enter foreign markets if they witnessed their firms fail in these markets. The negative past that they remember influence their likelihood to return to these markets negatively. New CEOs (both insider and outsider) with strong present temporal focus are expected to return to foreign markets because they exhibit a higher tendency to take risks and the decision to re-enter foreign markets is regarded as a risky strategic action. Similarly, new insider and outsider CEOs with strong future temporal focus are likely to re-enter foreign markets because those with strong future temporal focus tend to be visionary and optimistic. Moreover, CEOs with prior international experience are more likely to be attuned to the benefits of international expansion and may see opportunities that other CEOs may not see. Also, CEO age reflects their risk propensity which suggest that new CEOs (both insider and outsider) who are young are likely to return to foreign markets. Lastly, new outsider CEOs who are also serving as the chairman of their boards have more discretion and a higher likelihood to make bolder decisions such as re-entering a foreign market that was deemed unworthy in the past. I turn to these issues in more detail in the third chapter.

2.3.1. CEO Temporal Focus

A temporal lens has been used in strategic management to understand how organizations operate as time has a significant effect on organizational processes, practices, and trajectories (Ancona, Goodman, Lawrence, & Tushman, 2001; Mosakowski & Earley, 2000). Time has been linked to how people think and how they behave. For instance, people's past directs their present and future, and how people envision the future influence their present (Zimbardo & Boyd, 1999). Consequently, considering people's temporal focus, as a time construct, is important to understanding how they behave and make decisions in organizations. In this dissertation, temporal focus is "the extent to which people characteristically devote their attention to perceptions of the past, present, and future" (Shipp et al., 2009: 1). Specifically, Pérez-Nordtvedt, Shin, and Lee (2022: 7) describe the temporal mindset of decision-makers as "the lenses through which [decision-makers] interpret time guiding their information search and attention, resource allocation, and/or cognitive frame development." One's temporal focus reflects this person's perceptions and interpretations of each time period (past, present, or future) (Buehler & McFarland, 2001; Huy, 2001; Mosakowski & Earley, 2000).

Nonetheless, it is important to note that temporal focus as a time construct has been considered in the literature as either a discrete or continuous construct. As a discrete construct, temporal focus reflects one's perceptions of events that are located in the past, present, or future (e.g., Back, Rosing, Dickler, Kraft, & Bausch, 2020; DesJardine & Shi, 2021; Shipp et al., 2009) whereas, as a continuous construct, temporal focus drives people to see events in order such that a series of actions represent a short-term focus or a long-term focus (e.g., Flammer & Bansal, 2017; Huy, 2001; Mosakowski & Earley, 2000). For example, people can recall a specific event that happened in the past and act upon it which indicates a discrete approach to temporal focus (Back et al., 2020; Buehler & McFarland, 2001; Huy, 2001). However, when people see the event as short-term or long-term before making decisions, this indicates a continuous approach to temporal focus (Flammer & Bansal, 2017; Huy, 2001; Kleinknecht, Haq, Muller, & Kraan, 2020; Reilly, Souder, & Ranucci, 2016). In this dissertation, I only consider temporal focus through the discrete approach (as I will later stress its relevance to the decision-making process and the learning mechanism that it holds).

Once more, temporal focus as a discrete variable is defined as "the extent to which people characteristically devote their attention to perceptions of the past, present, and future" (Shipp et al., 2009: 1). *Past temporal focus* reflects that people attend to their past experiences to analyze them and get some insights from them (Back et al., 2020; Buehler & McFarland, 2001; Shipp et al., 2009) which illustrates how past temporal focus can be utilized as a learning tool in the decision-making process. *Present temporal focus* describes the extent to which people attend to the present and how they incorporate it while making decisions (Mosakowski & Earley, 2000; Shipp et al., 2009). *Future temporal focus* indicates the extent to which people direct their attention towards the future, are not short-term thinking, and have a vision of the future during the decision-making process (Buehler & McFarland, 2001; Shipp et al., 2009; Yadav, Prabhu, & Chandy, 2007). People with future temporal focus keep an eye on what could happen later while taking actions in the present. Moreover, temporal focus can reflect time bias (i.e., temporal bias) as people can dedicate their attention to one time period more than the other two (Buehler & McFarland, 2001; Zimbardo & Boyd, 1999). Nonetheless, the temporal focus definition indicates that people's attention to time can vary in different time periods. People can also consider different time periods at the same time in varying degrees. In other words, one's temporal focus can exhibit one's perceptions of the past, present, and future all together or separately (Shipp et al., 2009; Zimbardo & Boyd, 1999).

Research has also shown that temporal focus varies among individuals because their temporal focus might be influenced by their upbringing, education, culture, and religion, among others (Guo, Ji, Spina, & Zhang, 2012; Huy, 2001; Karniol & Ross, 1996; Shipp, Gabriel, & Lambert, 2021; Zimbardo & Boyd, 1999; Zimbardo, Keough, & Boyd, 1997). This subjective nature of this time construct creates variation in the outcomes that are attributed to one's perception of time (Bluedorn, 2002; Guo et al., 2012; Nuttin, 1985). Such variation motivated scholars to investigate the link between temporal focus and other variables. For instance, individuals' temporal focus has been linked to motivation, behavior, learning, sense-making, strategic choice, innovation, and performance, among others (Back et al., 2020; Eggers & Kaplan, 2009; Karniol & Ross, 1996; Shipp et al., 2009). Individuals with high past temporal focus can learn from the past but they may also experience regrets and depression if they recall negative memories and experiences (Holman & Silver, 1998; Shipp et al., 2009; Zimbardo & Boyd, 1999). High present focus helps individuals in seeking emerging opportunities while motivating risk-taking and impulsiveness (Shipp et al., 2009; Zimbardo & Boyd, 1999; Zimbardo et al., 1997). Future temporal focus is positively associated with motivation, ambition, optimism, and aspiration; and negatively associated with pressure, anxiety, and one's well-being (Buehler & Griffin, 2003; Fried & Slowik, 2004; Kooij et al., 2018; Spronken et al., 2016; Zimbardo & Boyd, 1999).

Research has also specifically addressed CEOs and decision-makers' temporal focus (e.g., Back & Colombo, 2022; Nadkarni & Chen, 2014; Pérez-Nordtvedt et al., 2022; Tuncdogan & Dogan, 2020). In terms of strategic management, CEOs' past temporal focus reflects the degree to which they pay attention to their knowledge and experience. CEOs' present temporal focus indicates whether they live in the present, seek up-to-date information that is relevant, and how well they are informed. CEOs' future temporal focus shows whether they are devoted towards the future and how they see it (Nadkarni & Chen, 2014). However, some strategic management scholars have only been concerned with the effect of past and future temporal focus of decision-makers (e.g., Mosakowski & Earley, 2000; Zimbardo & Boyd, 1999). For instance, CEO temporal focus has also been associated with media reaction and firms' future acquisition decisions such that CEOs with strong past temporal focus are more likely to cut spending on future acquisitions when they experience negative media reactions regarding their current acquisition announcement (Gamache & McNamara, 2019). Yet, CEOs with strong future temporal focus are less likely to be influenced by the negative media reactions regarding their current acquisition announcement which will not affect their future acquisition decisions as much as CEOs with strong past temporal focus (Gamache & McNamara, 2019).

Research has also shown that CEO's future temporal focus is positively associated with innovation (Nadkarni & Chen, 2014; Yadav et al., 2007). CEOs with high future temporal focus can envision successful products and technologies and work on developing them. Those CEOs allocate more resources to innovation and new projects (Yadav et al., 2007). Moreover, Back et al. (2020) have argued that CEO future and past temporal focus are linked to strategic change (i.e., resource allocation to achieve future goals) which in turn affects firm performance such that the greater the CEO past temporal focus, the more likely that the CEO is well equipped to handle strategic change that can enhance firm performance. Past temporal focus enables CEOs to utilize their existing knowledge and skills in managing changes while considering their firms past strategic routes. CEOs learn from the past to implement strategic change that enhances firm performance (Back et al., 2020). However, CEO future temporal focus is less likely to influence strategic change that results in improving firm performance as CEOs with greater future temporal focus are more concerned with future activities and plans that may distract their attention from executing strategic change effectively (Back et al., 2020).

Moreover, Pérez-Nordtvedt et al. (2022) emphasized the importance of the temporal mindsets of decision-makers in time of crisis such as COVID-19. They found that decision-makers' present and future temporal focus is positively associated with their firms' effective alignment with a crisis, demonstrating that present and future temporal focus have a positive impact on how decision-makers can handle a crisis effectively. DesJardine and Shi (2021) have also investigated how CEOs' temporal focus affect their risk-taking when it comes to their compensation. The findings indicate that CEOs with strong present temporal focus are less likely to take risks when their wealth is comprised of exercisable option pay (i.e., current wealth). Nonetheless, CEOs with strong future temporal focus do not mind such risky behaviors if unexercisable option pay represents their wealth (i.e., prospective wealth) (DesJardine & Shi, 2021). In addition, Nguyen, Chen, and Kwan (2021) have examined the relationship between CEOs temporal focus and their pro-social behavior. Specifically, they found that CEOs with strong past temporal focus who work for state-owned firms are likely to engage in humanitarian activities and give back to society. This positive association becomes negative for CEOs in private firms. They also found that CEOs future temporal focus also affect their engagement in charitable activities such that strong future temporal focus influences CEOs in state-owned firms negatively and CEOs in private firms positively. Lastly, they found that present temporal focus has a negative effect on CEOs engagement in philanthropy for both CEOs in state-owned and private firms.

2.3.2. CEO Prior International Experience

Prior international experience reflects whether the individual has spent some time studying, working, or living (and sometimes doing all three) in a foreign country. Such experience usually reflects two dimensions: the length of the individual's stay in a foreign country (i.e., depth), and the number of foreign countries in which the individual has spent some time (i.e., breadth) (Athanassiou & Nigh, 2002; Athanassiou & Roth, 2006; Carpenter, Sanders, & Gregersen, 2001; Conyon, Hass, Vergauwe, & Zhang, 2019; Daily, Certo, & Dalton, 2000; Georgakakis et al., 2016; Herrmann & Datta, 2002; Herrmann & Datta, 2006; Hutzschenreuter & Horstkotte, 2013; Le & Kroll, 2017; Magnusson & Boggs, 2006; Mohr & Batsakis, 2019; Nielsen & Nielsen, 2011; Reuber & Fischer, 1997; Sambharya, 1996; Schmid & Baldermann, 2021; Schmid & Wurster, 2017). Individuals who develop great international experience are likely to join the C-suite faster and get higher pay than those who lack such experience, especially in MNCs (Conyon et al., 2019; Daily et al., 2000; Georgakakis et al., 2016; Magnusson & Boggs, 2006; Schmid & Baldermann, 2021). Such international experience that decision-makers and managers possess can be a source of competitive advantage that is hard to be imitated (Athanassiou & Roth, 2006; Carpenter, Sanders, & Gregersen, 2000; Magnusson & Boggs, 2006; Slater & Dixon-Fowler, 2009).

The reason behind that is that prior international experience of decision-makers and managers may help their firms in reducing risks and uncertainties in foreign markets as they increase their commitment in these markets (Athanassiou & Nigh, 1999; Athanassiou & Nigh, 2002; Carpenter et al., 2000; Daily et al., 2000; De Cock, Andries, & Clarysse, 2021; Gregersen, Morrison, & Black, 1998; Hutzschenreuter & Horstkotte, 2013; Mohr & Batsakis, 2019; Piaskowska & Trojanowski, 2014; Reuber & Fischer, 1997; Sambharya, 1996). Prior international experience enables decision-makers and managers in scanning surrounding environments, recognizing opportunities, and planning how to seize these opportunities (Carpenter et al., 2000; Carpenter et al., 2001; Fischer & Reuber, 2003; Sambharya, 1996). Prior international experience can also be used as proxy to networks and relationships in foreign markets (Carpenter et al., 2001). Such experience can benefit CEOs and managers in understanding the cultures and environments of foreign markets (Athanassiou & Nigh, 1999; Carpenter et al., 2000; Le & Kroll, 2017). They would also be more knowledgeable and prepared regarding how to deal with employees and other actors in foreign markets who are likely to have different backgrounds, cultures, and mindsets (Carpenter et al., 2000; Gregersen et al., 1998; Le & Kroll, 2017).

Reuber and Fischer (1997: 808) highlighted that "the skills and knowledge of the top [decision-makers] are likely to be more predictive of, and influential on, patterns of internationalization," indicating that the experience of decision-makers and managers can be used to support firms' strategic plans in foreign markets (Athanassiou & Nigh, 1999; Athanassiou & Nigh, 2002; Athanassiou & Roth, 2006; Daily et al., 2000; Hutzschenreuter & Horstkotte, 2013; Magnusson & Boggs, 2006; Reuber & Fischer, 1997; Sambharya, 1996). For instance, the international experience of management teams in 49 Canadian small-to-medium software firms has been found to influence the extent of internationalization activities positively. Teams that had more people with greater international experience were able to establish relationships with strategic partners in foreign markets who supported their internationalization activities (Reuber & Fischer, 1997).

Furthermore, in a sample of 245 firms of the Fortune 500, Carpenter et al. (2001) found that when the top management teams' (TMTs) composition had great level of prior international experience, the positive effect of CEOs' international experience on firms' performance would be stronger. CEOs who possess sufficient prior international experience can also enhance their firms' financial performance (Carpenter et al., 2001; Daily et al., 2000; Le & Kroll, 2017). In addition, Nielsen and Nielsen (2011) also stated that TMTs with great prior international experience tend to prefer entry modes that reflects higher degree of control over operations in foreign markets. Herrmann and Datta (2002) also investigated the effect of CEOs prior international experience on entry modes. They found that when CEOs possess high degree of prior international experience, they prefer entry modes that provides them with higher degree of control over operations in foreign markets such as green-field investments (i.e., establishing new facilities/firms) or cross-border acquisitions (i.e., purchasing existing facilities/firms) (Herrmann

& Datta, 2002). Specifically, based on data of 380 foreign market entry events, Herrmann and Datta (2006) found that CEOs with greater prior international experience tend to choose green-field investments first, then acquisitions, and lastly joint ventures (i.e., partnering with a local firm) as their entry modes into foreign markets.

Therefore, firms that want to enhance their international experience and performance are likely to hire CEOs or managers who have great prior international experience (Daily et al., 2000; Magnusson & Boggs, 2006) because there is a positive association between CEOs prior international experience and firms' internationalization level (Athanassiou & Nigh, 2002; Magnusson & Boggs, 2006). Specifically, in a sample of 200 firms, prior international experience of newly appointed CEOs was a major factor in their selection to get the CEO position (Magnusson & Boggs, 2006). However, the value of CEOs' international experience is expected to vary across firms when combined with other factors such as firm's organizational structure, international heritage, and managerial discretion (Carpenter et al., 2001). In addition, individuals with such international experience are rare and expensive to attract (Carpenter et al., 2000; Carpenter et al., 2001; Gregersen et al., 1998; Magnusson & Boggs, 2006), reflecting that firms struggle when searching for individuals who can add value to their human capital.

2.3.3. CEO Age

Another one of the CEO demographics to which scholars have paid attention when investigating the effect of executives and managers' characteristics on their organizations is CEO age (e.g., Bantel, 1994; Hambrick & Mason, 1984). In empirical settings, CEO age has been captured in years from the birth of the individual until a certain point in time depending on the study's purpose (e.g., Grimm & Smith, 1991; Hsu et al., 2013; Wiersema, & Bantel, 1992). CEO age is negatively associated with innovation (Child, 1974; Grimm & Smith, 1991), planning horizon (Gray & Cannella Jr, 1997; Taylor, 1975), growth (Navaretti, Castellani, & Pieri, 2022; Belenzon, Shamshur, & Zarutskie, 2019; Child, 1974; Datta & Rajagopalan, 1998; Hart & Mellors, 1970), and openness to change (Bantel, 1994; Child, 1974; Child, 1975; Wiersema, & Bantel, 1992), indicating that young CEOs tend to be more innovative, adventurous, and visionary compared to older CEOs (Grimm & Smith, 1991; Hambrick & Mason, 1984). Older CEOs spend less on R&D (Barker & Mueller, 2002) and make less investment decisions (Belenzon et al., 2019; Gupta, 2022) compared to younger CEOs. Further, older CEOs can improve the financial reporting quality of their firms (Huang, Rose-Green, & Lee, 2012).

The youth of decision-makers is positively associated with their likelihood to make new decisions and implement new strategies (Bantel, 1994; Wiersema, & Bantel, 1992). For instance, young CEOs have higher propensity to engage in acquisition strategies (Zhang, Sabherwal, Jayaraman, & Ferris, 2016). Young CEOs are more flexible and willing to adapt to changing environments that surround their firms (Grimm & Smith, 1991; Wiersema, & Bantel, 1992). This explains why managers' youth has been linked to risk-oriented decisions (Hambrick & Mason, 1984; Wiersema, & Bantel, 1992) whereas older CEOs avoid risks and usually maintain the status quo in their firms (Bantel, 1994; Datta & Rajagopalan, 1998; Grimm & Smith, 1991; Hambrick & Mason, 1984; McClelland & O'Brien, 2011; Wiersema, & Bantel, 1992). Older CEOs are also likely to change their views and decisions when others challenge them due to their lack of confidence in their ability to make decisions (Taylor, 1975). Therefore, older CEOs are more conservative when evaluating opportunities and making decisions (Hambrick & Mason, 1984; Wiersema, & Bantel, 1992).

One explanation for the risk-averse attitude of older CEOs is that they may not have the same mental ability as younger CEOs to process information, utilize it to predict possible scenarios, and then make decisions (Bantel, 1994; Child, 1974; Hambrick & Mason, 1984; Hart & Mellors, 1970; Taylor, 1975), demonstrating why older CEOs tend to be less confident when making decisions (Hambrick & Mason, 1984; Taylor, 1975; Wiersema, & Bantel, 1992). However, older CEOs try to bridge this gap in their abilities by seeking more information and taking longer time in making decisions compared to young CEOs (Goll & Rasheed, 2005; Hambrick & Mason, 1984; Taylor, 1975). Furthermore, older CEOs tend to be more attached to their organizations and less likely to engage in strategic change (Bantel, 1994; Datta & Rajagopalan, 1998; Grimm & Smith, 1991; Hambrick & Mason, 1984; Wiersema, & Bantel, 1992), illustrating why they might be hesitant to make decisions that do not align with the practices and routines that their firms had developed over the years. Older CEOs also think carefully of the impact of their decisions on their career outcomes such as their compensations and relationships (Hambrick & Mason, 1984; Wiersema, & Bantel, 1992). Lastly, even though older CEOs may not be open to strategic changes and risk-taking (Bantel, 1994; Datta & Rajagopalan, 1998; Grimm & Smith, 1991; Hambrick & Mason, 1984; Wiersema, & Bantel, 1992), their experience tends to be valued when it comes to pay (McKnight, Tomkins, Weir, & Hobson, 2000). McKnight et al. (2000) found that as CEOs get older, their salary increases as an indication of the value that CEOs' accumulated experience and knowledge holds.

2.3.4. CEO Duality

CEO duality occurs when the CEO also performs the role of the chairman of the board of directors in his/her firm at the same time (Baliga, Moyer, & Rao, 1996; Boyd, 1995; Coles & Hesterly, 2000; Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994; Harris & Helfat, 1998; Rechner & Dalton, 1991). CEO duality is an important indicator of CEO power (Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994; Haynes & Hillman, 2010; Krause & Semadeni, 2013). The power that CEO duality grants could be even greater when the majority of the board's directors are insiders (i.e., full-time officers who are also working for the firm) compared to a board that is mainly composed of outsiders (i.e., individuals who have no relation with the firm; except serving as directors on its board) (Baliga et al., 1996; Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994). Insider directors are usually inclined to follow what the CEO proposes because he/she is their boss (Dalton & Kesner, 1987). Therefore, CEOs attempt to exert their influence when it comes to their board's composition (Baliga et al., 1996; Westphal & Zajac, 1995). For instance, CEOs seek to select new directors with whom they share some similarity because the similarity between CEOs and directors can motivate directors to sympathize with CEOs and favor CEOs' decisions (Westphal & Zajac, 1995).

Proponents of CEO duality argue that duality can enhance the unity of command in firms as one person is in-control of all decisions and actions (Finkelstein & D'aveni, 1994; Harris & Helfat, 1998). However, as possible conflict of interests may arise between CEOs and shareholders, opponents of CEO duality have called for the separation between the CEO position and the chairman of the board of directors' position (Coles & Hesterly, 2000; Dalton & Kesner, 1987; Harris & Helfat, 1998; Rechner & Dalton, 1991). Such separation should provide the board of directors with more control over management decisions to protect the interest of the shareholders (Boyd, 1995; Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994; Harris & Helfat, 1998; Rechner & Dalton, 1991; Wang, DeGhetto, Ellen, & Lamont, 2019) because CEO duality represents a threat to the board's ability to exercise independent judgment in evaluating executives' actions and tendencies (Baliga et al., 1996; Davidson III, Worrell, & Nemec, 1998; Dalton & Kesner, 1987; Coles & Hesterly, 2000; Tuggle, Sirmon, Reutzel, & Bierman, 2010; Rechner & Dalton, 1991).

CEO duality is positively associated with firm growth and diversification behavior in unrelated industries (Kim, Al-Shammari, Kim, & Lee, 2009). Further, based on a sample of 127 initial public offerings (IPOs), when CEO duality exists, firms experienced higher initial public offering (IPO) underpricing (Chahine & Tohmé, 2009). CEO duality has also been linked to firm performance. Rechner and Dalton (1991) found that firms that had independent boards (i.e., the CEO does not serve as the chairman of the board of directors) financially outperformed firms that allowed for CEO duality. However, contrary to Rechner and Dalton's study, Baliga et al. (1996) stated that CEO duality does not affect performance. They found that changes in firm's governance structure from duality to non-duality (and vice versa) do not result in changes in operating performance measured as "changes in return on equity, return on assets, operating cash flow to total assets, and operating cash flow to sales" (Baliga et al., 1996: 44). Boyd (1995) also asserted that the negative association between CEO duality and performance is conditioned on environmental uncertainty reflected by munificence, dynamism, and complexity. For instance, Elsayed (2007) found that the relationship between CEO duality and performance varies depending on the industry. That is, CEO duality has a negative impact on performance only in industries like *Cement* whereas in other industries like *Food & Beverage* the association is positive. This explains the inconsistency of findings regarding the relationship between CEO duality and performance (Boyd, 1995; Dalton & Dalton, 2011; Krause & Semadeni, 2013; Ramdani & van Witteloostuijn, 2010).

CHAPTER 3: HYPOTHESES DEVELOPMENT

After reviewing research related to foreign market re-entry, CEO succession, and specific CEO characteristics, cognitions, and perceptions, in this chapter, I argue that the appointment of either new insider or outsider CEOs reflects a change in the characteristics, cognitions, and perceptions of firms' management which is likely to impact how they make the decision to re-enter foreign markets. However, even though I expect that new outsider CEOs are more likely to return to foreign markets than new insider CEOs, I expect that the effect of new CEO appointment is conditioned on other specific CEO characteristics, cognitions, and perceptions – temporal focus, prior international experience, age, and duality – which I will explain in the following sections.

3.1. New CEO Appointment

There is a long tradition in international business recognizing that decision-makers or managers play a vital role in making important strategic choices throughout the internationalization process (Andersson, 2000; Oviatt & McDougall, 1994). CEOs, in particular, possess power that enables them to make critical strategic choices and enforce changes (Beatty & Zajac, 1987; Bigley & Wiersema, 2002; Child, 1972; Datta, Rajagopalan, & Zhang, 2003; Westphal & Fredrickson, 2001). Moreover, a change in firms' management also impacts international activities (Bell et al., 2001; Vissak & Francioni, 2020; Welch & Welch, 2009). For instance, a qualitative study that incorporated data of 50 firms from different countries (i.e., UK, Australia, and New Zealand) found that changes in firms' ownership and management were associated with changes in firms' international orientation. Specifically, they found that new decision-makers who had high levels of international knowledge and experience were motivated to strengthen firms' international presence (Bell, McNaughton, Young, & Crick, 2003).

Managers play an important role in making the decision to return to foreign markets (Bell et al., 2003; Welch & Welch, 2009). Accordingly, CEO succession reflects changes in the characteristics, cognitions, and perceptions of the top manager leading the firm (Grühn et al., 2017; Virany et al., 1992). New CEOs are likely to bring different sets of skills and knowledge which suggests that strategic decisions such as foreign market re-entry is likely to be influenced by changes in the CEO (Bell et al., 2001; Vissak & Francioni, 2020; Welch & Welch, 2009). Changes in firms' management are likely to be associated with changes in firms' behavior in international markets.

The appointment of new CEOs is a well-known mechanism for organizational change and learning (Boeker & Goodstein, 1993; Datta et al., 2003; Friedman & Singh, 1989; Westphal & Fredrickson, 2001; Zhang & Rajagopalan, 2004). Yet, the influence over organizational change is likely greater depending on the type or origin of CEO succession. That is, the skills and knowledge that new CEOs bring to firms are likely to differ depending on whether the new CEOs are from within the firm, or outside the firm (Berns & Klarner, 2017; Zhang & Rajagopalan, 2003). Research on CEO succession as a learning mechanism can be divided into two perspectives. First, a group of scholars have argued that new outsider CEOs, even if they are from the same industry, usually possess generic skills and knowledge that may not be of value to firms that are looking to improve their stock of knowledge and learning by utilizing the CEO's human capital (Berns & Klarner, 2017; Harris & Helfat, 1997; Zhang & Rajagopalan, 2003). As a result, firms are likely better off if they appoint insider CEOs because these CEOs are assumed to have generic, firm-specific, and industry-specific skills. This perspective also highlights that insider succession is usually associated with less information asymmetry regarding candidates, a smooth transition of power, and less organizational inertia (Harris & Helfat, 1997; Vancil, 1987; Zhang & Rajagopalan, 2003).

The second perspective has stressed the role of outside succession in organizational learning due to the unique skills and knowledge that new outsider CEOs might bring to firms (Kesner & Sebora, 1994; Virany et al., 1992). Specifically, in today's global environment, firms look for specific characteristics in potential candidates for the CEO position. For instance, Daily et al. (2000) found that firms consider prior international experience when looking for a new CEO. According to Daily et al. (2000), this need explained why outside succession was more likely in their sample of the *Fortune* 500 firms. Firms tend to appoint outsider CEOs when they seek change (Harris & Helfat, 1998; Vancil, 1987) and want to strengthen their international presence (Daily et al., 2000). Firms that appoint new outsider CEOs are more likely to enhance their stock of knowledge, resulting in improving their performance in international markets (Daily et al., 2000; Virany et al., 1992). Research has also shown that firms that struggle with poor performance are more likely to appoint new outsider CEOs because they are looking for change that could improve performance (Boeker & Goodstein, 1993; Greiner et al., 2003; Schepker et al., 2017).

When it comes to the foreign market re-entry decision, I argue that new outsider CEOs are more likely to engage in such decision than new insider CEOs for a couple of reasons. First, as firms operate domestically and internationally, they start to develop practices and routines that are used over and over because these practices and routines are embedded in organizational memory and easily relied upon when needed. The mindsets of new insider CEOs are likely to have been shaped by firms' practices and routines even if such practices and routines are not helpful. As a result, new insider CEOs are likely to continue utilizing the same practices and routines which are less likely to result in dramatic changes such as re-entering a previously exited market. On the other hand, a new outsider CEO who has new and unique knowledge and experience – that is, fresh human capital – not possessed by the firm would be more likely to evaluate the foreign market re-entry decision from a different perspective and be more likely to re-enter. Moreover, given that the decision to re-enter foreign markets is likely to incorporate critical changes across organizations (Surdu et al., 2019; Surdu et al., 2018), the distinction between inside and outside succession is important because inside succession is associated with less organizational changes compared to outside succession (Boeker & Goodstein, 1993; Greiner et al., 2003; Schepker et al., 2017; Zhu, Hu, & Shen, 2020).

Second, new insider CEOs are more likely to be aware of the reasons for exiting a particular foreign market in the past. Insider CEOs may then be reluctant to try again on such a failed path. Thus, since the new insider CEO witnessed the firm's failure in a specific foreign market, he/she is expected to be cautious when thinking about re-entering this foreign market. On the other hand, new outsider CEOs are unlikely to be aware – or may even be skeptical – of the reasons why a foreign market was existed in the first place and may only see opportunities in those markets making them more prone to re-enter them. Both of these reasons indicate that outside CEO succession is more likely to drive organizational changes in firms' domestic and international orientations and plans such as increasing commitment in domestic and foreign markets or returning to specific foreign markets. Hence, I hypothesize that:

Hypothesis 1. *New outsider CEOs are more likely to make the re-entry decision into foreign markets than new insider CEOs.*

While Hypothesis 1 suggests that new outsider CEOs are more likely to affect the re-entry decision than new insider CEOs, there are other characteristics that can alter this baseline prediction. This is because not all new (insider or outsider) CEOs are the same. New CEOs come into the firm with different individual characteristics, even those who are insiders. Furthermore, CEOs characteristics, cognitions, and perceptions are reflected in every decision they make or strategy they pursue (Buehler & McFarland, 2001; Hahn et al., 2014; Hambrick, 2007; Hambrick & Mason, 1984; Zimbardo & Boyd, 1999). This suggests that as firms aim to re-enter foreign markets, the characteristics, cognitions, and perceptions of their executives and decision-makers are critical to making a successful return into these markets (Freeman et al., 2013). The next sections explore how certain CEO characteristics influence the effect of the appointment of a new (outsider or insider) CEO on the decision to re-enter a foreign market.

3.2. CEO Temporal Focus

I argue that CEOs' temporal focus is likely to influence the effect of the new CEO – whether an outsider or insider CEO – on the decision to return to a previously exited foreign market. Nadkarni and Chen (2014: 1810) have stressed the need for research on CEOs temporal focus as their perceptions of time "serve as temporal filters that mold expectations and evaluations of decision situations." Temporal focus is a critical dimension in the decision-making process (Nadkarni & Chen, 2014; Zimbardo et al., 1997), especially, for firms that want to re-establish themselves in their current markets and even in new markets (Eggers & Kaplan, 2009). The decision-makers' perceptions and interpretations of each time period (past, present, and future) influence how they allocate resources and make critical decisions (Huy, 2001; Mosakowski & Earley, 2000). Further, Zimbardo and Boyd (1999) assert that individual temporal orientations may influence the decision-making process in a way that could result in making the optimal decision depending on the situation being addressed. Similarly, temporal focus is likely to have a significant influence on CEOs' decisions, actions, and even judgments.

Shipp et al. (2009) also state that although people, in general, focus on one time period at a time (i.e., temporal bias) when making decisions, one's perceptions of time can vary as the individual may direct his/her attention to the past, present, and future in varying degrees at the same time. Yet, most research on CEO temporal focus has only addressed one temporal focus (past, present, or future) instead of examining temporal focus as a multifoci construct (Back et al., 2020; Shipp et al., 2021). Thus, it is important to understand how the three temporal foci may affect CEOs' decision-making process that involves the decision to re-enter foreign markets. Studying the three temporal foci separately is essential to the purpose of this dissertation because I suspect that new insider and outsider CEOs with different profiles of temporal focus (past, present, and future) are likely to behave differently based on their varying degrees of temporal focus when it comes to prior routines and practices that will not advance firms' strategic positions. Accordingly, making critical strategic choices such as foreign market re-entry can be attributed to different, or all, three CEO temporal foci. I talk about each temporal foci – past, present, and future – in turn next.

3.2.1. CEO Past Temporal Focus

CEOs past temporal focus reflects the extent to which they pay attention to their past knowledge and experience. Research has shown that past temporal focus is usually a learning tool as people recall what happened in the past and learn from it (Holman & Silver, 1998; Shipp et al., 2009). However, those who overthink the past and live in regret tend to lose the learning advantage that the past holds (Karniol & Ross, 1996; Shipp, & Aeon, 2019; Shipp et al., 2009). Even though, past temporal focus allows new CEOs to utilize their existing knowledge and experiences in re-evaluating the viability of returning to international markets and set aside the reasons for firm exit from these markets in the first place, the kind of past existing knowledge and experiences may vary. This means that their confidence in relying on their capabilities will vary as well, indicating that past temporal focus by itself cannot be used as learning mechanism without identifying the type of past experience that wase beneficial and even positive for each new CEO. Zimbardo and Boyd (1999: 1272) argued "that the past can significantly affect the interpretation of and response to the current decision situation," suggesting that new CEOs with high past temporal focus infer from their own memories and experiences insights to either support and validate the decision to re-enter foreign markets or abandon the idea of returning to such markets.

Since there is no telling on the kinds of past experiences that new outsider CEOs come with into the organization, I believe past temporal focus only affects the relationship between new insider CEO and the foreign market re-entry decision. New insider CEOs would have previous experience with or knowledge about the reasons for exit. As a result, new insider CEOs who have strong past temporal focus may fall for the negativity of the past as they have witnessed their firms' prior attempts in these foreign markets. New insider CEOs with high past temporal focus have seen how their firms operated and failed in the past and the outcomes of such a failure and would draw from those past experiences when re-considering re-entering such foreign markets, making them less likely to re-enter. Moreover, even if new insider CEOs have not been with their firms as employees for so long to see their failure in foreign markets, firms' prior experience in foreign markets is likely to shape the past knowledge of new insider CEOs. New insider CEOs who are high on past focus are likely to have been embedded within their firms as employees, reflecting that they would infer from the past experience of their firms when thinking about re-entering foreign markets. Therefore, new insider CEOs who strongly recall how their firms operated in the past are likely to be discouraged from making the decision to re-enter foreign markets, especially because they are new in their CEO position and are eager to prove themselves. Hence, I hypothesize that:

Hypothesis 2. *New insider CEOs with strong past temporal focus are less likely to make the re-entry decision into foreign markets than new insider CEOs with weak past temporal focus.*

3.2.2. CEO Present Temporal Focus

CEOs present temporal focus shows whether they pay attention to current and relevant information and, how well they are informed (i.e., possess real-time information), and their risk tendency. Research has stated that people with strong present temporal focus are likely to seek opportunities, be innovative, and take risks (Shipp et al., 2009; Zimbardo & Boyd, 1999; Zimbardo et al., 1997). In general, because newly appointed CEOs want to establish a recognizable impact in their new organizations (Herrmann & Datta, 2006), they are likely to make strategic decisions that have a strong impact. Accordingly, those CEOs with strong present temporal focus are likely to seek opportunities in foreign markets because succeeding in these markets under their leadership is likely to send a strong message that their appointment as CEOs was a wise decision. Moreover, as strong present focus motivates risk-taking behavior and impulsiveness (Shipp et al., 2009; Zimbardo & Boyd, 1999; Zimbardo et al., 1997, CEOs with strong present temporal focus are likely to seek opportunities in foreign markets whether new markets or previously exited markets even when high risks are expected, indicating that CEOs with strong present focus are more likely to return to previously exited markets compared to CEOs with weak present focus. New CEOs with strong present focus are likely to decide to return to exited foreign markets when they see opportunities there regardless of the risks associated with this decision.

Strong present temporal focus also suggests that CEOs will pay attention to what happens in their environments in addition to their surroundings (Nadkarni & Chen, 2014), suggesting that they will seek information to evaluate their decision to re-enter foreign markets. With up-to-date information, new CEOs utilize such information regarding their firms, markets, and industries to plan how to re-enter foreign markets even when risks are predicted to be high. For instance, new CEOs with strong present focus try to understand how to employ their firms' international heritage to exploit emerging opportunities in these foreign markets before committing to such a decision. However, even though new CEOs eagerness to be recognized and their possession of up-to-date information are likely to foster their risk tendency, their likelihood to re-enter foreign markets depends on what information they possess (i.e., positive, or negative). Those CEOs with strong present temporal focus are likely to re-enter foreign markets only if the up-to-date information justifies such a decision. The content of the information that new CEOs with strong present focus possess matters in the case of foreign market re-entry. CEO present temporal focus can have either a positive or a negative effect on foreign market re-entry decision. Therefore, given that the effect of present temporal focus varies depending on the content of information, I test two competing hypotheses for both inside and outside succession. Hence, I hypothesize that:

Hypothesis 3a. *New insider CEOs with strong present temporal focus are more likely to make the re-entry decision into foreign markets than new insider CEOs with weak present temporal focus.*

Hypothesis 3b. *New insider CEOs with strong present temporal focus are less likely to make the re-entry decision into foreign markets than new insider CEOs with weak present temporal focus.*

Hypothesis 4a. *New outsider CEOs with strong present temporal focus are more likely to make the re-entry decision into foreign markets than new outsider CEOs with weak present temporal focus.*

Hypothesis 4b. *New outsider CEOs with strong present temporal focus are less likely to make the re-entry decision into foreign markets than new outsider CEOs with weak present temporal focus.*

3.2.3. CEO Future Temporal Focus

CEOs future temporal focus reflects the extent to which they make future predictions and whether they are devoted towards the future or not. People high in future temporal focus tend to be optimistic which results in positive or optimistic predictions regarding the task or decision under consideration (Buehler & Griffin, 2003; Kooij et al., 2018: Spronken et al., 2016). Those who consider the future thoroughly while making decisions are more likely to imagine possible scenarios for the future, set goals for the future, and behave in a way that is expected to lead to the imagined future (Karniol & Ross, 1996; Shipp, & Aeon, 2019). Accordingly, CEOs with high future focus are likely to exhibit strong ambition, optimism, and aspiration (Buehler & Griffin, 2003; Kooij et al., 2018: Spronken et al., 2016). As a result, they will be encouraged to return to previously exited foreign markets as they will be likely to see this decision as potentially successful regardless of what happened in the past. Further, the optimistic nature that people with future temporal focus exhibit implies that both insider and outsider CEOs are likely to make the decision to re-enter foreign markets. Future temporal focus encourages CEOs to make the decision to return to foreign markets because CEOs with strong future temporal focus are visionary and can foresee emerging opportunities in surrounding environments. Thus, if opportunities exist in previously abandoned foreign markets, CEOs with strong future temporal focus are likely to notice these opportunities and take them into account when making the decision to re-enter foreign markets.

In addition, future temporal focus drives decision makers to invest in initiatives that set them up for the future even when these resources are not useful in the present (Pérez-Nordtvedt et al., 2022). Thus, CEOs with high future temporal focus are likely to be motivated to secure firms' strategic position in foreign markets even if there is no immediate payoff. I also expect that CEOs with strong future temporal focus will be committed to long strategic plans such as re-entering foreign markets. CEOs who consider the future know that plans must be set upfront to purse such strategy (i.e., foreign market re-entry). When CEOs think of returning to foreign markets in which their firms used to operate, they understand that the re-entry process cannot be rushed and that this process may require structural change and re-allocation of resources. Altogether, in the context of foreign market re-entry, CEOs future temporal focus reflects that they are committed to making foreign market re-entry feasible by planning for it. Hence, I hypothesize that:

Hypothesis 5a. *New insider CEOs with strong future temporal focus are more likely to make the re-entry decision into foreign markets than new insider CEOs with weak future temporal focus.*

Hypothesis 5b. *New outsider CEOs with strong future temporal focus are more likely to make the re-entry decision into foreign markets than new outsider CEOs with weak future temporal focus.*

3.3. CEO Prior International Experience

Research on international business has affirmed that prior international experience among decision-makers and managers is likely to influence firms' internationalization activities

(Athanassiou & Nigh, 1999; Athanassiou & Nigh, 2002; Carpenter et al., 2000; Daily et al., 2000; De Cock et al., 2021; Gregersen et al., 1998; Hutzschenreuter & Horstkotte, 2013; Mohr & Batsakis, 2019; Piaskowska & Trojanowski, 2014; Reuber & Fischer, 1997; Sambharya, 1996). Therefore, because the decision to re-enter foreign markets reflects a change in firms' international activities (Ali, 2021; Ali et al., 2022; Dominguez & Mayrhofer, 2017; Freeman et al., 2013; Javalgi et al., 2011; Vissak & Francioni, 2013; Vissak et al., 2012; Welch & Welch, 2009), CEOs prior international experience is expected to matter when such important strategic decision is discussed (Athanassiou & Roth, 2006). The fit between CEOs experience and firms' strategies is essential to deliver expected results such as enhancing profit margins and earnings per share (Reed & Reed, 1989; Westphal & Fredrickson, 2001). Westphal and Fredrickson (2001) asserted that new CEOs are likely to rely on their prior experience when making decisions and enforcing strategic change, suggesting that CEOs prior international experience can drive their strategic choices such as foreign market re-entry. Reuber and Fischer (1997) also emphasized that CEOs capitalized on their unique experience (i.e., prior international experience) when making strategic decisions, signifying that CEOs prior international experience can be considered a learning mechanism (Herrmann & Datta, 2002; Piaskowska et al., 2021). Such learning tool is likely to be used when evaluating the possibility of returning to previously exited foreign markets by their new firm due to the importance of this strategic decision.

Research on international business has also shown that firms that are heavily focused on international markets are likely to appoint new CEOs who have greater prior international experience (Carpenter et al., 2000; Daily et al., 2000; Magnusson & Boggs, 2006). Moreover, Daily et al. (2000) found that outside succession is likely to occur in firms that want to enhance their international operations. Specifically, firms search for outsider candidates with sufficient international experience for the CEO position when they want to expand their international presence (Daily et al., 2000). CEOs with such unique experience tend to be confident when making decisions within the context of international operations (Herrmann & Datta, 2006). Given the above discussion, CEOs prior international experience is also likely to predict the likelihood of newly appointed CEOs making the re-entry decision into foreign markets.

CEOs with greater prior international experience are likely to recognize the potential of other international markets, spot opportunities in foreign markets and understand how these markets operate. Such experience can influence their decision to return to previously abandoned markets because, as discussed above, CEOs tend to rely on their own experience when it comes to evaluating strategic choices and making decisions (Reuber & Fischer, 1997; Westphal & Fredrickson, 2001). Therefore, new CEOs with prior international experience are likely to feel comfortable in operating in previously abandoned foreign markets. Yet, I only expect that CEOs prior international experience has a positive impact on foreign market re-entry decision in the case of outside succession. Though CEO succession reflects a change in the characteristics, cognitions, and perceptions of decision-makers (Grühn et al., 2017; Virany et al., 1992), the prior international experience of new insider CEOs is less likely to motivate them to make the re-entry decision into foreign markets compared to new outsider CEOs for an important reason. I expect that a new insider CEO’s prior international experience is tainted with the firm’s past failed attempt in the foreign market under consideration. As such, the new insider CEO’s prior international experience is likely to suggest to the CEO that re-entering the foreign market is a mistake. Thus, I expect that new outsider CEOs with prior international experience are likely to return to the foreign market while new insider CEOs with prior international experience are less likely to return to the foreign market. Hence, I hypothesize that:

Hypothesis 6a. *New insider CEOs with prior international experience are less likely to make the re-entry decision into foreign markets than new insider CEOs with no prior international experience.*

Hypothesis 6b. *New outsider CEOs with prior international experience are more likely to make the re-entry decision into foreign markets than new outsider CEOs with no prior international experience.*

3.4. CEO Age

New CEOs are typically known to take risks when it comes to strategic choices because those CEOs want to be recognized within their firms (Herrmann & Datta, 2006; Ocasio, 1994; Westphal & Fredrickson, 2001). Yet, some new CEOs are likely to be more risk prone. In fact, research on CEO age has shown that younger CEOs are more likely to commit to riskier strategic choices compared to older CEOs (Bantel, 1994; Datta & Rajagopalan, 1998; Grimm & Smith, 1991; Hambrick & Mason, 1984; McClelland & O'Brien, 2011; Wiersema, & Bantel, 1992), demonstrating that age explains the variation in CEOs risk propensity. Herrmann and Datta (2006) affirmed that older CEOs prefer strategic choices associated with lower risks when it comes to the entry mode in foreign markets. For instance, older CEOs tend to choose joint ventures as their entry mode because having a local firm as their partner can mitigate risks associated with entering foreign markets. However, younger CEOs have higher risk propensity, suggesting that they engage in acquisition strategies or establish greenfield investments (Herrmann & Datta, 2006). Accordingly, CEO age can signal the "individual flexibility and risk-taking propensity" (Grimm & Smith, 1991: 558), especially when investigating what influences new CEOs to take risks and make critical strategic decisions such as returning to previously exited foreign markets. In addition, foreign market re-entry decisions are likely to involve long-term planning which means that CEOs must commit to such decisions. However, research has shown that youth is associated with long-term plans (Gray & Cannella Jr, 1997; Taylor, 1975), indicating that older CEOs are less likely to commit to foreign market re-entry due to its long-term horizon.

Prior research has also shown that younger CEOs have greater mental capacity compared to older CEOs (Bantel, 1994; Child, 1974; Hambrick & Mason, 1984; Hart & Mellors, 1970; Taylor, 1975). This would suggest that younger CEOs would be better in understanding the dynamics of international markets and comprehending all information needed to make accurate decisions compared to older CEOs (Hambrick & Mason, 1984; Taylor, 1975; Wiersema, & Bantel, 1992). Hsu et al. (2013) also found that older CEOs in 187 Taiwanese small-to-medium firms tend to deliver poor performance when their firms expand their internationalization activities. The authors explained that older CEOs may have "less physical and mental stamina" which could affect how they process information and eventually "may limit their understanding of foreign cultures, consumer behavior and local regulations" (Hsu et al., 2013: 3). In the context of international business, uncertainties represent a huge hurdle for firms that want to expand their operations, emphasizing the importance of information processing to reduce such uncertainties. Therefore, older CEOs may not recognize and evaluate opportunities in foreign markets positively which suggest that they are less likely to be interested in returning to foreign markets.

Moreover, younger CEOs tend to be more innovative, adventurous, and visionary compared to older CEOs (Grimm & Smith, 1991; Hambrick & Mason, 1984). Younger CEOs are likely to make new and bold decisions and implement dramatic changes due to their high-risk tendency (Bantel, 1994; Datta & Rajagopalan, 1998; Grimm & Smith, 1991; Hambrick & Mason, 1984; McClelland & O'Brien, 2011; Wiersema, & Bantel, 1992). Given the above, I expect that new CEOs are more likely to make the decision to re-enter foreign markets if they are young compared to older CEOs who are newly appointed. Hence, I hypothesize that:

Hypothesis** 7**a. *Younger new insider CEOs are more likely to make the re-entry decision into foreign markets than older new insider CEOs.*

Hypothesis** 7**b. *Younger new outsider CEOs are more likely to make the re-entry decision into foreign markets than older new outsider CEOs.*

3.5. CEO Duality

CEO duality can result in the agency problem (i.e., the conflict of interest between CEOs and shareholders) (Coles & Hesterly, 2000; Harris & Helfat, 1998; Wang et al., 2019) as CEOs who perform the roles of both the CEO and the chairman of the board of directors hold greater power to push decisions (Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994; Haynes & Hillman, 2010; Krause & Semadeni, 2013). Scholars have argued that the separation between CEO position and the chairman of the board of directors' position can reduce the likelihood of CEOs' engaging in risky behaviors that can threaten the goal of creating value for shareholders (Boyd, 1995; Dalton & Kesner, 1987; Finkelstein & D'aveni, 1994; Harris & Helfat, 1998; Rechner & Dalton, 1991) because CEO duality provides CEOs with greater decision-making authority (Finkelstein & D'aveni, 1994; Haynes & Hillman, 2010; Krause & Semadeni, 2013). In many cases, former CEOs stay as the chair of the board of directors which restrict CEOs discretion (Quigley & Hambrick, 2012). When this happens, these chairmen of the board re unlikely to approve a re-entry in a foreign market from which they exited when they were CEOs. Yet, when newly appointed CEOs hold both positions, they are able to make decisions and initiate strategic changes when needed (Haynes & Hillman, 2010). As such new CEOs who are also the chairmen of their boards can influence directors to favor their decisions when duality exists in their firms (Westphal & Zajac, 1995). Therefore, when the CEO is the Chairman of the board, others are less likely to oppose the CEO's decisions (Bigley & Wiersema, 2002), even if the decision is one of returning to a previously exited market.

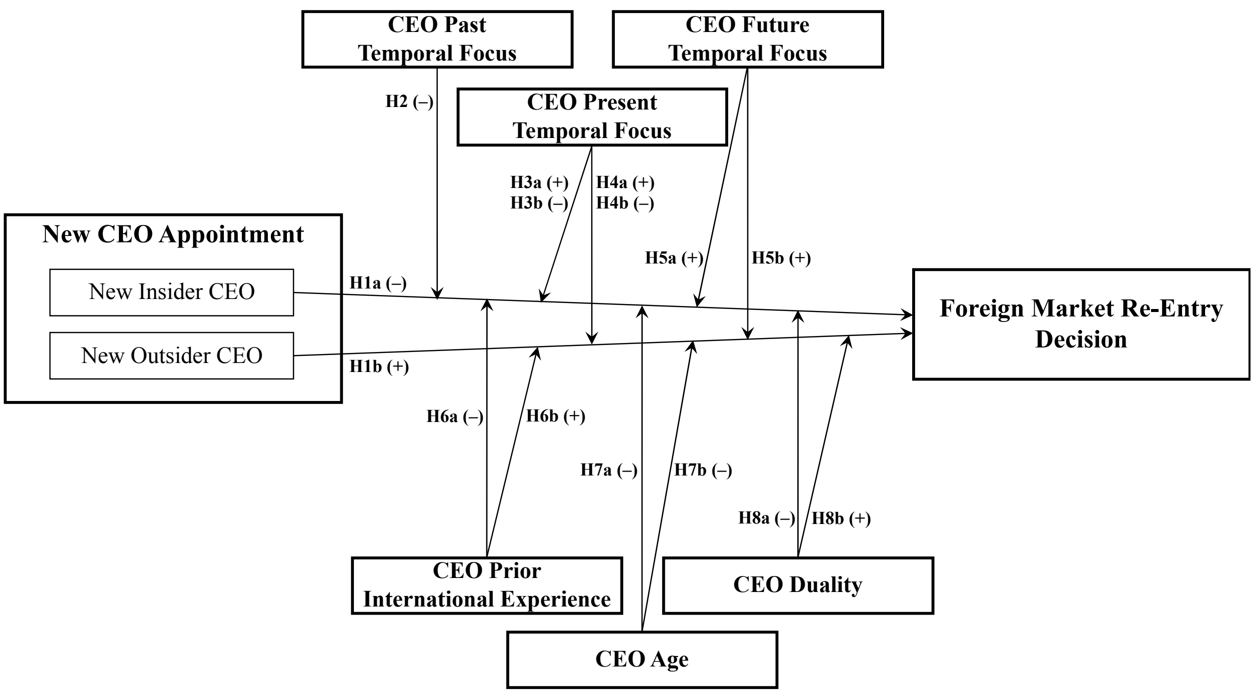
Given the above, the power that CEO duality provides is important when foreign market re-entry is discussed. Specifically, new outsider CEOs are likely to engage in changes and make bold decisions which explains why they would want more power to make bold and risky strategic decisions such as re-entering foreign markets. In other words, when new outsider CEOs are appointed and decide to re-enter foreign markets, serving as the chairman of the board of directors is likely to help them in pushing the re-entry decision. This would be that case even if the board of directors is hesitant to return to a foreign market in which the firm previously failed as they have experienced failure firsthand. Therefore, since CEO duality reflects power and authority, new outsider CEOs who are serving as the chairman of the board of directors are more likely to re-enter foreign markets. However, even though new outsider CEOs are likely to use the power that CEO duality provides to return to foreign markets, I argue that new insider CEOs are less likely to re-enter foreign markets. That is, even if new insider CEOs are also serving as the chairmen of their boards, the power that they possess does not encourage them to re-enter foreign markets because they would have no interest in resuming operations in those specific foreign markets in which they have seen their firms' unsuccessful attempts in the past. New insider CEOs will use the additional power that CEO duality provides to make sure that their firms do not repeat the same mistake. Therefore, when CEO duality exits, new insider CEOs will maintain their firms status quo and ensure that their firms stay out of foreign markets in which they have failed. Hence, I hypothesize that:

Hypothesis 8a. *New insider CEOs who are serving as the chairman of their board of directors are less likely to make the re-entry decision into foreign markets than new insider CEOs who are not serving as the chairmen of their board of directors.*

Hypothesis 8b. *New outsider CEOs who are serving as the chairman of their board of directors are more likely to make the re-entry decision into foreign markets than new outsider CEOs who are not serving as the chairmen of their board of directors.*

Figure 2 shows the proposed theoretical model and the hypotheses discussed so far with specifying each hypothesis direction.

Figure 2: Hypothesized Model



CHAPTER 4: RESEARCH METHOD

In this chapter, I explain how data is collected and from which sources. I also describe the measures I will use to assess the constructs that form part of my hypothesized relationships. In addition, in this chapter I specify the analysis technique that I chose to test these relationships.

4.1. Sample and Data Collection

4.1.1. Sampling Population

Since foreign market re-entry has only recently captured scholars' attention (Francioni et al., 2017; Surdu et al., 2019), established databases for this phenomenon are yet to be developed. Therefore, I relied on RavenPack analytics tool to collect exit and re-entry events based on news articles. RavenPack has been used in research on a variety of topics such as finance, communication, diversity, and health care (e.g., Cepoi, 2020; Gutiérrez-Fandiño, Kolm, Alonso, & Armengol-Estapé, 2022; Ho & Wang, 2016; Umar & Gubareva, 2020). Specifically, I used two categories (i.e., Market Entry and Market Exit) to search for news articles that are available on RavenPack. All news articles ever published on these topics were considered up to October 2022. By searching all available news articles, the two categories yielded 455,352 news articles. Among those news articles, only 117,251 news articles represented international entry or exit activities, reflecting either foreign market entry or foreign market exit. The 117,251 news articles were used to collect data for the dependent variable by checking how many times a specific firm entered and exited a specific foreign market. Firms that exited foreign markets were identified first because exit is a pre-condition for foreign market re-entry (Ali, 2021; Ali et al., 2022; Bernini et al., 2016; Chen et al., 2019; Surdu et al., 2019; Surdu et al., 2018; Welch & Welch, 2009; Yayla et al., 2018). Then, among these firms, I classified firms as *re-entrant* or *non-re-entrant* depending on whether an entry event occurred after an exit from a specific foreign market or not. For example, if a firm exited China and did not enter this market after the exit, the firm was classified as *non-re-entrant*. However, if this firm enter China after its exit, the firm was classified as a *re-entrant*.

For the purpose of this dissertation, I focused on re-entry decisions into the BRIC economies (Brazil, Russia, India, and China) for a few reasons. First, emerging markets have always attracted international firms because these markets hold great growth opportunities for firms that can establish a strong presence in them before they reach the *developed* status (Javalgi, Dixit, & Scherer, 2009; London & Hart, 2004; Sakarya, Eckman, & Hyllegard, 2007). Second, opportunities and changing environments in BRIC economies may also encourage firms to return to these markets to take advantage of emerging opportunities in such markets, especially when the quality of these markets increases (Javalgi et al., 2009; Sakarya et al., 2007). As the institutional environment of host markets has been associated with foreign markets re-entry, the institutional nature of BRIC economies may affect firms' likelihood to re-enter these markets. Specifically, the growth of opportunities in these markets can attract firms to resume operations in such markets. For instance, BRIC economies have been associated with a faster growth rate compared to other countries (The Economist Newspaper, 2008). In 2009, BRIC economies' contribution to the world's economic growth was estimated at 60% (Biggemann & Fam, 2011).

Third, demand for goods, services, and infrastructures in these countries is also improving as the population increases and people relocate to major cities and regions (The Economist Newspaper, 2008). Fourth, BRIC economies also supply a large proportion of goods and services to the world (Biggemann & Fam, 2011; Ranjan & Agrawal, 2011). The higher economic growth rate, increasing demand for goods and products, and the growing consumer-base of BRIC economies explain why firms and investors have been focusing on these markets in recent years (Holtbrügge & Kreppel, 2012). Yet, firms' involvement and re-involvement in these markets is likely to vary due to multiple drivers, which makes these markets an appropriate sample to answer the proposed research questions. Therefore, focusing on emerging markets such as BRIC economies will provide new insights on how firms internationalize in a non-linear manner.

4.1.2. Sample

Among the 117,251 news articles that represent international events, only 37,453 news articles were considered as the host market is one of the BRIC economies. The 37,453 news articles were checked manually to determine whether an event represented an exit from a foreign market or a re-entry into this market. By cleaning the data and dropping duplicate news articles for the same event, a total of 1,423 news articles were used. These news articles yielded 1,202 events. Figure 3 shows all exit news articles that were obtained from RavenPack for BRIC economies. Figure 4 displays all re-entry news articles for BRIC economies that were collected by relying on the RavenPack analytical tool. However, prior research indicates that firms that exit a foreign market for less than a year only exit this market partially (e.g., Bernini et al., 2016; Blum et al., 2013; Görg & Spaliara, 2018; Roberts & Tybout, 1997), indicating that at least one year of exit (i.e., time-out) is required for an exit event to be considered an actual exit. As a result, I only included in the sample exits of over a year long before a re-entry. This resulted in dropping 433 events because they had the so called "zero time-out" (i.e., less than a year) from foreign markets.

Figure 3: Exit News Articles in BRIC Economies Between 1935 and 2022

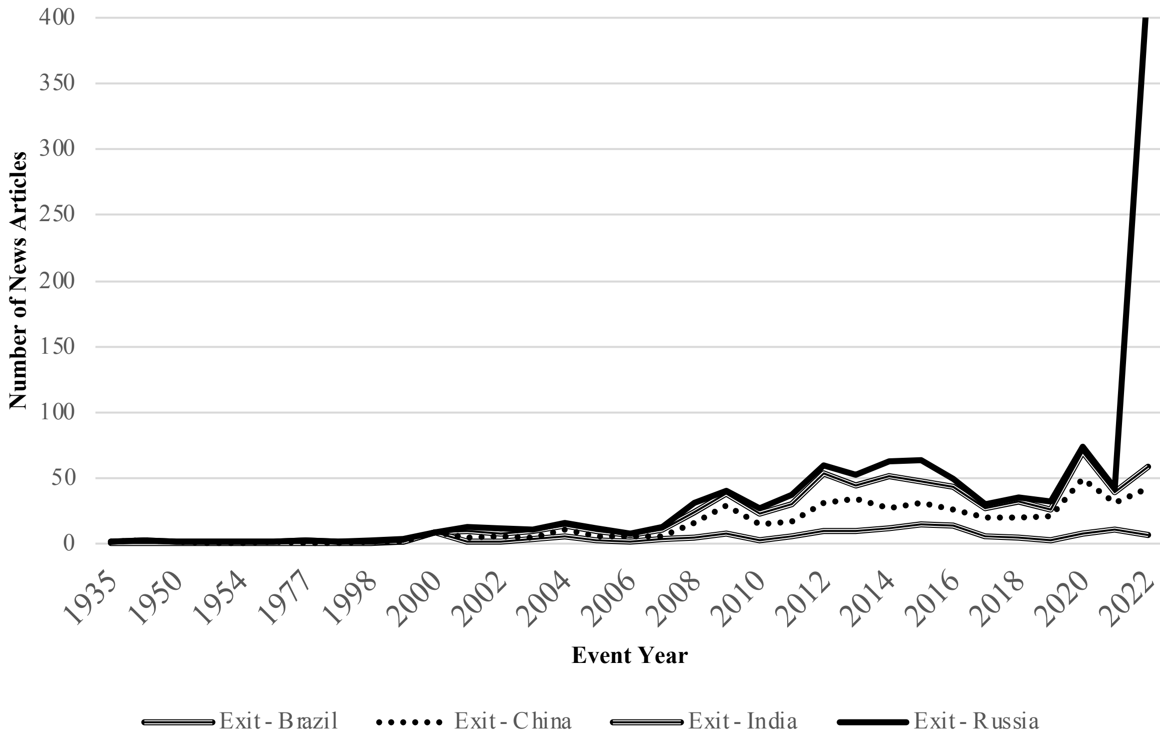
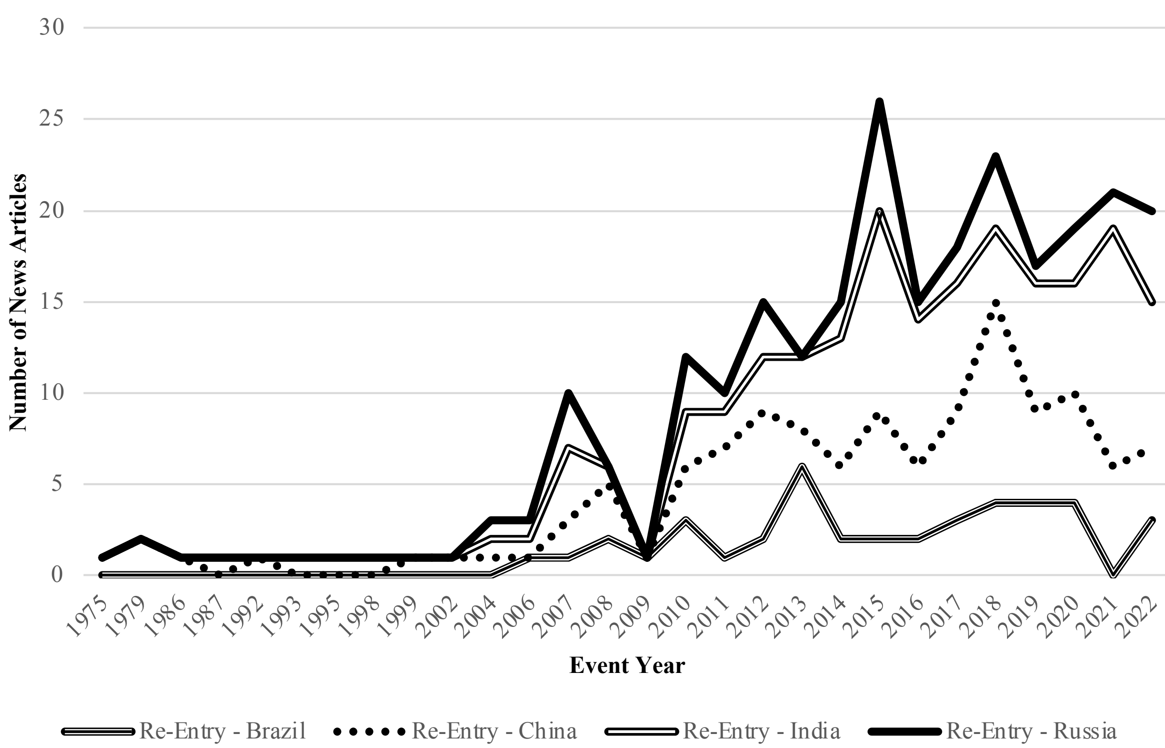


Figure 4: Re-Entry News Articles in BRIC Economies Between 1975 and 2022



It should be also noted that publicly available data limits this research. For instance, temporal focus can only be captured by interviewing CEOs directly or by analyzing their letters to shareholders (LTSs). LTSs can only be obtained for public firms as they are required to publish such documents (Back & Colombo, 2022; DesJardine & Shi, 2021; Gamache & McNamara, 2019). Therefore, public firms were only included to ensure that CEO data could be obtained. This led to dropping 155 exit events for private firms. Additionally, due to missing data, 176 events were eliminated. The final sample is composed of 438 events (144 re-entries and 294 exits) in BRIC economies for 339 firms between 1986 and 2022. Table 2 shows events in BRIC economies.

Table 2: Exit and Re-Entry Events in BRIC Economies

Host Markets	**Exit Events**	**Re-Entry Events**	**Total**
Brazil	47	30	77
Russia	50	18	68
India	65	53	118
China	132	43	175
Total	294	144	438

4.2. Measures

4.2.1. Dependent Variable

4.2.1.1. Foreign Market Re-Entry Decision

Foreign market re-entry decision is coded as a binary variable, $ReEntry_{ij}$, assuming the value of one if the firm returns to the same foreign market, and zero if the firm decides to remain out of this specific market. As one firm may decide to re-enter a specific foreign market and, at the same time, choose to stay out of another market, it is important to identify in which foreign markets the firm may have decided to return to better understand firms' behavior in foreign markets. Therefore, the subscript *i* represents a case firm, and the subscript *j* represents a specific foreign market in the sample.

4.2.2. Independent Variables

4.2.2.1. New CEO Appointment

A new CEO appointment is captured by creating two dummy variables. $InsCEO_i$ assumes the value of 1 if a new insider CEO has been appointed at any time after exiting a specific foreign market, and 0 otherwise. $OutCEO_i$ takes the value of 1 if a new outsider CEO has been appointed at any time after exiting the foreign market, and 0 if otherwise. It should be noted that prior research identifies insider CEOs as individuals who spent at least two years of tenure in the firm (e.g., Cannella Jr. & Lubatkin, 1993; Henderson & Fredrickson, 2001; Ocasio, 1999; Ridge, Aime, & White, 2015; Zhu & Shen, 2016). Therefore, if a new CEO has an organizational tenure of two years or more, the CEO was classified as an insider. CEOs with an organizational tenure of less than two years were classified as outsiders. Data for these variables was collected from Bloomberg, BoardEx, and firms' official websites. The subscript *i* represents a case firm in the sample.

4.2.2.2. CEO Temporal Focus

CEO temporal focus was captured by relying on the Linguistic Inquiry and Word Count (LIWC) software – a content analysis technique – to analyze CEO's letters to shareholders. Words used in CEO's letters to shareholders were analyzed to see if there was a pattern that indicates the CEO's past, present, and future temporal focus. The LIWC software has built-in dictionaries for words and what these words suggest. I used the dictionaries provided by LIWC that indicate "past," "present," and "future" tendencies in the language that CEOs use (Back & Colombo, 2022; DesJardine & Shi, 2021; Eggers & Kaplan, 2009; Gamache & McNamara, 2019; Gamache et al., 2015; Nadkarni & Chen, 2014; Yadav et al., 2007). Each text was analyzed based on those dictionaries. CEO's letters to shareholders were downloaded from firms' official websites and then analyzed by using LIWC, which calculates the number of words that classify each temporal focus as a percentage of the total number of words in each document (DesJardine & Shi, 2021; Eggers & Kaplan, 2009; Nadkarni & Chen, 2014). For example, if LIWC provides a score of 2.7 for 'future', this indicates that 2.7% of the text used to analyze the CEO temporal focus consists of words that represent future focus based on LIWC 'future' dictionary. Therefore, I used three separate variables $Past_i$, $Present_i$, and $Future_i$ that reflect the three foci of CEO temporal past, present and future foci. Each variable indicates the LIWC score. The subscript i represents a case firm in the sample.

4.2.2.3. CEO Prior International Experience

Even though previous research has shown that CEO prior international experience is measured using the length and depth of CEO prior international experience (e.g., Daily et al., 2000; Le & Kroll, 2017; Magnusson & Boggs, 2006), for the purpose of this dissertation, I created a binary variable, $CEOExp_i$, assuming the value of 1 if the CEO had prior international experience, and 0 otherwise. CEOs who spent time living, studying, or working abroad were assumed to have prior international experience. This was determined by scanning CEOs profiles on Bloomberg, BoardEx and firms' official websites. Then, I coded data manually. The subscript i represents a case firm in the sample.

4.2.2.4. CEO Age

CEO age simply represents how old the CEO is in years (Navaretti et al., 2022; Barker & Mueller, 2002; Datta & Rajagopalan, 1998; Grimm & Smith, 1991; Hsu et al., 2013). $CEOAge_i$ was measured from the birth of the CEO until a decision regarding a specific foreign market was made. If a case firm remained out of a specific foreign market, then CEO age was measured from the birth of the CEO up to 2022. This variable was obtained from BoardEx and firms' official websites. The subscript *i* represents a case firm in the sample.

4.2.2.5. CEO Duality

Finally, CEO duality indicates whether the CEO is also serving as the chairman of the board of directors. CEO duality was measured as a binary variable, $Duality_i$, assuming the value of 1 if the CEO is also the chairman of the board of directors, and 0 otherwise (Boyd, 1995; Chahine & Tohmé, 2009; Dalton & Kesner, 1987; Elsayed, 2007; Finkelstein & D'Aveni, 1994; Haynes & Hillman, 2010; Westphal & Zajac, 1995). Data for this variable was obtained from Bloomberg, BoardEx, and firms' official websites. The subscript *i* represents a case firm in the sample.

4.2.3. Control Variables

Several control variables are included to account for any additional variance that might explain a firm's decision to re-enter foreign markets.

4.2.3.1. CEO Tenure

At the individual level, I control for new CEO tenure, $Tenure_i$, which reflects the length of time the new CEO has been serving as a CEO in years. Controlling for CEO tenure is important because CEOs with longer tenure tend to be embedded within their organizations and follow the status quo (Bigley & Wiersema, 2002; Cao, Maruping, & Takeuchi, 2006; Daily et al., 2000; Datta et al., 2003; Westphal & Fredrickson, 2001). CEOs who stay longer at their firms are likely to be influenced by the exiting routines and practices that their firms are using, which will affect their tendency to introduce new routines that enable foreign market re-entry. This variable was also collected from Bloomberg and firms' websites. The subscript *i* represents a case firm in the sample.

4.2.3.2. CEO Gender

CEO gender was also controlled for by including a binary variable, $Gender_i$, assuming the value of 1 if the new CEO is female, and 0 otherwise. Research indicates that female CEOs are risk-averse (Martín-Ugedo, Mínguez-Vera, & Palma-Martos, 2018; Palvia, Vähämaa, & Vähämaa, 2015; Shropshire, Peterson, Bartels, Amanatullah, & Lee, 2021; Vo, Nguyen, & Le, 2021; Zalata, Ntim, Aboud, & Gyapong, 2019), suggesting that female CEOs may not be willing to return to foreign markets as this decision may reflect a high level of risk given the previous exit. Thus, the effect of this variable was controlled for. Data was obtained from Bloomberg and firms' websites. The subscript *i* represents a case firm in the sample.

4.2.3.3. Firm Size

At the organizational level, firm size is an important factor that might incite the decision to return to foreign markets. Firm size reflects the level of resources the firm has and may allocate to re-enter foreign markets. Some scholars state that large firms are less likely to make the re-entry decision (Chen et al., 2019; Surdu & Narula, 2021; Surdu et al., 2018). Yet, Yayla et al. (2018) assert that larger firms tend to return to foreign markets more than smaller firms. Such inconsistency emphasized why firm size must be controlled for in the analysis. Firm size tends to be captured by using firms' total assets, total number of employees, or total annual sales (e.g., Cummings & Knott, 2018; Herrmann & Datta, 2002; Krause & Semadeni, 2013; Nielsen & Nielsen, 2011; Wang et al., 2019; Zhang & Rajagopalan, 2010). This dissertation employed the natural logarithm of firm's total employees as a proxy to firm size, $FirmSize_i$. Firm's total number of employees was first collected from Compustat and then transformed. The subscript *i* represents a case firm in the sample.

4.2.3.4. Firm Age

Firm age was also used as a control variable because organizational inertia might prevent older firms from making the re-entry decision into BRIC economies as it may require strategic changes (Guillén, 2002; Haynes & Hillman, 2010; Mintzberg, 1978). $FirmAge_i$ reflects the length of time the firm has been alive since its foundation. It is measured in years from the foundation year of the firm to the year in which the decision to either re-enter foreign markets has been made (Surdu et al., 2019; Surdu et al., 2018; Yayla et al., 2018). If a firm is still out of the foreign market, this variable was captured up to 2022. Data for firm age was collected from each firm's official website. Additionally, this variable was transformed using its natural logarithm. The subscript i represents a case firm in the sample.

4.2.3.5. Firm Home Market

I also controlled for the country of origin of each firm. The country of origin of the firm represents the home country of the firm. Research has shown that the county of origin can have either a positive or negative effect on how customers evaluate the products and services of firms in foreign markets. When positive effects exist, the country of origin may provide firms with a competitive advantage that promotes their international expansion (Agrawal & Kamakura, 1999; Baker & Ballington, 2002; Bilkey & Nes, 1982; Han & Terpstra, 1988; Johansson, Ronkainen, & Czinkota, 1994; Peterson & Jolibert, 1995). Therefore, it is important to control for the country of origin of each firm, $HomeCountry_i$, as it may drive the decision to return to foreign markets. Data for firm's country of origin can be obtained from firms' official websites. Instead of including dummies for each home market. I controlled for this variable by running a specific model which is the Conditional Fixed Effect Logit model. In this model, the standard errors are adjusted for clustering on Firm Home Markets which will control for the possible effect of this variable. The subscript *i* represents a case firm in the sample.

4.2.3.6. Firm Performance

I controlled for the effect of firm performance on the decision to re-enter foreign markets. Satisfactory firm performance, in some cases, may encourage managers to pursue opportunities in foreign markets (Audia & Greve, 2006; Jiang & Holburn, 2018; Jung & Bansal, 2009). Tobin's Q is a commonly used proxy for firm performance in strategic management research (e.g., Bharadwaj, Bharadwaj, & Konsynski, 1999; Cho & Pucik, 2005; Finkelstein & Boyd, 1998; Surroca, Tribó, & Waddock, 2010; Youndt, Subramaniam, & Snell, 2004). Greater values of Tobin's Q show that firms are well managed compared to lower values (David, Yoshikawa, Chari, & Rasheed, 2006). Data needed to compute Tobin's Q, $TobinQ_i$, were obtained from Compustat. The subscript *i* represents a case firm in the sample. Although, several equations have been introduced in the literature to calculate Tobin's Q, in this dissertation, I followed Chung and Pruitt (1994)'s approach to compute it as shown below and then transformed its values using its natural logarithm:

$$TobinQ_i = \frac{TA_i + MV_i - TE_i}{TA_i}$$

where TA_i = Book Value of Total Assets

MV_i = Market Value = Closing Price of Share × Number of Common Shares Outstanding

TE_i = Total Common/Ordinary Equity

4.2.3.7. Firm Degree of Internationalization

In addition, firms that have greater levels of internationalization might be motivated to return to previous foreign markets due to their international experience and knowledge (Johanson

& Vahlne, 2009; Surdu & Narula, 2021; Welch & Welch, 2009). Therefore, I control for firm's degree of internationalization. Multiple proxies can be used to capture firms' degree of internationalization. For instance, the degree of a firm's internationalization can be computed as (1) the ratio of foreign sales to firm's total sales (e.g., Grant, Jammine, & Thomas, 1988; Geringer, Beamish, & DaCosta, 1989; Sullivan & Bauerschmidt, 1989), or (2) the ratio of foreign assets to firm's total assets (e.g., Daniels & Bracker, 1989; Sullivan, 1994). However, in this dissertation, I used the ratio of foreign sales to total sales, $Internationalization_i$, as a proxy for the degree of a firm's internationalization. Firm's international sales were obtained from Compustat, and then computed as a ratio to each firm's total sales. The subscript i represents a case firm in the sample.

4.2.3.8. Time-Out Period

The time-out period is also important as firms tend to return to foreign markets when they still have international heritage regarding the markets in which they used to operate (Welch & Welch, 2009). Firms are more likely to return to foreign markets within five years of exit (Aguzzoli et al., 2021; Bernini et al., 2016; Blum et al., 2013; Bunz et al., 2017; Chen et al., 2019; Dominguez & Mayrhofer, 2017; Görg & Spaliara, 2018; Javalgi et al., 2011; Surdu et al., 2019; Surdu et al., 2018; Vissak & Francioni, 2013; Yayla et al., 2018). Firms also tend to utilize the time-out period to figure out what went wrong and act upon that (Surdu & Narula, 2021; Surdu et al., 2019; Welch & Welch, 2009). Thus, it is important to consider the time-out period. $TimeOut_{ij}$ is measured as the length of time between the firm's exit and re-entry in years (Bernini et al., 2016; Chen et al., 2019; Surdu et al., 2019; Surdu et al., 2018). This variable was collected manually after capturing whether each firm has returned to exited foreign markets or stayed out. If a firm did not return to a specific foreign market, this variable was captured up to 2022. Then, *TimeOut*$_{ij}$ values were transformed using their natural logarithm. The subscript *i* represents a case firm and the subscript *j* represents a specific foreign market in the sample.

4.2.3.9. Industry

To account for environmental-level variables, I controlled for industry effect as firms operating in some industries might be more inclined to return to foreign markets (Bernini et al., 2016; Chen et al., 2019), especially if their competitors compete in those markets. Some industries might also be more international than others and this could drive firms within them to decide to return to a foreign market they have exited. Thus, *Industry*$_i$ reflects the industry in which the firm is operating. Data for firms' industries were collected from Bloomberg. Then, 10 dummy variables were created as the number of industries represented in the sample was 11 industries: (1) communications, (2) consumer discretionary, (3) consumer staples, (4) energy, (5) financials, (6) health care, (7) industrial, (8) materials, (9) real estate, (10) technology, and (11) utilities. The reference group was the communication industry. The subscript *i* represents a case firm in the sample.

4.2.3.10. Change in Host Market Institutional Quality

The host country's institutional quality reflects the institutional environment of each host country. The effect of this variable on international trade has been strongly recognized in the literature (e.g., Cantwell, Dunning, & Lundan, 2010; Florensa, Márquez-Ramos, & Recalde, 2015; Heyman & Tingvall, 2015; Levchenko, 2007). Foreign markets with high institutional quality are associated with lower levels of uncertainty which might attract firms to re-enter these markets (Heyman & Tingvall, 2015; Surdu & Narula, 2021; Surdu et al., 2019; Surdu et al., 2018). Therefore, data from the Index of Economic Freedom were utilized to capture the change in host country institutional quality. The index evaluates five major areas of any given country:

size of government, legal system and security of property rights, sound money, freedom to trade internationally, and regulations. It ranks countries' economic freedom based on a 10-point scale, with 10 as the freest economy and 0 as the least free economy (Gwartney, Lawson, Hall, & Murphy, 2021). Economic freedom is a proxy for a host country's institutional quality. Data on the host country institutional quality of each market, $HostQ_j$, were collected at the time of exit and at the time of re-entry announcement to determine the percentage change. If the firm did not decide to re-enter a specific foreign market, this variable would represent institutional change between the time of exit and 2022. The subscript j represents a specific foreign market in the sample.

4.2.3.11. Host Market Trade Freedom

The freedom of trade in host markets is also an important control variable. Even though the change in host market institutional quality will entail some aspects of trade freedom in a specific host market, including this variable as a separate variable in the analysis is important. This is because trade freedom tends to motivate firms' international activities even if the institutional quality of host markets is low (Dornbusch, 1992; Edwards, 1993; Topalova & Khandelwal, 2011; Wacziarg & Welch, 2008). This variable reflects the given score for a country out of 100. Data from the Index of Economic Freedom were utilized to capture host market trade freedom, $FreeTrade_j$, and then transformed using the natural log. The subscript j represents a specific foreign market in the sample.

4.3. Analysis Technique

The decision to re-enter a foreign market (i.e., the dependent variable) is a binary variable which means that OLS regression cannot be used because its results will be biased (Baltagi, 2021; Greene, 2017; Wooldridge, 2016). Three potential techniques that can be used with a binary dependent variable are: (1) Linear Probability Model (LPM), (2) Logit Model, and (3) Probit Model (Baltagi, 2021; Wooldridge, 2016). As the LPM does not restrict the values of the dependent variable to fall between 0 and 1, the interpretation of the results may not be meaningful (Wooldridge, 2016). Thus, the use of either Logit or Probit models is more appropriate for the purpose of this dissertation. However, I used Logit models to test the hypothesized relationships. Specifically, I used Logit Models first, and then ran Conditional Fixed Effect Logit Model to control for the effect of each home market instead of including dummies for home markets as will be shown in the next chapter.

CHAPTER 5: RESULTS

This chapter contains the statistical analyses I performed. I first present the correlations and descriptive statistics of the data. Then, I show the results of the hypothesized relationships.

5.1. Correlations and Descriptive Statistics

Table 2 presents means, standard deviations, and correlations of the raw data. As shown in the table, 33% of the data (i.e., 144 events) represent re-entry events. Additionally, 37% of CEOs were new insider CEOs and 20% were new outsider CEOs at the time of re-entry (or in 2022 if firms remain out of foreign markets). The average scores for past, present, and future temporal focus for CEOs in the sample are 2.07, 2.63, and 1.25, respectively. This indicates that, in the text used to analyze CEOs temporal focus, on average, 2.07% reflects words that represent the past, 2.63% reflects words that represent the present, and 1.25% reflects words that represent the future based on specific word dictionary for each temporal focus. Among CEOs included in the sample, 69% had prior international experience. The average age of CEOs in the sample was 57 years old. Also, 27% of CEOs in the sample were performing both the roles of CEO and the chairman of the board of directors. The table also indicates that there is a negative correlation between new outsider CEOs and the decision to re-enter foreign markets. On the other hand, new insider CEOs have a positive correlation with the decision to re-enter foreign markets. Those relationship are contradictory to the theoretical arguments made in Chapter 3. In general, the correlations between the independent variables are relatively low.

Nonetheless, multicollinearity is not an issue among independent variables. Prior research stated that when the value for the mean VIF is between 1 and 5, the independent variables are moderately correlated with each other. Multicollinearity could be an issue if the mean VIF value is greater than 5, indicating high correlation between independent variables (Cohen, West, &

Aiken, 2014; Kalnins, 2018; Mansfield & Helms, 1982; Sinan & Alkan, 2015; Thompson, Kim, Aloe, & Becker, 2017). According to Table 3 and Table 4, the mean VIF is 1.31 for Model 1 (i.e., the main effect model) while the mean VIF is 2.49 for Model 2 (i.e., the moderation effect model). Also, individual VIF values that exceed 20 indicate a problem in which the estimates could be driven by the intercorrelations between independent variables (Alauddin & Nghiem, 2010; Cohen, West, & Aiken, 2014; Greene, 2017; Kalnins, 2018; Mansfield & Helms, 1982; Sinan & Alkan, 2015; Thompson, Kim, Aloe, & Becker, 2017;). However, according to Table 3 and 4, there is no individual VIF value that exceed 20. Therefore, the mean VIF values and individual VIF values confirm that the level of correlations between independent variables is moderate in both models and multicollinearity is not a problem in the models.

5.2. Hypotheses Testing

Detecting outliers before testing the hypotheses is important because outliers (i.e., influential observations) may affect the estimates of the included variables (Wooldridge, 2016). Therefore, outliers in the sample were detected by relying on Cook's Distance rule (i.e., 4 / *n*) where *n* reflects the number of observations in the sample (Cook, 1979). This led to dropping 29 observations that were identified as outliers. Then, to test the hypothesized relationships two models were used. Model 1 was employed to test the main effect of appointing new CEOs (i.e., Insider CEOs vs. Outsider CEOs) while accounting for other factors as controls. Model 2 was used to examine the effect of the proposed moderators – CEO Temporal Focus, CEO Prior International Experience, CEO Age, and CEO Duality – when new CEOs were appointed on the dependent variable (i.e., Foreign Market Re-Entry Decision). That is, Model 2 tests the interaction effects. The two models were examined by using (1) Logit Regression because the dependent variable is a binary variable, and (2) Conditional Fixed Effect Logit Regression in which standard errors are adjusted for clustering on Home Markets of all firms in the sample. However, due to the lack of variation within some of the groups (i.e., Home Markets), 17 groups that are comprised of 19 observations were eliminated from the analysis, leading the number of home markets in the sample to decrease to 21 home markets. The final sample after dropping outliers and observations with home markets that lacked within group variation is 390 observations. Table 6 displays firms' home markets and the number of re-entry and exit events.

5.2.1. Model 1 Results

Model 1 was used to test the direct effect of the independent variables on the decision to re-enter foreign markets, while controlling for additional variables. This model is testing Hypothesis 1. Interaction terms were not included in this model. Table 5 shows the results for Model 1. Pseudo-R^2 that is reported for both regressions reflects the goodness-of-fit of the theoretical model. For the model to indicate good fit of the data, the rule of thumb is that Pseudo-R^2 should range between 0.2 and 0.4. Pseudo-R^2 beyond 0.4 suggests an excellent fit of the data. The notion here is that the closer Pseudo-R^2 values are to 1, the better the fit of the model (McFadden, 1979). Therefore, since Pseudo-R^2 = 0.4740 for the Logit Regression and Pseudo-R^2 = 0.5071 for the Conditional FE Logit Regression, this demonstrates that when standard errors are adjusted for clustering on Home Markets, the model fits the data better. Accordingly, I used Conditional FE Logit Regression to test Hypothesis 1 which argues that new outsider CEOs are more likely than new insider CEOs to make the re-entry decision into foreign markets. The coefficient for new insider CEO is positive ($\beta = 0.46$, $p > 0.05$) while the coefficient for new outsider CEO is negative ($\beta = -0.76$, $p > 0.05$). Yet, the two relationships were insignificant. Thus, Hypothesis 1 was not supported. The origin of the new CEO, whether from the outside or the inside of the firm, has no effect on the firm's decision to re-enter a foreign market. Clearly, there are boundary conditions that determine whether these newly appointed CEOs would engage in re-entering a previously exited foreign market. It should be noted that the coefficients of Logit and Conditional FE Logit Regressions cannot be interpreted directly. They can only be used to test the direction and significance of the hypotheses (Baltagi, 2021; Greene, 2017; Wooldridge, 2016).

5.2.2. Model 2 Results

Model 2 tests Hypotheses 2 through 8b. This Model includes the interaction terms between the moderating variables – CEO Temporal Focus, CEO International Experience, CEO Age, and CEO Duality – and the independent variables of new insider CEOs and new outsider CEOs. Table 7 shows the results for Model 2. Similar to Model 1, both Logit Regression and Conditional FE Logit Regression were used to test Hypotheses 2 through 8b. Pseudo-R^2 is 0.4914 in the Conditional FE Logit Regression, denoting that this model fits the data better compared to Logit Regression where Pseudo-R^2 is 0.4495. Conditional FE Logit Regression has an excellent fit of the data when standard errors are adjusted for clustering on Home Markets. Thus, Conditional FE Logit Regression is used to investigate the remaining hypothesized relationships (Hypotheses 2–8b) while controlling for the effect of each home market in the sample.

Hypothesis 2 argues that new insider CEOs with strong past temporal focus are less likely to return to foreign markets. The coefficient of the interaction term between new Insider CEO and CEO past temporal focus was positive and significant ($\beta = 0.98$, $p < 0.01$). Therefore, Hypothesis 2 was not supported. For the moderating effect of CEO present temporal focus on new insider and outsider CEOs on the likelihood to return to foreign markets, competing hypotheses were presented. In those hypotheses, I emphasized that the content of the up-to-date information that nourishes CEO present focus matters in determining the effect of CEO present focus on new CEOs' likelihood to return to foreign markets. Hypothesis 3a states that new insider CEOs with strong present temporal focus are more likely to re-enter foreign markets. Hypothesis 3b states that new insider CEOs with strong present temporal focus are less likely to re-enter foreign markets. The interaction term between new insider CEO and CEO present temporal focus has a negative but insignificant coefficient ($\beta = -0.13$, $p > 0.05$). Therefore, neither Hypothesis 3a nor Hypothesis 3b were supported.

Another set of competing hypotheses – Hypothesis 4a and Hypothesis 4b – were used to test the moderating effect of CEO present focus on new outsider CEOs tendency to re-enter foreign markets. The coefficient for the interaction term between new outsider CEO and CEO present focus was negative and significant ($\beta = -0.38$, $p < 0.10$). Thus, Hypothesis 4a was not supported while Hypothesis 4b was mildly supported at the 0.1 level. Moreover, Hypothesis 5a argues that new insider CEOs with strong future temporal focus are likely to return to foreign markets (i.e., New Insider CEO × CEO Future Temporal Focus). The interaction term coefficient was positive but insignificant ($\beta = 0.25$, $p > 0.05$). On the other hand, Hypothesis 5b suggests that new outsider CEOs with strong future temporal focus are likely to return to foreign markets. The interaction term coefficient was negative and insignificant ($\beta = -0.27$, $p > 0.05$). Thus, Hypothesis 5a and Hypothesis 5b were not supported.

Hypothesis 6a argues that new insider CEOs with prior international experience are less likely to re-enter foreign markets. The interaction term coefficient was positive and significant ($\beta = 1.42$, $p < 0.01$). Consequently, Hypothesis 6a was not supported. However, Hypothesis 6b assumes that there is a positive effect of new outsider CEOs with prior international experience on foreign market re-entry decisions. The coefficient for the interaction term was positive and significant (β = 8.44, $p < 0.10$). Thus, Hypothesis 6b was supported. In terms of the moderating effect of CEO age on new CEOs likelihood to return to foreign markets, I argued that the relationship would be negative, indicating that young CEOs are more likely to re-enter foreign markets. This was expected for both insider and outsider CEOs (i.e., Hypothesis 7a and Hypothesis 7b). However, the results show that only the interaction term that is significant (β = -0.06, $p < 0.05$) is the one between new insider CEO and CEO age, providing support for Hypothesis 7a. For outsider CEOs, the relationship is not significant (β = -0.15, $p > 0.05$). Therefore, Hypothesis 7b was not supported.

The last set of hypotheses investigates the effect of CEO duality on new CEOs likelihood to re-enter foreign markets. Hypothesis 8a argues that new insider CEO who also perform the roles of the chairman of the board of directors is less likely to make the re-entry decision into foreign markets. The analysis reveals that this relationship is positive and significant (β = 1.09, $p < 0.01$). Therefore, Hypothesis 8a was not supported. On the other hand, Hypothesis 8b states that new outsider CEO who also perform the roles of the chairman of the board of directors is more likely to re-enter foreign markets. The results indicate that the hypothesized relationship is positive and significant (β = 4.51, $p < 0.01$), providing support for Hypothesis 8b.

5.3. Endogeneity

As this dissertation employs several variables for CEO characteristics, it is normal to suspect that that one or more of the covariates included in the model are correlated with the error term, suggesting an endogeneity problem. Therefore, it is imperative to check for endogeneity as the presence of this problem leads to biased and inconsistent estimates (Baltagi, 2021; Greene, 2017; Wooldridge, 2016). However, traditional tests such as Hausman test cannot be used when the dependent variable is binary (Wooldridge, 2016). This resulted in the use of Probit model with endogenous covariates to test for endogeneity. The test showed that there are no endogenous variables, meaning that endogeneity is not an issue for the hypothesized theoretical model.

5.4. Results Summary

The results of the Conditional FE Logit Regressions indicate that only four hypotheses were supported (i.e., Hypothesis 4b, Hypothesis 6b, Hypothesis 7a, and Hypothesis 8b). This shows that CEO present temporal focus, CEO prior international experience, CEO age, and CEO duality have a significant moderating effect on new CEOs when they are evaluating the decision to return to foreign markers. Additionally, even though three hypothesized relationships (i.e., Hypothesis 2, Hypothesis 6a, and Hypothesis 8a) were not supported, those relationships were significant, indicating that the included variables have an effect on the dependent variable. Table 7 summarizes the results. The discussion of these results is provided in the next chapter.

Table 3: Means, Standard Deviations, and Correlations

Variables	Mean	SD	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(1) Foreign Market Re-Entry Decision	0.33	0.47	1.0						
(2) New Insider CEO	0.37	0.48	0.0	1.0					
(3) New Outsider CEO	0.20	0.40	-0.1*	-0.4***	1.0				
(4) CEO Past Temporal Focus	2.07	0.78	0.1*	0.0	0.1	1.0			
(5) CEO Present Temporal Focus	2.63	0.97	-0.1**	0.0	0.1	-0.1**	1.0		
(6) CEO Future Temporal Focus	1.25	0.66	0.0	0.0	0.0	-0.1***	0.2***	1.0	
(7) CEO Prior International Experience	0.69	0.46	0.1***	-0.1**	0.1***	-0.1	0.0	0.1	1.0
(8) CEO Age	57.22	6.92	0.0	-0.1*	-0.2***	-0.1**	0.0	0.1*	-0.1**
(9) CEO Duality	0.27	0.45	0.2***	-0.1**	-0.1***	-0.1***	-0.1**	0.0	-0.1**
(10) CEO Tenure	6.61	7.79	0.0	-0.3***	-0.2***	0.0	-0.1*	-0.1**	-0.1*
(11) CEO Gender	0.06	0.24	0.0	0.0	0.0	-0.1	0.0	-0.1	-0.1*
(12) Firm Size	90.26	218.70	0.0	0.0	-0.1	0.1	0.3***	0.0	0.0
(13) Firm Age	77.12	57.89	0.0	0.2***	0.0	0.0	0.0	0.0	0.0
(14) Tobin-Q	1.68	1.36	0.0	-0.1***	0.1**	0.0	0.1	-0.2***	0.0
(15) Firm Degree of Internationalization	0.01	0.06	0.0	-0.1	0.0	0.0	0.1**	0.0	0.0
(16) Time-Out	6.90	5.53	-0.2***	0.3***	0.1**	0.1	0.0	0.0	0.0
(17) Host Trade Freedom	69.65	5.83	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
(18) Δ Host Institutional Quality	-3.61	8.31	0.4***	0.0	0.1	0.0	0.0	0.0	0.1
(19) Industry	4.04	2.95	0.0	0.0	0.0	-0.1	-0.1*	-0.1**	0.0

Notes: $N = 438$. *** $p < .01$. ** $p < 0.05$. * $p < 0.1$.

Table 3: Means, Standard Deviations, and Correlations (Continued)

Variables	Mean	SD	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(8) CEO Age	57.22	6.92	1.0						
(9) CEO Duality	0.27	0.45	0.3***	1.0					
(10) CEO Tenure	6.61	7.79	0.5***	0.4***	1.0				
(11) CEO Gender	0.06	0.24	-0.1*	0.1	-0.1**	1.0			
(12) Firm Size	90.26	218.70	0.0	0.0	0.0	0.0	1.0		
(13) Firm Age	77.12	57.89	0.1*	-0.1	-0.1**	0.0	0.0	1.0	
(14) Tobin-Q	1.68	1.36	0.0	0.0	0.0	0.0	0.1	-0.1	1.0
(15) Firm Degree of Internationalization	0.01	0.06	0.1	0.0	0.0	0.0	0.1	0.0	0.0
(16) Time-Out	6.90	5.53	0.0	0.0	0.0	0.0	0.0	0.1*	0.0
(17) Host Trade Freedom	69.65	5.83	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
(18) Δ Host Institutional Quality	-3.61	8.31	0.0	0.1	0.0	0.0	0.0	0.0	0.0
(19) Industry	4.04	2.95	0.1**	0.0	0.0	-0.1**	-0.1**	0.0	0.0

Notes: $N = 438$. *** $p < .01$. ** $p < 0.05$. * $p < 0.1$.

Table 3: Means, Standard Deviations, and Correlations (Continued)

Variables	Mean	SD	(15)	(16)	(17)	(18)	(19)
(15) Firm Degree of Internationalization	0.01	0.06	1.0				
(16) Time-Out	6.90	5.53	-0.1	1.0			
(17) Host Trade Freedom	69.65	5.83	0.0	-0.2***	1.0		
(18) Δ Host Institutional Quality	-3.61	8.31	0.0	0.1**	-0.2***	1.0	
(19) Industry	4.04	2.95	-0.1	0.1	0.0	0.0	1.0

Notes: $N = 438$. *** $p < .01$. ** $p < 0.05$. * $p < 0.1$.

Table 4: Variance Inflation Factor (Model 1)

Variable	VIF	1/VIF
New Insider CEO	2.12	0.47
CEO Tenure	2.05	0.49
New Outsider CEO	1.75	0.57
CEO Age	1.55	0.65
Log (Time-Out)	1.46	0.69
Log (Firm Size)	1.28	0.78
CEO Duality	1.28	0.78
CEO Future Temporal Focus	1.17	0.85
Log (Firm Age)	1.16	0.86
CEO Present Temporal Focus	1.12	0.89
Log (Firm Tobin-Q)	1.11	0.90
Industry	1.10	0.91
CEO Prior International Experience	1.09	0.91
CEO Past Temporal Focus	1.09	0.92
Δ Host Institutional Quality	1.07	0.94
CEO Gender	1.06	0.94
Log (Host Trade Freedom)	1.06	0.94
Firm Degree of Internationalization	1.04	0.96
Mean VIF	1.31	

Notes: $N = 438$.

Table 5: Variance Inflation Factor (Model 2)

Variable	VIF	1/VIF
New Insider × CEO Age	17.75	0.06
New Outsider × CEO Age	13.30	0.08
New Outsider × CEO Present Temporal Focus	7.56	0.13
New Insider × CEO Present Temporal Focus	6.63	0.15
New Insider × CEO Future Temporal Focus	6.26	0.16
New Outsider × CEO Prior International Exp.	5.95	0.17
New Insider × CEO Past Temporal Focus	5.69	0.18
New Outsider × CEO Future Temporal Focus	4.17	0.24
New Insider × CEO Prior International Exp.	2.38	0.42
CEO Tenure	1.72	0.58
Log (Time-Out)	1.63	0.61
New Outsider × CEO Duality	1.54	0.65
Log (Firm Tobin-Q)	1.49	0.67
New Insider × CEO Duality	1.46	0.68
Log (Firm Size)	1.45	0.69
Log (Firm Age)	1.42	0.71
CEO Gender	1.31	0.76
Industry	1.27	0.78
Log (Host Trade Freedom)	1.15	0.87
Δ Host Institutional Quality	1.16	0.86
Firm Degree of Internationalization	1.07	0.93
Mean VIF	2.49	

Notes: $N = 438$.

Table 6: List of Firms' Home Markets

	Before Outlier Detection			After Outlier Detection		
Firm Home Markets	**Exit**	**Re-Entry**	**Total**	**Exit**	**Re-Entry**	**Total**
Australia	16	4	20	16	4	20
Austria*	1		1	1		1
Belgium*	1		1	1		1
Canada	8	3	11	8	3	11
Chile*	1		1	1		1
China	1	3	4	1	3	4
Denmark	1	1	2	1	1	2
Finland	6	4	10	6	2	8
France	15	7	22	15	6	21
Germany	14	10	24	14	10	24
Hungary*		1	1		1	1
India	7	1	8	7	1	8
Indonesia*	1		1	1		1
Ireland*	1		1	1		1
Isle of Man*	1		1	1		1
Italy	5	3	8	5	3	8
Japan	38	11	49	37	9	46
Jersey*	1		1	1		1
Luxembourg*		1	1		1	1
Malaysia*	3		3	3		3
Mexico*		1	1		1	1
New Zealand*	1	1	2	1		1
Norway	4	2	6	4	1	5
Philippines	1	1	2	1	1	2
Portugal*		1	1		1	1
Russia*		1	1		1	1
Saudi Arabia*	1		1	1		1
Singapore*		1	1		1	1
South Africa	5	1	6	5	1	6
South Korea	3	1	4	3	1	4
Spain	3	2	5	3	1	4
Sweden	9	4	13	9	3	12
Switzerland	10	5	15	10	5	15
Taiwan	1	3	4	1	3	4
The Netherlands	7	2	9	7	2	9
United Arab Emirates*		2	2		1	1
United Kingdom	38	15	53	38	14	52
United States	90	52	142	88	38	126
Total	294	144	438	291	119	410

* Firm home markets that were completely dropped due to the lack of variation within groups.

Table 7: The Effect of New CEO Appointment on Foreign Market Re-Entry Decisions (Model 1)

	Logit Model			Conditional FE Logit Model		
VARIABLES	***B***	**SE**	**p-value**	***B***	**SE**	**p-value**
New Insider CEO	0.63	0.52	0.222	0.46	0.48	0.345
New Outsider CEO	-0.61	0.60	0.311	-0.76	0.50	0.129
Past Temporal Focus	0.48**	0.22	0.030	0.50*	0.27	0.064
Present Temporal Focus	-0.71***	0.24	0.003	-0.65***	0.24	0.007
Future Temporal Focus	0.25	0.25	0.320	0.13	0.24	0.573
CEO Prior International Experience	0.49	0.41	0.234	0.43*	0.25	0.091
CEO Age	-0.05*	0.03	0.077	-0.05	0.03	0.105
CEO Duality	0.98***	0.38	0.010	1.24**	0.51	0.015
CEO Tenure	0.04	0.03	0.167	0.03	0.02	0.174
CEO Gender	-0.99*	0.56	0.078	-1.46**	0.74	0.047
Log (Firm Size)	1.24***	0.34	0.000	1.20***	0.36	0.001
Log (Firm Age)	-0.33	0.54	0.540	-0.30	0.53	0.566
Log (Firm Tobin-Q)	-0.33	0.79	0.674	0.55	1.19	0.644
Firm Degree of Internationalization	3.71*	2.12	0.081	3.18	2.40	0.185
Log (Time-Out)	-4.22***	0.75	0.000	-4.23***	0.47	0.000
Log (Host Trade Freedom)	10.47*	5.82	0.072	12.48	7.71	0.106
Δ Host Institutional Quality	0.21***	0.03	0.000	0.21***	0.02	0.000
Industry 1	-0.50	0.62	0.418	-0.71	0.89	0.424
Industry 2	-0.97	0.87	0.266	-1.16*	0.62	0.059
Industry 3	-0.51	0.85	0.548	-0.67	0.66	0.310
Industry 4	-0.43	0.57	0.454	-0.43	0.79	0.589
Industry 5	-0.01	0.93	0.990	0.11	0.98	0.914
Industry 6	-0.10	0.65	0.872	-0.31	0.79	0.694
Industry 7	-0.96	0.87	0.270	-0.62	1.16	0.592
Industry 8	0.12	0.95	0.900	0.22	0.79	0.778
Industry 9	-0.37	0.59	0.533	-0.76	0.82	0.353
Industry 10	-0.70	1.66	0.674	-0.50	1.60	0.756
Constant	-15.47	10.61	0.145			
Pseudo R-squared	0.4740			0.5071		

Notes: $N = 390$. *** p<0.01, ** p<0.05, * p<0.1

Table 8: The Effect of New CEO Appointment on Foreign Market Re-Entry Decisions (Model 2)

	Logit Model			Conditional FE Logit Model		
VARIABLES	***B***	**SE**	**p-value**	***B***	**SE**	**p-value**
New Insider CEO × CEO Past Temporal Focus	0.98***	0.32	0.002	0.98***	0.20	0.000
New Insider CEO × CEO Present Temporal Focus	-0.20	0.36	0.580	-0.13	0.29	0.658
New Outsider CEO × CEO Present Temporal Focus	-0.35	0.37	0.345	-0.38*	0.23	0.098
New Insider CEO × CEO Future Temporal Focus	0.46	0.48	0.332	0.25	0.26	0.342
New Outsider CEO × CEO Future Temporal Focus	-0.07	0.43	0.867	-0.27	0.71	0.706
New Insider CEO × CEO Prior International Experience	1.33**	0.60	0.026	1.42***	0.44	0.001
New Outsider CEO × CEO Prior International Experience	7.86**	3.13	0.012	8.44*	4.86	0.083
New Insider CEO × CEO Age	-0.05**	0.02	0.026	-0.06**	0.02	0.016
New Outsider CEO × CEO Age	-0.14**	0.07	0.034	-0.15	0.11	0.149
New Insider CEO × CEO Duality	0.89	0.62	0.155	1.09***	0.33	0.001
New Outsider CEO × CEO Duality	3.99***	1.14	0.000	4.51***	0.91	0.000
CEO Tenure	0.02	0.02	0.403	0.01	0.02	0.547
CEO Gender	-1.68***	0.64	0.009	-1.91**	0.79	0.016
Log (Firm Size)	0.95***	0.27	0.000	0.89***	0.33	0.006
Log (Firm Age)	-0.59	0.53	0.265	-0.56	0.51	0.271
Log (Firm Tobin-Q)	-1.15	0.85	0.173	-0.21	1.32	0.874
Firm Degree of Internationalization	1.70	2.13	0.427	1.22	2.56	0.634
Log (Time-Out)	-3.59***	0.66	0.000	-3.58***	0.51	0.000
Log (Host Trade Freedom)	10.46*	6.12	0.087	13.41*	7.98	0.093
Δ Host Institutional Quality	0.20***	0.02	0.000	0.21***	0.01	0.000
Industry 1	-0.38	0.63	0.549	-0.89	1.09	0.415
Industry 2	-0.71	0.84	0.400	-1.17	1.10	0.288
Industry 3	-0.38	0.79	0.633	-0.50	0.86	0.560
Industry 4	-0.27	0.54	0.621	-0.38	0.92	0.681
Industry 5	-0.27	0.88	0.761	-0.34	1.09	0.759
Industry 6	0.17	0.60	0.778	0.01	0.99	0.994
Industry 7	-0.75	0.89	0.399	-0.63	1.21	0.601
Industry 8	0.80	0.93	0.390	0.82	1.15	0.472
Industry 9	0.06	0.63	0.920	-0.71	0.81	0.375
Industry 10	-0.60	1.97	0.760	-0.58	1.86	0.757
Constant	-17.43	11.22	0.120			
Pseudo R-squared	0.4495			0.4914		

Notes: $N = 390$. *** p<0.01, ** p<0.05, * p<0.1

Table 9: Results Summary

Hypotheses	Direction	Significance	Results
H1. New outsider CEOs are more likely to make the re-entry decision into foreign markets than new insider CEOs.	Opposite direction	Not significant	Not supported
H2. New insider CEOs with strong past temporal focus are less likely to make the re-entry decision into foreign markets than new insider CEOs with weak past temporal focus.	Opposite direction	Significant	Not supported
H3a. New insider CEOs with strong present temporal focus are more likely to make the re-entry decision into foreign markets than new insider CEOs with weak present temporal focus.	Opposite direction	Not significant	Not supported
H3b. New insider CEOs with strong present temporal focus are less likely to make the re-entry decision into foreign markets than new insider CEOs with weak present temporal focus.	Expected direction	Not significant	Not supported
H4a. New outsider CEOs with strong present temporal focus are more likely to make the re-entry decision into foreign markets than new outsider CEOs with weak present temporal focus.	Opposite direction	Significant	Not supported
H4b. New outsider CEOs with strong present temporal focus are less likely to make the re-entry decision into foreign markets than new outsider CEOs with weak present temporal focus.	Expected direction	Significant	Supported
H5a. New insider CEOs with strong future temporal focus are more likely to make the re-entry decision into foreign markets than new insider CEOs with weak future temporal focus.	Expected direction	Not significant	Not supported
H5b. New outsider CEOs with strong future temporal focus are more likely to make the re-entry decision into foreign markets than new outsider CEOs with weak future temporal focus.	Opposite direction	Not significant	Not supported
H6a. New insider CEOs with prior international experience are less likely to make the re-entry decision into foreign markets than new insider CEOs with no prior international experience.	Opposite direction	Significant	Not supported
H6b. New outsider CEOs with prior international experience are more likely to make the re-entry decision into foreign markets than new outsider CEOs with no prior international experience.	Expected direction	Significant	Supported
H7a. Younger new insider CEOs are more likely to make the re-entry decision into foreign markets than older new insider CEOs.	Expected direction	Significant	Supported
H7b. Younger new outsider CEOs are more likely to make the re-entry decision into foreign markets than older new outsider CEOs.	Expected direction	Not significant	Not supported
H8a. New insider CEOs who are serving as the chairman of their board of directors are less likely to make the re-entry decision into foreign markets than new insider CEOs who are not serving as the chairmen of their board of directors.	Opposite direction	Significant	Not supported
H8b. New outsider CEOs who are serving as the chairman of their board of directors are more likely to make the re-entry decision into foreign markets than new outsider CEOs who are not serving as the chairmen of their board of directors.	Expected direction	Significant	Supported

CHAPTER 6: DISCUSSION

In this chapter, I discuss major findings of this dissertation. I also highlight some of the limitations and propose some future directions.

6.1. Discussion of Major Findings

Given the increase of international activities toward BRIC economies, whether entry, exit, or re-entry (Javalgi et al., 2009; London & Hart, 2004; Sakarya et al., 2007), it is important to investigate what affects these critical decisions. Therefore, this dissertation proposes that managerial change, as in the replacement of a CEO for a new one, plays an important role in influencing firms' behavior in foreign markets as prior research has discussed (Bell et al., 2001; Vissak & Francioni, 2020; Welch & Welch, 2009). The contribution of this dissertation entails testing how specific characteristics of newly appointed CEOs can foster firms' re-entry decision into foreign markets from which they have withdrawn earlier. By testing 390 exit and re-entry events in BRIC economies, the results demonstrate that CEOs with specific characteristics are more likely to return to foreign markets.

Unlike what I predicted, I did not find that new outsider CEOs are more likely to re-enter a foreign market they have previously exited compared to new insider CEOs. In fact, whether the new CEO is an outsider, or an insider has no effect on the decision to re-enter BRIC foreign markets. It is possible that while some insider CEOs enter new markets because they want to take control of the firm and show that they are different from their predecessors, others see it as a mistake that they saw as it unfolded and decide not to enter them. Similarly, it is possible that while some outside CEOs come in with the desire to implement change and see foreign market re-entry as attractive, other new outside CEOs come in to pursue turnaround strategies that cut costs and see re-entry as unattractive and resource depleting. As I discuss below and my data show, indeed, a new CEO appointment affects this strategic action of foreign market re-entry, but it does depend to other characteristics of the new CEO besides their origin.

Based on this dissertation's findings, learning is a key factor in motivating firms' behavior in international markets. This notion is valid in terms of the interaction between new insider CEO and past temporal focus. The findings of the Conditional FE Logit Regression (Model 2) show that new insider CEOs with strong past temporal focus are more likely to re-enter BRIC economies when compared to those with weak past temporal focus. Prior research on past temporal focus suggests that people can either learn from the past or overthink it in a way that it prevents them from taking insights from the lived experiences and incidents that they went through (Holman & Silver, 1998; Shipp et al., 2009; Zimbardo & Boyd, 1999). My findings show that the former seems to be operating. Consistent with Back et al. (2020), it appears that new insider CEOs with strong past temporal focus were more equipped to handle strategic changes that promoted performance because they learned from the past. As a result, those insights from their firms' past allowed them to be better prepared to go through a strategic shift and engage in foreign market re-entry. In terms of present and future temporal focus, the insignificant results in the case of inside succession indicates that contextual factors may play an important role in driving the lack of moderating effects of CEOs present and future temporal focus. Perhaps, new insider CEOs with strong past temporal focus are less likely to put a high weight on the present or the future as much as the past when making decisions such as the re-entry decision into foreign markets. This is because research on temporal focus has highlighted that individuals may display temporal biases such that they would dedicate more attention to a specific time frame than another (Buehler & McFarland, 2001; Zimbardo & Boyd, 1999). Moreover, CEOs with strong future temporal focus can be distracted easily as they shift from one opportunity to another which obstructs them from executing strategic change effectively (Back et al., 2020).

Furthermore, since the data indicate that new insider CEOs were likely to get some insights from their past (or the firms' past) to plan how they can return to foreign markets, by using the past, those CEOs can avoid repeating the same mistakes that led to their firms' failure in prior attempts in BRIC economies. The learning mechanism that insider CEOs went through (i.e., the past of their firms) explains why the effect of their prior international experience was also positive. Those CEOs learned from what happened in previous attempts in foreign markets and capitalized on such experience when making decisions (Carpenter et al., 2000; Carpenter et al., 2001; Fischer & Reuber, 2003; Sambharya, 1996), demonstrating that the international experience that they gained would also foster foreign market re-entry decisions. Additionally, new insider CEOs tend to return to foreign markets when those CEOs have more power and authority (i.e., CEO duality exists) to push for this strategic move. CEO duality holds power that enables new insider CEOs to force their decisions (Finkelstein & D'aveni, 1994; Haynes & Hillman, 2010; Krause & Semadeni, 2013).

In the case of outside succession, the results show that new outsider CEOs are less likely to return to foreign markets when they have strong present focus. As explained earlier, individuals with strong present focus are attentive to what happens in their surroundings (Shipp et al., 2009; Zimbardo & Boyd, 1999; Zimbardo et al., 1997). By doing that, those individuals collect information that fosters their decision-making processes. Therefore, the content of the information whether positive or negative drive how decisions are evaluated, explaining why the findings show that newly appointed outsider CEOs with strong present focus are less likely to return to foreign markets. In other words, those CEOs with strong present focus have detected something in their surroundings that prevents them from re-entering BRIC economies. Consequently, new outsider CEOs are likely to dedicate their attention to the present mostly given the temporal bias concept (Buehler & McFarland, 2001; Zimbardo & Boyd, 1999), illustrating why new outsider CEOs with strong future focus were less likely to return to foreign markets. Those CEOs cannot be visionary and opportunistic when they notice worrying information by being attentive to the present.

When it comes to new outsider CEOs with prior international experience, such experience matters in motivating a vital strategic decision in international contexts (Carpenter et al., 2000; Gregersen et al., 1998; Le & Kroll, 2017). For these CEOs, the re-entry decision into BRIC economies seems important because prior international experience makes them more confident when operating internationally (Reuber & Fischer, 1997; Westphal & Fredrickson, 2001). Additionally, firms tend to appoint outsider CEOs with international experience when they want to expand their international operations (Carpenter et al., 2000; Daily et al., 2000; Magnusson & Boggs, 2006), explaining the significant effect of new outsider CEOs with prior international experience on foreign market re-entry decisions. New outsider CEOs with prior international are more likely to return to foreign markets.

In addition, contrary to my expectations, I did not find that newly appointed young outsider CEOs were more likely to return to foreign markets. One explanation for that is the cost associated with re-entering foreign markets. While some young CEOs are willing to re-enter foreign markets because they are innovative and risk-takers, others may think twice given the costs involved in such an action. Prior research on foreign market re-entry indicates that the costs that firms incur when returning to foreign markets can be substantial, and almost identical to the first-time entry, if the re-entry does not occur within two years of exit (Love & Máñez, 2019;

Roberts & Tybout, 1997). Therefore, costs can limit some young new outsider CEOs risk-propensity when evaluating whether firms should return to foreign markets or not. However, new outsider CEOs with power can push for the re-entry decisions regardless of the costs of foreign market re-entry. Specifically, I found that new outsider CEOs who are also preforming the roles of the chairman of the board of the directors tend to drive their firms to return to foreign markets more than those who do not have such power. New outsider CEOs have enough power when duality exists to make and implement critical decisions (Finkelstein & D'aveni, 1994; Haynes & Hillman, 2010; Krause & Semadeni, 2013) such as the re-entry decision into foreign markets.

6.2. Contribution and Implications

This dissertation contributes to the international business literature by providing greater understanding as to why some firms re-enter foreign markets after they have left them. As, just recently, some scholars have argued that firms rarely expand in international markets in a linear manner (e.g., Dominguez & Mayrhofer, 2017; Vissak & Francioni, 2013; Vissak & Zhang, 2016; Yayla et al., 2018), I reinforce the notion of non-linear internationalization by using unique data of BRIC economies re-entry. The data reveal that even though firms may fail in specific foreign markets, new CEOs with specific characteristics are likely to return to these markets, indicating that the trajectories of the sample firms' international expansion cannot be linear. Additionally, as research on foreign market re-entry is still in its early stages, the empirical examination of this phenomenon is needed. Prior research has mainly investigated foreign market re-entry using qualitative approaches (e.g., Freeman et al., 2013; Kriz & Welch, 2018; Ojala, Evers, & Rialp, 2018; Vissak et al., 2012) apart from the eight studies that were mentioned in Chapters 1 and 2 (Bernini et al., 2016; Blum et al., 2013; Chen et al., 2019; Görg & Spaliara, 2018; Surdu & Narula, 2021; Surdu et al., 2019; Surdu et al., 2018; Yayla et al., 2018). Therefore, the use of

Conditional FE logit Regressions provides new insights regarding the phenomenon under investigation.

The findings also contribute to research in upper echelon theory and strategic management by investigating the role that managerial factors play in the context of foreign market re-entry. This is necessary because Schweizer and Vahlne (2022) in addition to Treviño and Doh (2021) have asserted that integrating managerial variables when examining international phenomenon is always required as their influence is expected to be significant. Indeed, the results align with prior research since they suggest that specific attributes of the most important decision-maker in a firm can influence foreign market re-entry decisions into BRIC economies. For instance, the results reveal that new CEOs' temporal focus affect how strategic decisions are made. Temporal focus can be described as "a unique cognitive style of processing information and acting based on a learned, preferred focus" (Zimbardo et al., 1997: 1020), indicating that CEOs' temporal focus can be a competitive advantage when CEOs preferred focus is matched with decisions and processes within their firms. In other words, as CEOs tend to dedicate their attention to one time period – past, present, or future – more than the others, it is important to use this temporal bias as an advantage by capitalizing on CEOs cognitive style and to avoid any conflicts that can affect firms' performance.

However, it should be noted that one's temporal focus can sometimes be restricted by situational contingencies (Zimbardo, Marshall, & Maslach, 1971) that may pressure individuals to behave in a way that contradicts their preferred cognitive style. This emphasizes that managers and firms should be careful regarding their time biases as they may not be appropriate when some situations exist such as increasing uncertainties in foreign markets due to political instability similar to what happens currently in Ukraine and Russia. Even though some firm returned to Russia in 2022 when they thought that opportunities emerged in this market, most of these firms left Russia again due to the criticism that they received from the public. An example of that is Facebook Inc. which returned to Russia in 2021 but had to leave Russia again after its invasion of Ukraine (The Guardian, 2022). Additionally, decision-makers need to understand that each temporal focus may come with negative consequences that can affect how they make decisions. As illustrated earlier, overthinking the past can make the individual less confident and may lead to depression in extreme cases (Holman & Silver, 1998; Shipp et al., 2009; Zimbardo & Boyd, 1999). Present temporal focus can foster impulsive decisions that may harm firms if these decisions do not align with firms' plans and available resources (Shipp et al., 2009; Zimbardo & Boyd, 1999; Zimbardo et al., 1997). In terms of future temporal focus, individuals can get distracted easily once a new opportunity emerges, shifting their focus to another project or another market while the previous one is still in progress (Buehler & Griffin, 2003; Fried & Slowik, 2004; Kooij et al., 2018; Spronken et al., 2016; Zimbardo & Boyd, 1999).

The findings also show that when decision-makers want to make important decisions, the structure of the board of directors matters. Specifically, new CEOs with power and authority, reflecting the presence of CEO duality, are more likely to re-enter foreign markets. This implies that when decisions involve strategic shifts or organizational changes such as returning to abandoned foreign markets, CEOs can be successful in pushing for these decisions only when they have more power. Additionally, the prior experience of the head of any firm can play an important role in fostering firm's decision to return to foreign markets as the findings highlight. New CEOs prior international experience can reduce uncertainties in foreign markets (Athanassiou & Nigh, 1999; Athanassiou & Nigh, 2002; Carpenter et al., 2000; Daily et al., 2000; De Cock, Andries, & Clarysse, 2021; Gregersen et al., 1998; Hutzschenreuter &

Horstkotte, 2013; Mohr & Batsakis, 2019; Piaskowska & Trojanowski, 2014; Reuber & Fischer, 1997; Sambharya, 1996) which is needed for firms to return to specific foreign markets.

Additionally, prior international experience of managers and decision-makers is important for firms. Research indicates that it can be a source of competitive advantage that is hard to imitate (Athanassiou & Roth, 2006; Carpenter, Sanders, & Gregersen, 2000; Magnusson & Boggs, 2006; Slater & Dixon-Fowler, 2009). This indicates that firms that are internationally-oriented should focus on attracting new CEOs with prior international experience to support their strategic vision. Managers who had prior international experience tend to be more willing to alter strategies and allocate resources differently to ensure that their firms are positioned well in international markets whenever the conditions are favorable. This aligns with Vissak and Francioni's (2020) findings which also emphasize the role of prior international experience such that managers who had such experience tend to focus on international expansion and dedicate their focus to doing so. In short, firms that want to expand internationally should look for new CEOs with specific attributes in order to support their international activities because these attributes matter when evaluating the decision to re-enter foreign markets. Specifically, different sets of characteristics, cognitions, and perceptions of the firms' most prominent role in the upper echelons can influence firms' behavior in international markets in various ways (Aguzzoli et al., 2021; Bell et al., 2001; Vissak & Francioni, 2013; Vissak et al., 2020).

6.3. Limitations and Future Directions

The first limitation of this dissertation involves sample selection. As news articles were manually scanned to assess their relevance, specifying some boundaries in terms of the sample population was necessary. The selection of BRIC economies as a sample to investigate foreign market re-entry decisions aligns with the purpose of this dissertation as I tried to shed light on a relatively unexamined phenomenon. However, this sample is a subsample of the population which means that selection bias might be an issue and the results may not be generalizable without a random sample (Cook & Campbell, 1979). In other words, the use of this sample limits external validity. This issue can be solved in future research by incorporating a larger sample that encompasses all available host markets. Even though data collection for the dependent variable can be a struggle, relying on artificial intelligence (AI) can be helpful in scanning and classifying a large number of news articles to collect data for the dependent variable.

The second limitation is concerning data for CEO temporal focus. Even though prior research on temporal focus employed CEO's letters to shareholders as a source of text that is analyzed for patterns that indicates the varying degree of CEO's each temporal foci (DesJardine & Shi, 2021; Eggers & Kaplan, 2009; Gamache & McNamara, 2019; Nadkarni & Chen, 2014), some would argue that these letters are not usually written by the CEOs themselves. However, CEOs approve those letters before they are published, indicating that they align with those CEOs' vision or expectations. Therefore, future research can attempt to utilize a variety of texts (e.g., letters to shareholders, earnings calls, etc.) to analyze CEO temporal focus and calculate a composite score that might be more representative of each CEO's temporal focus.

The last limitation of this research is regarding the operationalization of CEO prior international experience. Although the employed measure (i.e., binary variable that indicates whether CEOs had any prior international experience) is a valid measure that has been used in prior research (e.g., Ding, Hu, Li, & Lin, 2021; Herrmann & Datta, 2006; Magnusson & Boggs, 2006), utilizing a more complex measure can provide better insights. Specifically, future research can incorporate the depth and breadth of the CEO's prior international experience to examine how varying degrees of such experience can influence foreign market re-entry decisions.

6.4. Conclusion

Even though foreign market re-entry has increased in recent years, the factors that go into the decision-making process of such an important strategic move is still unclear which warrants more research to better understand what firms consider when making this decision. Therefore, this research investigated how new CEOs with specific characteristics are more likely to return to foreign markets. Th findings emphasize the belief that firms tend to be a reflection of their managers (Hambrick & Mason, 1984) since the decision to re-enter foreign markets was found to be related to specific characteristic that new CEOs in the sample possess.

REFERENCES

Agrawal, J., & Kamakura, W. A. 1999. Country of origin: A competitive advantage?. ***International Journal of Research in Marketing***, 16(4), 255–267.

Aguzzoli, R., Lengler, J., Sousa, C. M., & Benito, G. R. 2021. Here we go again: A case study on re-entering a foreign market. ***British Journal of Management***, 32(2), 416–434.

Alauddin, M., & Nghiem, H. S. 2010. Do instructional attributes pose multicollinearity problems? An empirical exploration. ***Economic Analysis and Policy***, 40(3), 351–361.

Ali, S. 2021. Focused strategies during re-internationalization: Evidence from India. ***International Journal of Business and Economics***, 20(3), 249–263.

Ali, S., Mathur, A. N., & Jaiswal, A. K. 2022. Antecedents to firm performance during re-internationalization. ***Australian Journal of Management***, 47(3), 423–453.

Ancona, D. G., Goodman, P. S., Lawrence, B. S., & Tushman, M. L. 2001. Time: A new research lens. ***Academy of Management Review***, 26(4), 645–663.

Andersson, S. 2000. The internationalization of the firm from an entrepreneurial perspective. ***International Studies of Management & Organization***, 30(1), 63–92.

Ang, S. H., Benischke, M. H., & Doh, J. P. 2015. The interactions of institutions on foreign market entry mode. ***Strategic Management Journal***, 36(10), 1536–1553.

Athanassiou, N., & Nigh, D. 1999. The impact of US company internationalization on top management team advice networks: A tacit knowledge perspective. ***Strategic Management Journal***, 20(1), 83–92.

Athanassiou, N., & Nigh, D. 2002. The impact of the top management team's international business experience on the firm's internationalization: Social networks at work. ***MIR: Management International Review***, 42(2), 157–181.

Athanassiou, N., & Roth, K. 2006. International experience heterogeneity effects on top management team advice networks: A hierarchical analysis. ***MIR: Management International Review***, 46(6), 749–770.

Audia, P. G., & Greve, H. R. 2006. Less likely to fail: Low performance, firm size, and factory expansion in the shipbuilding industry. ***Management Science***, 52(1), 83-94.

Back, P., & Colombo, O. 2022. Shaping CEOs' future focus through shareholder activism: the role of proposal characteristics. ***Journal of Management and Governance***, 26(1), 255–286.

Back, P., Rosing, K., Dickler, T. A., Kraft, P. S., & Bausch, A. 2020. CEOs' temporal focus, firm strategic change, and performance: Insights from a paradox perspective. ***European Management Journal***, 38(6), 884–899.

Baker, M. J., & Ballington, L. 2002. Country of origin as a source of competitive advantage. ***Journal of Strategic Marketing***, 10(2), 157–168.

Bala, D., & Subramanium, B. 1996. Strategic alliances for re-entry into abandoned market: A case study of Coca-Cola in India. ***Journal of Global Competitiveness***, 4(1), 142–150.

Baliga, B. R., Moyer, R. C., & Rao, R. S. 1996. CEO duality and firm performance: What's the fuss?. ***Strategic Management Journal***, 17(1), 41–53.

Ballinger, G. A., & Marcel, J. J. 2010. The use of an interim CEO during succession episodes and firm performance. ***Strategic Management Journal***, 31(3), 262–283.

Baltagi, B. H. 2021. ***Econometric analysis of panel data*** (6th ed.). Cham, Switzerland: Springer. https://doi.org/10.1007/978-3-030-53953-5

Bantel, K. A. 1994. Strategic planning openness: The role of top team demography. ***Group & Organization Management***, 19(4), 406–424.

Barkema, H. G., & Vermeulen, F. 1998. International expansion through start-up or acquisition: A learning perspective. ***Academy of Management Journal***, 41(1), 7–26.

Barker III, V. L., & Mueller, G. C. 2002. CEO characteristics and firm R&D spending. ***Management Science***, 48(6), 782–801.

Beatty, R. P., & Zajac, E. J. 1987. CEO change and firm performance in large corporations: Succession effects and manager effects. ***Strategic Management Journal***, 8(4), 305–317.

Belenzon, S., Shamshur, A., & Zarutskie, R. 2019. CEO's age and the performance of closely held firms. ***Strategic Management Journal***, 40(6), 917–944.

Bell, J., McNaughton, R., & Young, S. 2001. 'Born-again global' firms: An extension to the 'born global' phenomenon. ***Journal of International Management***, 7(3), 173–189.

Bell, J., McNaughton, R., Young, S., & Crick, D. 2003. Towards an integrative model of small firm internationalisation. ***Journal of International Entrepreneurship***, 1(4), 339–362.

Benito, G. R., & Welch, L. S. 1997. De-internationalization. ***MIR: Management International Review***, 37(Special Issue), 7–25.

Bernini, M., Du, J., & Love, J. H. 2016. Explaining intermittent exporting: Exit and conditional re-entry in export markets. ***Journal of International Business Studies***, 47(9), 1058–1076.

Berns, K. V., & Klarner, P. 2017. A review of the CEO succession literature and a future research program. ***Academy of Management Perspectives***, 31(2), 83–108.

Beugelsdijk, S., Kostova, T., Kunst, V. E., Spadafora, E., & Van Essen, M. 2018. Cultural distance and firm internationalization: A meta-analytical review and theoretical implications. ***Journal of Management***, 44(1), 89–130.

Bharadwaj, A. S., Bharadwaj, S. G., & Konsynski, B. R. 1999. Information technology effects on firm performance as measured by Tobin's q. ***Management Science***, 45(7), 1008–1024.

Biggemann, S., & Fam, K. S. 2011. Business marketing in BRIC countries. ***Industrial Marketing Management***, 40(1), 5–7.

Biggs, E. L. 2004. CEO succession planning: An emerging challenge for boards of directors. ***Academy of Management Perspectives***, 18(1), 105–107.

Bigley, G. A., & Wiersema, M. F. 2002. New CEOs and corporate strategic refocusing: How experience as heir apparent influences the use of power. ***Administrative Science Quarterly***, 47(4), 707–727.

Bilkey, W. J., & Nes, E. 1982. Country-of-origin effects on product evaluations. ***Journal of International Business Studies***, 13(1), 89–100.

Bluedorn, A. C. 2002. The human organization of time: Temporal realities and experience. ***Stanford University Press***.

Blum, B. S., Claro, S., & Horstmann, I. J. 2013. Occasional and perennial exporters. ***Journal of International Economics***, 90(1), 65–74.

Boeker, W., & Goodstein, J. 1993. Performance and successor choice: The moderating effects of governance and ownership. ***Academy of Management Journal***, 36(1), 172–186.

Boyd, B. K. 1995. CEO duality and firm performance: A contingency model. ***Strategic Management Journal***, 16(4), 301–312.

Buehler, R., & Griffin, D. 2003. Planning, personality, and prediction: The role of future focus in optimistic time predictions. ***Organizational Behavior and Human Decision Processes***, 92(1-2), 80–90.

Buehler, R., & McFarland, C. 2001. Intensity bias in affective forecasting: The role of temporal focus. ***Personality and Social Psychology Bulletin***, 27(11), 1480–1493.

Bunz, T., Casulli, L., Jones, M. V., & Bausch, A. 2017. The dynamics of experiential learning: Microprocesses and adaptation in a professional service INV. ***International Business Review***, 26(2), 225–238.

Cannella Jr, A. A., & Lubatkin, M. 1993. Succession as a sociopolitical process: Internal impediments to outsider selection. ***Academy of Management Journal***, 36(4), 763–793.

Cannella Jr, A. A., & Shen, W. 2001. So close and yet so far: Promotion versus exit for CEO heirs apparent. ***Academy of Management Journal***, 44(2), 252–270.

Cantwell, J., Dunning, J. H., & Lundan, S. M. 2010. An evolutionary approach to understanding international business activity: The co-evolution of MNEs and the institutional environment. ***Journal of International Business Studies***, 41(4), 567–586.

Cao, Q., Maruping, L. M., & Takeuchi, R. 2006. Disentangling the effects of CEO turnover and succession on organizational capabilities: A social network perspective. ***Organization Science***, 17(5), 563–576.

Carpenter, M. A., Sanders, W. G., & Gregersen, H. B. 2001. Bundling human capital with organizational context: The impact of international assignment experience on multinational firm performance and CEO pay. ***Academy of Management Journal***, 44(3), 493–511.

Carpenter, M. A., Sanders, W., & Gregersen, H. B. 2000. International assignment experience at the top can make a bottom-line difference. ***Human Resource Management***, 39(2-3), 277–285.

Casillas, J. C., Barbero, J. L., & Sapienza, H. J. 2015. Knowledge acquisition, learning, and the initial pace of internationalization. ***International Business Review***, 24(1), 102–114.

Cepoi, C. O. 2020. Asymmetric dependence between stock market returns and news during COVID-19 financial turmoil. ***Finance Research Letters***, (forthcoming).

Chahine, S., & Tohmé, N. S. 2009. Is CEO duality always negative? An exploration of CEO duality and ownership structure in the Arab IPO context. ***Corporate Governance: An International Review***, 17(2), 123–141.

Chan, C. M., Makino, S., & Isobe, T. 2006. Interdependent behavior in foreign direct investment: The multi-level effects of prior entry and prior exit on foreign market entry. ***Journal of International Business Studies***, 37(5), 642–665.

Chang, S. J. 1995. International expansion strategy of Japanese firms: Capability building through sequential entry. ***Academy of Management Journal***, 38(2), 383–407.

Chen, J., Sousa, C. M., & He, X. 2019. Export market re-entry: Time-out period and price/quality dynamisms. ***Journal of World Business***, 54(2), 154–168.

Child, J. 1972. Organizational structure, environment and performance: The role of strategic choice. ***Sociology***, 6(1), 1–22.

Child, J. 1974. Managerial and organizational factors associated with company performance part I. ***Journal of Management Studies***, 11(3), 175–189.

Child, J. 1975. Managerial and organizational factors associated with company performance-part II. A contingency analysis. ***Journal of Management Studies***, 12(1-2), 12–27.

Cho, H. J., & Pucik, V. 2005. Relationship between innovativeness, quality, growth, profitability, and market value. ***Strategic Management Journal***, 26(6), 555–575.

Choudhury, P., & Khanna, T. 2014. Charting dynamic trajectories: Multinational enterprises in India. ***Business History Review***, 88(1), 133–169.

Chung, K. H., & Pruitt, S. W. 1994. A simple approximation of Tobin's q. ***Financial Management***, 23(3), 70–74.

Claessens, S., & Djankov, S. 1999. Enterprise performance and management turnover in the Czech Republic. ***European Economic Review***, 43(1999), 1115–1124.

Cohen, P., West, S. G., & Aiken, L. S. 2014. ***Applied multiple regression/correlation analysis for the behavioral sciences*** (2nd ed.). Psychology press.

Coles, J. W., & Hesterly, W. S. 2000. Independence of the chairman and board composition: Firm choices and shareholder value. ***Journal of Management***, 26(2), 195–214.

Conyon, M. J., Hass, L. H., Vergauwe, S., & Zhang, Z. 2019. Foreign experience and CEO compensation. ***Journal of Corporate Finance***, 57(2019), 102-121.

Cook, R. D. 1979. Influential observations in linear regression. ***Journal of the American Statistical Association***, 74(365), 169–174.

Cook, T. D., & Campbell, D. T. 1979. Design and analysis issues for field settings. *McNally*, Chicago, Rand.

Crick, D., & Chaudhry, S. 2006. International marketing strategy in the electronics industry: A follow-up investigation of UK SMEs 18 months after the export withdrawal decision. ***Journal of Strategic Marketing***, 14(3), 277–292.

Crick, J. M., Crick, D., & Chaudhry, S. 2020. Entrepreneurial marketing decision-making in rapidly internationalising and de-internationalising start-up firms. ***Journal of Business Research***, 113(Special Issue), 158–167.

Cummings, T., & Knott, A. M. 2018. Outside CEOs and innovation. ***Strategic Management Journal***, 39(8), 2095–2119.

Daily, C. M., Certo, S. T., & Dalton, D. R. 2000. International experience in the executive suite: The path to prosperity?. ***Strategic Management Journal***, 21(4), 515–523.

Dalton, D. R., & Dalton, C. M. 2011. Integration of micro and macro studies in governance research: CEO duality, board composition, and financial performance. ***Journal of Management***, 37(2), 404–411.

Dalton, D. R., & Kesner, I. F. 1987. Composition and CEO duality in boards of directors: An international perspective. ***Journal of International Business Studies***, 18(3), 33–42.

Daniels, J. D., & Bracker, J. 1989. Profit performance: do foreign operations make a difference?. ***Management International Review***, 29(1), 46–56.

Datta, D. K., & Rajagopalan, N. 1998. Industry structure and CEO characteristics: An empirical study of succession events. ***Strategic Management Journal***, 19(9), 833–852.

Datta, D. K., Rajagopalan, N., & Zhang, Y. 2003. New CEO openness to change and strategic persistence: The moderating role of industry characteristics. ***British Journal of Management***, 14(2), 101–114.

Datta, D. K., Rajagopalan, N., & Zhang, Y. 2003. New CEO openness to change and strategic persistence: The moderating role of industry characteristics. ***British Journal of Management***, 14(2), 101–114.

David, P., Yoshikawa, T., Chari, M. D., & Rasheed, A. A. 2006. Strategic investments in Japanese corporations: Do foreign portfolio owners foster underinvestment or appropriate investment?. ***Strategic Management Journal***, 27(6), 591–600.

Davidson III, W. N., Worrell, D. L., & Nemec, C. 1998. CEO duality, succession-planning and agency theory: research agenda. ***Strategic Management Journal***, 19(9), 905–908.

De Cock, R., Andries, P., & Clarysse, B. 2021. How founder characteristics imprint ventures' internationalization processes: The role of international experience and cognitive beliefs. ***Journal of World Business***, 56(3), 101163.

DeFond, M. L., & Park, C. W. 1999. The effect of competition on CEO turnover. ***Journal of Accounting and Economics,*** 27(1), 35–56.

Delios, A., & Henisz, W. J. 2003. Political hazards, experience, and sequential entry strategies: The international expansion of Japanese firms, 1980–1998. ***Strategic Management Journal***, 24(11), 1153–1164.

Delios, A., Gaur, A. S., & Makino, S. 2008. The timing of international expansion: Information, rivalry and imitation among Japanese firms, 1980–2002. ***Journal of Management Studies***, 45(1), 169–195.

DesJardine, M. R., & Shi, W. 2021. How temporal focus shapes the influence of executive compensation on risk taking. ***Academy of Management Journal***, 64(1), 265–292.

Ding, H., Hu, Y., Li, C., & Lin, S. 2021. CEO country-specific experience and cross-border mergers and acquisitions. Journal of Corporate Finance, (forthcoming).

Dominguez, N., & Mayrhofer, U. 2017. Internationalization stages of traditional SMEs: increasing, decreasing and re-increasing commitment to foreign markets. ***International Business Review***, 26(6), 1051–1063.

Donzé, P. Y. 2015. Siemens and the construction of hospitals in Latin America, 1949–1964. ***Business History Review***, 89(3), 475–502.

Dornbusch, R. 1992. The case for trade liberalization in developing countries. ***Journal of Economic Perspectives***, 6(1), 69–85.

Edwards, S. 1993. Openness, trade liberalization, and growth in developing countries. ***Journal of Economic Literature***, 31(3), 1358–1393.

Eggers, J. P., & Kaplan, S. 2009. Cognition and renewal: Comparing CEO and organizational effects on incumbent adaptation to technical change. ***Organization Science***, 20(2), 461–477.

Ellis, P. 2000. Social ties and foreign market entry. ***Journal of International Business Studies***, 31(3), 443–469.

Elsayed, K. 2007. Does CEO duality really affect corporate performance?. ***Corporate Governance: An International Review***, 15(6), 1203–1214.

Erramilli, M. K. 1991. The experience factor in foreign market entry behavior of service firms. ***Journal of International Business Studies***, 22(3), 479–501.

Ertugrul, M., & Krishnan, K. 2011. Can CEO dismissals be proactive?. ***Journal of Corporate Finance***, 17(1), 134–151.

Figueira-de-Lemos, F., & Hadjikhani, A. 2014. Internationalization processes in stable and unstable market conditions: Towards a model of commitment decisions in dynamic environments. ***Journal of World Business***, 49(3), 332–349.

Finkelstein, S., & Boyd, B. K. 1998. How much does the CEO matter? The role of managerial discretion in the setting of CEO compensation. ***Academy of Management Journal***, 41(2), 179–199.

Finkelstein, S., & D'aveni, R. A. 1994. CEO duality as a double-edged sword: How boards of directors balance entrenchment avoidance and unity of command. ***Academy of Management Journal***, 37(5), 1079–1108.

Fischer, E., & Reuber, A. R. 2003. Targeting export support to SMEs: Owners' international experience as a segmentation basis. ***Small Business Economics***, 20(1), 69–82.

Flammer, C., & Bansal, P. 2017. Does a long-term orientation create value? Evidence from a regression discontinuity. ***Strategic Management Journal***, 38(9), 1827–1847.

Florensa, L. M., Márquez-Ramos, L., & Recalde, M. L. 2015. The effect of economic integration and institutional quality of trade agreements on trade margins: Evidence for Latin America. ***Review of World Economics***, 151(2), 329–351.

Francioni, B., Vissak, T., & Musso, F. 2017. Small Italian wine producers' internationalization: The role of network relationships in the emergence of late starters. ***International Business Review***, 26(1), 12–22.

Freeman, S., Deligonul, S., & Cavusgil, T. 2013. Strategic re-structuring by born-globals using outward and inward-oriented activity. ***International Marketing Review***, 30(2), 156–182.

Fried, Y., & Slowik, L. H. 2004. Enriching goal-setting theory with time: An integrated approach. ***Academy of Management Review***, 29(3), 404–422.

Friedman, S. D., & Olk, P. 1995. Four ways to choose a CEO: Crown heir, horse race, coup d'etat, and comprehensive search. ***Human Resource Management***, 34(1), 141–164.

Friedman, S. D., & Singh, H. 1989. CEO succession and stockholder reaction: The influence of organizational context and event content. ***Academy of Management Journal***, 32(4), 718–744.

Gamache, D. L., & McNamara, G. 2019. Responding to bad press: How CEO temporal focus influences the sensitivity to negative media coverage of acquisitions. ***Academy of Management Journal***, 62(3), 918–943.

Gamache, D. L., McNamara, G., Mannor, M. J., & Johnson, R. E. 2015. Motivated to acquire? The impact of CEO regulatory focus on firm acquisitions. ***Academy of Management Journal***, 58(4), 1261–1282.

Georgakakis, D., Dauth, T., & Ruigrok, W. 2016. Too much of a good thing: Does international experience variety accelerate or delay executives' career advancement?. ***Journal of World Business***, 51(3), 425–437.

Geringer, J. M., Beamish, P. W., & DaCosta, R. C. 1989. Diversification strategy and internationalization: Implications for MNE performance. ***Strategic Management Journal***, 10(2), 109–119.

Gimeno, J., Hoskisson, R. E., Beal, B. D., & Wan, W. P. 2005. Explaining the clustering of international expansion moves: A critical test in the US telecommunications industry. ***Academy of Management Journal***, 48(2), 297–319.

Goll, I., & Rasheed, A. A. 2005. The relationships between top management demographic characteristics, rational decision making, environmental munificence, and firm performance. ***Organization Studies***, 26(7), 999–1023.

Gomulya, D., & Boeker, W. 2014. How firms respond to financial restatement: CEO successors and external reactions. ***Academy of Management Journal***, 57(6), 1759–1785.

Görg, H., & Spaliara, M. E. 2018. Export market exit and financial health in crises periods. ***Journal of Banking & Finance***, 87(2018), 150–163.

Grant, R. M., Jammine, A. P., & Thomas, H. 1988. Diversity, diversification, and profitability among British manufacturing companies, 1972–1984. ***Academy of Management Journal***, 31(4), 771–801.

Gray, S. R., & Cannella Jr, A. A. 1997. The role of risk in executive compensation. ***Journal of Management***, 23(4), 517–540.

Greene, W. H. 2017. ***Econometric analysis*** (8th ed.). London, The United Kingdom: Pearson Education.

Gregersen, H. B., Morrison, A. J., & Black, J. S. 1998. Developing leaders for the global frontier. ***Sloan Management Review***, 40(1), 21–33.

Greiner, L., Cummings, T., & Bhambri, A. 2003. When new CEOs succeed and fail: 4-D theory of strategic transformation. ***Organizational Dynamics***, 32(1), 1–16.

Grimm, C. M., & Smith, K. G. 1991. Research notes and communications management and organizational change: A note on the railroad industry. ***Strategic Management Journal***, 12(7), 557–562.

Grühn, B., Strese, S., Flatten, T. C., Jaeger, N. A., & Brettel, M. 2017. Temporal change patterns of entrepreneurial orientation: A longitudinal investigation of CEO successions. ***Entrepreneurship Theory and Practice***, 41(4), 591–619.

Guillén, M. F. 2002. Structural inertia, imitation, and foreign expansion: South Korean firms and business groups in China, 1987–1995. ***Academy of Management Journal***, 45(3), 509–525.

Guo, T., Ji, L. J., Spina, R., & Zhang, Z. 2012. Culture, temporal focus, and values of the past and the future. ***Personality and Social Psychology Bulletin***, 38(8), 1030–1040.

Gupta, G. 2022. CEO's age and investment-cash flow sensitivity. ***Managerial and Decision Economics***, (forthcoming).

Gutiérrez-Fandiño, A., Kolm, P. N., Alonso, M. N., & Armengol-Estapé, J. 2022. FinEAS: Financial Embedding Analysis of Sentiment. ***Journal of Financial Data Science***, 4(3), 45–53.

Gwartney, J., Lawson, R., Hall, J., & Murphy, R. 2021. ***Economic Freedom of the World: 2021 Annual Report***. The Fraser Institute. Retrieved August 16, 2022, from https://www.fraserinstitute.org/sites/default/files/economic-freedom-of-the-world-2021.pdf

Hadjikhani, A. 1996. Project marketing and the management of discontinuity. ***International Business Review***, 5(3), 319–336.

Hadjikhani, A. 1997. A note on the criticisms against the internationalization process model. ***MIR: Management International Review***, 37(Special Issue), 43–66.

Hahn, T., Preuss, L., Pinkse, J., & Figge, F. 2014. Cognitive frames in corporate sustainability: Managerial sensemaking with paradoxical and business case frames. ***Academy of Management Review***, 39(4), 463–487.

Hambrick, D. C. 2007. Upper echelons theory: An update. ***Academy of Management Review***, 32(2), 334–343.

Hambrick, D. C., & Mason, P. A. 1984. Upper echelons: The organization as a reflection of its top managers. ***Academy of Management Review***, 9(2), 193–206.

Han, C. M., & Terpstra, V. 1988. Country-of-origin effects for uni-national and bi-national products. ***Journal of International Business Studies***, 19(2), 235–255.

Harris, D., & Helfat, C. 1997. Specificity of CEO human capital and compensation. ***Strategic Management Journal***, 18(11), 895–920.

Harris, D., & Helfat, C. E. 1998. CEO duality, succession, capabilities and agency theory: Commentary and research agenda. ***Strategic Management Journal***, 19(9), 901–904.

Hart, P., & Mellors, J. 1970. Management youth and company growth: a correlation?. ***Management Decision***, 4(1), 50–53.

Haynes, K. T., & Hillman, A. 2010. The effect of board capital and CEO power on strategic change. ***Strategic Management Journal***, 31(11), 1145–1163.

Henderson, A. D., & Fredrickson, J. W. (2001). Top management team coordination needs and the CEO pay gap: A competitive test of economic and behavioral views. ***Academy of Management Journal***, 44(1), 96–117.

Herrmann, P., & Datta, D. K. 2002. CEO successor characteristics and the choice of foreign market entry mode: An empirical study. ***Journal of International Business Studies***, 33(3), 551–569.

Herrmann, P., & Datta, D. K. 2006. CEO experiences: Effects on the choice of FDI entry mode. ***Journal of Management Studies***, 43(4), 755–778.

Heyman, F., & Tingvall, P. G. 2015. The dynamics of offshoring and institutions. ***The BE Journal of Economic Analysis & Policy***, 15(4), 1975–2016.

Ho, K. Y., & Wang, W. 2016. Predicting stock price movements with news sentiment: An artificial neural network approach. ***Artificial Neural Network Modelling***, 628(2016), 395–403.

Hoang, T. T., Nguyen, C. V., & Van Tran, H. T. 2019. Are female CEOs more risk averse than male counterparts? Evidence from Vietnam. ***Economic Analysis and Policy***, 63(2019), 57–74.

Hoitash, U., & Mkrtchyan, A. 2018. Recruiting the CEO from the board: Determinants and consequences. ***Journal of Financial and Quantitative Analysis***, 53(3), 1261–1295.

Holman, E. A., & Silver, R. C. 2005. Future-oriented thinking and adjustment in a nationwide longitudinal study following the September 11th terrorist attacks. ***Motivation and Emotion***, 29(4), 385-406.

Holtbrügge, D., & Kreppel, H. 2012. Determinants of outward foreign direct investment from BRIC countries: An explorative study. ***International Journal of Emerging Markets***, 7(1), 4–30.

Hsu, W. T., Chen, H. L., & Cheng, C. Y. 2013. Internationalization and firm performance of SMEs: The moderating effects of CEO attributes. ***Journal of World Business***, 48(1), 1–12.

Huang, H. W., Rose-Green, E., & Lee, C. C. 2012. CEO age and financial reporting quality. ***Accounting Horizons***, 26(4), 725–740.

Hutzschenreuter, T., & Horstkotte, J. 2013. Performance effects of international expansion processes: The moderating role of top management team experiences. ***International Business Review***, 22(1), 259–277.

Huy, N. Q. 2001. Time, temporal capability, and planned change. ***Academy of Management Review***, 26(4), 601–623.

Javalgi, R. R. G., Deligonul, S., Dixit, A., & Cavusgil, S. T. 2011. International market reentry: A review and research framework. ***International Business Review***, 20(4), 377–393.

Javalgi, R. R. G., Dixit, A., & Scherer, R. F. 2009. Outsourcing to emerging markets: Theoretical perspectives and policy implications. ***Journal of International Management***, 15(2), 156–168.

Jiang, G. F., & Holburn, G. L. 2018. Organizational performance feedback effects and international expansion. ***Journal of Business Research***, 90(2018), 48–58.

Johanson, J., & Vahlne, J. E. 1977. The internationalization process of the firm—A model of knowledge development and increasing foreign market commitments. ***Journal of International Business Studies***, 8(1), 23–32.

Johanson, J., & Vahlne, J. E. 2009. The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. ***Journal of International Business Studies***, 40(9), 1411–1431.

Johansson, J. K., Ronkainen, I. A., & Czinkota, M. R. 1994. Negative country-of-origin effects: The case of the new Russia. ***Journal of International Business Studies***, 25(1), 157–176.

Jung, J. C., & Bansal, P. 2009. How firm performance affects internationalization. ***Management International Review***, 49(6), 709–732.

Kafouros, M., Cavusgil, S. T., Devinney, T. M., Ganotakis, P., & Fainshmidt, S. 2022. Cycles of de-internationalization and re-internationalization: Towards an integrative framework. ***Journal of World Business***, (forthcoming).

Kalnins, A. 2018. Multicollinearity: How common factors cause Type 1 errors in multivariate regression. ***Strategic Management Journal***, 39(8), 2362–2385.

Karniol, R., & Ross, M. 1996. The motivational impact of temporal focus: Thinking about the future and the past. ***Annual Review of Psychology***, 47(1), 593–620.

Kesner, I. F., & Sebora, T. C. 1994. Executive succession: Past, present & future. ***Journal of Management***, 20(2), 327–372.

Kleinknecht, R., Haq, H. U., Muller, A. R., & Kraan, K. O. 2020. An attention-based view of short-termism: The effects of organizational structure. ***European Management Journal***, 38(2), 244–254.

Kooij, D. T., Kanfer, R., Betts, M., & Rudolph, C. W. 2018. Future time perspective: A systematic review and meta-analysis. ***Journal of Applied Psychology***, 103(8), 867–893.

Krause, R., & Semadeni, M. 2013. Apprentice, departure, and demotion: An examination of the three types of CEO–board chair separation. ***Academy of Management Journal***, 56(3), 805–826.

Kriz, A., & Welch, C. 2018. Innovation and internationalisation processes of firms with new-to-the-world technologies. ***Journal of International Business Studies***, 49(4), 496–522.

Kwon, Y. C., & Konopa, L. J. 1993. Impact of host country market characteristics on the choice of foreign market entry mode. ***International Marketing Review***, 10(2), 60–76.

Le, S., & Kroll, M. 2017. CEO international experience: Effects on strategic change and firm performance. ***Journal of International Business Studies***, 48(5), 573–595.

Lee, J. W., Song, H. S., & Kwak, J. 2014. Internationalization of Korean banks during crises: The network view of learning and commitment. ***International Business Review***, 23(6), 1040–1048.

Levchenko, A. A. 2007. Institutional quality and international trade. ***The Review of Economic Studies***, 74(3), 791–819.

London, T., & Hart, S. L. 2004. Reinventing strategies for emerging markets: beyond the transnational model. ***Journal of International Business Studies***, 35(5), 350–370.

Louca, C., Petrou, A. P., & Procopiou, A. 2020. When does the board blame the CEO for poor firm performance? Extreme resource reallocation and the board's industry and CEO experience. ***British Journal of Management***, 31(3), 505-524.

Love, J. H., & Máñez, J. A. 2019. Persistence in exporting: Cumulative and punctuated learning effects. ***International Business Review***, 28(1), 74–89.

Madhok, A. 1997. Cost, value and foreign market entry mode: The transaction and the firm. ***Strategic Management Journal***, 18(1), 39–61.

Magnusson, P., & Boggs, D. J. 2006. International experience and CEO selection: An empirical study. ***Journal of International Management***, 12(1), 107–125.

Mansfield, E. R., & Helms, B. P. 1982. Detecting multicollinearity. ***The American Statistician***, 36(3a), 158–160.

Martín-Ugedo, J. F., Mínguez-Vera, A., & Palma-Martos, L. 2018. Female CEOs, returns and risk in Spanish publishing firms. ***European Management Review***, 15(1), 111–120.

McClelland, P. L., & O'Brien, J. P. 2011. Transaction cost economics and corporate governance: The case of CEO age and financial stake. ***Managerial and Decision Economics***, 32(3), 141–158.

McDougall, P. P., Shane, S., & Oviatt, B. M. 1994. Explaining the formation of international new ventures: The limits of theories from international business research. ***Journal of Business Venturing***, 9(6), 469–487.

McFadden, D. 1979. Quantitative methods for analysing travel behaviour of individuals: Some recent developments. ***Behavioural Travel Modelling***, 279–318.

McKnight, P. J., Tomkins, C., Weir, C., & Hobson, D. 2000. CEO age and top executive pay: A UK empirical study. ***Journal of Management and Governance***, 4(3), 173–187.

Mintzberg, H. 1978. Patterns in strategy formation. ***Management science***, 24(9), 934–948.

Mohr, A., & Batsakis, G. 2019. The contingent effect of TMT international experience on firms' internationalization speed. ***British Journal of Management***, 30(4), 869–887.

Mooney, C. H., Semadeni, M., & Kesner, I. F. 2017. The selection of an interim CEO: Boundary conditions and the pursuit of temporary leadership. ***Journal of Management***, 43(2), 455–475.

Mosakowski, E., & Earley, P. C. 2000. A selective review of time assumptions in strategy research. ***Academy of Management Review***, 25(4), 796–812.

Nadkarni, S., & Chen, J. 2014. Bridging yesterday, today, and tomorrow: CEO temporal focus, environmental dynamism, and rate of new product introduction. ***Academy of Management Journal***, 57(6), 1810–1833.

Navaretti, G. B., Castellani, D., & Pieri, F. 2022. CEO age, shareholder monitoring, and the organic growth of European firms. ***Small Business Economics***, 59 (2022), 361–382.

Nguyen, L. T., Chen, S., & Kwan, H. K. 2021. CEO Temporal Focus and Corporate Philanthropy: The Moderating Role of Ownership. ***SAGE Open***, 11(1), 1–18.

Nielsen, B. B., & Nielsen, S. 2011. The role of top management team international orientation in international strategic decision-making: The choice of foreign entry mode. ***Journal of World Business***, 46(2), 185–193.

Nuttin, J. 2014. ***Future time perspective and motivation: Theory and research method***. New York, NY: Psychology Press.

Ocasio, W. 1994. Political dynamics and the circulation of power: CEO succession in US industrial corporations, 1960-1990. ***Administrative Science Quarterly***, 39(1994), 285–312.

Ocasio, W. 1999. Institutionalized action and corporate governance: The reliance on rules of CEO succession. ***Administrative Science Quarterly***, 44(2), 384–416.

Ojala, A., Evers, N., & Rialp, A. 2018. Extending the international new venture phenomenon to digital platform providers: A longitudinal case study. ***Journal of World Business***, 53(5), 725–739.

Oviatt, B. M., & McDougall, P. P. 1994. Toward a theory of international new ventures. ***Journal of International Business Studies***, 25(1), 45–64.

Oviatt, B. M., & McDougall, P. P. 2005. Defining international entrepreneurship and modeling the speed of internationalization. ***Entrepreneurship Theory and Practice***, 29(5), 537–553.

Palmer, M. 2004. International retail restructuring and divestment: The experience of Tesco. ***Journal of Marketing Management***, 20(9-10), 1075–1105.

Palvia, A., Vähämaa, E., & Vähämaa, S. 2015. Are female CEOs and chairwomen more conservative and risk averse? Evidence from the banking industry during the financial crisis. ***Journal of Business Ethics***, 131(3), 577–594.

Pérez-Nordtvedt, L., Shin, K., & Lee, J. 2022. Effective firm alignment with SIGEL crises: The temporal mindsets of decision makers. ***Journal of Management Studies***, (forthcoming).

Petersen, B., Welch, L. S., & Liesch, P. W. 2002. The internet and foreign market expansion by firms. ***MIR: Management International Review***, 42(2), 207–221.

Peterson, R. A., & Jolibert, A. J. 1995. A meta-analysis of country-of-origin effects. ***Journal of International Business Studies***, 26(4), 883–900.

Piaskowska, D., & Trojanowski, G. 2014. Twice as smart? The importance of managers' formative-years' international experience for their international orientation and foreign acquisition decisions. ***British Journal of Management***, 25(1), 40–57.

Piaskowska, D., Trojanowski, G., Tharyan, R., & Ray, S. 2021. Experience Teaches Slowly: Non-linear Effects of Top Management Teams' International Experience on Post-acquisition Performance. ***British Journal of Management***.

Quigley, T. J., & Hambrick, D. C. 2012. When the former CEO stays on as board chair: Effects on successor discretion, strategic change, and performance. ***Strategic Management Journal***, 33(7), 834–859.

Ramdani, D., & Witteloostuijn, A. V. 2010. The impact of board independence and CEO duality on firm performance: A quantile regression analysis for Indonesia, Malaysia, South Korea and Thailand. ***British Journal of Management***, 21(3), 607–627.

Ranjan, V., & Agrawal, G. 2011. FDI inflow determinants in BRIC countries: A panel data analysis. ***International Business Research***, 4(4), 255–263.

Rechner, P. L., & Dalton, D. R. 1991. CEO duality and organizational performance: A longitudinal analysis. ***Strategic Management Journal***, 12(2), 155–160.

Reed, R., & Reed, M. 1989. CEO experience and diversification strategy fit. ***Journal of Management Studies***, 26(3), 251–270.

Reilly, G., Souder, D., & Ranucci, R. 2016. Time horizon of investments in the resource allocation process: Review and framework for next steps. ***Journal of Management***, 42(5), 1169–1194.

Reuber, A. R., & Fischer, E. 1997. The influence of the management team's international experience on the internationalization behaviors of SMEs. ***Journal of International Business Studies***, 28(4), 807–825.

Ridge, J. W., Aime, F., & White, M. A. 2015. When much more of a difference makes a difference: Social comparison and tournaments in the CEO's top team. ***Strategic Management Journal***, 36(4), 618–636.

Roberts, M. J., & Tybout, J. R. 1997. The decision to export in Colombia: An empirical model of entry with sunk costs. ***The American Economic Review***, 87(4), 545–564.

Rothaermel, F. T., Kotha, S., & Steensma, H. K. 2006. International market entry by US internet firms: An empirical analysis of country risk, national culture, and market size. ***Journal of Management***, 32(1), 56–82.

Sakarya, S., Eckman, M., & Hyllegard, K. H. 2007. Market selection for international expansion: Assessing opportunities in emerging markets. ***International Marketing Review***, 24(2), 208–238.

Sambharya, R. B. 1996. Foreign experience of top management teams and international diversification strategies of US multinational corporations. ***Strategic Management Journal***, 17(9), 739–746.

Schepker, D. J., Kim, Y., Patel, P. C., Thatcher, S. M., & Campion, M. C. 2017. CEO succession, strategic change, and post-succession performance: A meta-analysis. ***The Leadership Quarterly***, 28(6), 701–720.

Schmid, S., & Baldermann, S. 2021. CEOs' International Work Experience and Compensation. ***MIR: Management International Review***, 61(3), 313–364.

Schmid, S., & Wurster, D. J. 2017. International work experience: Is it really accelerating the way to the management board of MNCs?. ***International Business Review***, 26(5), 991–1008.

Schweizer, R., & Vahlne, J. E. 2022. Non-linear internationalization and the Uppsala model–On the importance of individuals. ***Journal of Business Research***, 140(2022), 583–592.

Shipp, A. J., & Aeon, B. 2019. Temporal focus: Thinking about the past, present, and future. ***Current Opinion in Psychology***, 26(2019), 37–43.

Shipp, A. J., Edwards, J. R., & Lambert, L. S. 2009. Conceptualization and measurement of temporal focus: The subjective experience of the past, present, and future. ***Organizational Behavior and Human Decision Processes,*** 110(1), 1–22.

Shipp, A. J., Gabriel, A. S., & Lambert, L. S. 2021. Profiles in time: Understanding the nature and outcomes of profiles of temporal focus. ***Journal of Applied Psychology***, (forthcoming).

Shropshire, C., Peterson, S., Bartels, A. L., Amanatullah, E. T., & Lee, P. M. 2021. Are female CEOs really more risk averse? Examining economic downturn and other-orientation. ***Journal of Leadership & Organizational Studies***, 28(2), 185–206.

Sinan, A., & Alkan, B. B. 2015. A useful approach to identify the multicollinearity in the presence of outliers. ***Journal of Applied Statistics***, 42(5), 986–993.

Slater, D. J., & Dixon-Fowler, H. R. 2009. CEO international assignment experience and corporate social performance. ***Journal of Business Ethics***, 89(3), 473–489.

Sousa, C. M., He, X., Lengler, J., & Tang, L. 2021. Foreign market re-entry: A review and future research directions. ***Journal of International Management***, (forthcoming).

Spronken, M., Holland, R. W., Figner, B., & Dijksterhuis, A. 2016. Temporal focus, temporal distance, and mind-wandering valence: Results from an experience sampling and an experimental study. ***Consciousness and Cognition***, 41(2016), 104–118.

Sullivan, D. 1994. The" threshold of internationalization:" Replication, extension, and reinterpretation. ***MIR: Management International Review***, 34(2), 165–186.

Sullivan, D., & Bauerschmidt, A. 1989. Common factors underlying barriers to export: a comparative study in the European and US paper industry. ***Management International Review***, 29(2), 17–32.

Surdu, I., & Mellahi, K. 2016. Theoretical foundations of equity based foreign market entry decisions: A review of the literature and recommendations for future research. ***International Business Review***, 25(5), 1169–1184.

Surdu, I., & Narula, R. 2021. Organizational learning, unlearning and re-internationalization timing: Differences between emerging- versus developed-market MNEs. ***Journal of International Management***, 27(3), 100784.

Surdu, I., Mellahi, K., & Glaister, K. W. 2019. Once bitten, not necessarily shy? Determinants of foreign market re-entry commitment strategies. ***Journal of International Business Studies***, 50(3), 393–422.

Surdu, I., Mellahi, K., Glaister, K. W., & Nardella, G. 2018. Why wait? Organizational learning, institutional quality and the speed of foreign market re-entry after initial entry and exit. ***Journal of World Business***, 53(6), 911–929.

Surroca, J., Tribó, J. A., & Waddock, S. 2010. Corporate responsibility and financial performance: The role of intangible resources. ***Strategic Management Journal***, 31(5), 463–490.

Swoboda, B., Olejnik, E., & Morschett, D. 2011. Changes in foreign operation modes: Stimuli for increases versus reductions. ***International Business Review***, 20(5), 578–590.

Tang, R. W., Zhu, Y., Cai, H., & Han, J. 2021. De-internationalization: A thematic review and the directions forward. ***MIR: Management International Review***, 61(3), 267–312.

Taylor, R. N. 1975. Age and experience as determinants of managerial information processing and decision making performance. ***Academy of Management Journal***, 18(1), 74–81.

The Coca-Cola Company. 2011. A Short History of the Coca-Cola Company. ***The Coca-Cola Company***. Retrieved July 15, 2022, from https://www.coca-colacompany.com/content/dam/journey/us/en/our-company/history/coca-cola-a-short-history-125-years-booklet.pdf

The Economist Newspaper. 2008. Building BRICs of growth. ***The Economist***. Retrieved July 31, 2022, from https://www.economist.com/finance-and-economics/2008/06/05/building-brics-of-growth

The Guardian. 2022. Russia blocks access to Facebook and Twitter. ***Guardian News & Media Limited***. Retrieved July 31, 2022, from https://www.theguardian.com/world/2022/mar/04/russia-completely-blocks-access-to-facebook-and-twitter

Thompson, C. G., Kim, R. S., Aloe, A. M., & Becker, B. J. 2017. Extracting the variance inflation factor and other multicollinearity diagnostics from typical regression results. ***Basic and Applied Social Psychology***, 39(2), 81–90.

Topalova, P., & Khandelwal, A. 2011. Trade liberalization and firm productivity: The case of India. Review of economics and statistics, 93(3), 995–1009.

Treviño, L. J., & Doh, J. P. 2021. Internationalization of the firm: A discourse-based view. ***Journal of International Business Studies***, 52(7), 1375–1393.

Trudell, C., & Suga, M. 2022. Nissan to Fully Exit Russia Market, ***Bloomberg***. Retrieved March 4, 2023, from https://www.bloomberg.com/news/articles/2022-10-11/nissan-to-fully-exit-russia-market-expects-100-billion-loss

Tuggle, C. S., Sirmon, D. G., Reutzel, C. R., & Bierman, L. 2010. Commanding board of director attention: investigating how organizational performance and CEO duality affect board members' attention to monitoring. ***Strategic Management Journal***, 31(9), 946–968.

Tuncdogan, A. & Dogan, I. C. 2020. Managers' regulatory focus, temporal focus and exploration–exploitation activities. ***Journal of Managerial Psychology***, 35(1), 13–27.

Umar, Z., & Gubareva, M. 2020. A time–frequency analysis of the impact of the Covid-19 induced panic on the volatility of currency and cryptocurrency markets. ***Journal of Behavioral and Experimental Financ***e, (forthcoming).

Vancil, R. F. 1987. Passing the baton: Managing the process of CEO succession. ***Harvard Business School Press***.

Virany, B., Tushman, M. L., & Romanelli, E. 1992. Executive succession and organization outcomes in turbulent environments: An organization learning approach. ***Organization Science***, 3(1), 72–91.

Vissak, T., & Francioni, B. 2013. Serial nonlinear internationalization in practice: A case study. ***International Business Review***, 22(6), 951–962.

Vissak, T., & Francioni, B. 2020. Re-internationalization forms and impact factors: Four cases. ***Problemy Zarzadzania***, 18(1), 27–53.

Vissak, T., & Zhang, X. 2016. A born global's radical, gradual and nonlinear internationalization: A case from Belarus. ***Journal of East European Management Studies***, 21(2), 209–230.

Vissak, T., Francioni, B., & Freeman, S. 2020. Foreign market entries, exits and re-entries: The role of knowledge, network relationships and decision-making logic. ***International Business Review***, (forthcoming).

Vissak, T., Francioni, B., & Musso, F. 2012. MVM's nonlinear internationalization: A case study. ***Journal of East-West Business***, 18(4), 275–300.

Vo, L. V., Nguyen, H. T. H., & Le, H. T. T. 2021. Do female CEOs make a difference in firm operations? Evidence from Vietnam. ***Accounting & Finance***, 61(2021), 1489–1516.

Wacziarg, R., & Welch, K. H. 2008. Trade liberalization and growth: New evidence. ***World Bank Economic Review***, 22(2), 187–231.

Wang, G., DeGhetto, K., Ellen, B. P., & Lamont, B. T. 2019. Board antecedents of CEO duality and the moderating role of country-level managerial discretion: a meta-analytic investigation. ***Journal of Management Studies***, 56(1), 172–202.

Warzynski, F. 2003. Managerial change, competition, and privatization in Ukraine. ***Journal of Comparative Economics***, 31(2), 297–314.

Welch, C. L., & Welch, L. S. 2009. Re-internationalisation: Exploration and conceptualisation. ***International Business Review***, 18(6), 567–577.

Westphal, J. D., & Fredrickson, J. W. 2001. Who directs strategic change? Director experience, the selection of new CEOs, and change in corporate strategy. ***Strategic Management Journal***, 22(12), 1113–1137.

Westphal, J. D., & Zajac, E. J. 1995. Who shall govern? CEO/board power, demographic similarity, and new director selection. ***Administrative Science Quarterly***, 40(1), 60–83.

Wiersema, M. F., & Bantel, K. A. 1992. Top management team demography and corporate strategic change. ***Academy of Management Journal***, 35(1), 91–121.

Wooldridge, J. M. 2016. ***Introductory econometrics: A modern approach*** (6th ed.). Mason, OH: Cengage Learning.

Wu, F., Yu, J., Zhao, Y., & Zhou, D. 2021. Interim CEO and corporate long-term investment: evidence from China. ***Accounting & Finance***, 62(1), 369–415.

Xia, J., Boal, K., & Delios, A. 2009. When experience meets national institutional environmental change: Foreign entry attempts of US firms in the central and eastern European region. ***Strategic Management Journal***, 30(12), 1286–1309.

Yadav, M. S., Prabhu, J. C., & Chandy, R. K. 2007. Managing the future: CEO attention and innovation outcomes. ***Journal of Marketing***, 71(4), 84–101.

Yayla, S., Yeniyurt, S., Uslay, C., & Cavusgil, E. 2018. The role of market orientation, relational capital, and internationalization speed in foreign market exit and re-entry decisions under turbulent conditions. ***International Business Review***, 27(6), 1105–1115.

Youndt, M. A., Subramaniam, M., & Snell, S. A. 2004. Intellectual capital profiles: An examination of investments and returns. ***Journal of Management Studies***, 41(2), 335–361.

Zalata, A. M., Ntim, C., Aboud, A., & Gyapong, E. 2019. Female CEOs and core earnings quality: New evidence on the ethics versus risk-aversion puzzle***. Journal of Business Ethics***, 160(2), 515–534.

Zhang, T., Sabherwal, S., Jayaraman, N., & Ferris, S. P. 2016. The young and the restless: A study of age and acquisition propensity of CEOs of UK firms. ***Journal of Business Finance & Accounting***, 43(9-10), 1385–1419.

Zhang, Y., & Rajagopalan, N. 2003. Explaining new CEO origin: Firm versus industry antecedents. ***Academy of Management Journal***, 46(3), 327–338.

Zhang, Y., & Rajagopalan, N. 2004. When the known devil is better than an unknown god: An empirical study of the antecedents and consequences of relay CEO successions. ***Academy of Management Journal***, 47(4), 483–500.

Zhang, Y., & Rajagopalan, N. 2010. Once an outsider, always an outsider? CEO origin, strategic change, and firm performance. ***Strategic Management Journal***, 31(3), 334–346.

Zhao, H., & Hsu, C. C. 2007. Social ties and foreign market entry: An empirical inquiry. ***MIR: Management International Review***, 47(6), 815–844.

Zhu, D. H., & Shen, W. 2016. Why do some outside successions fare better than others? The role of outside CEOs' prior experience with board diversity. ***Strategic Management Journal***, 37(13), 2695–2708.

Zhu, Q., Hu, S., & Shen, W. 2020. Why do some insider CEOs make more strategic changes than others? The impact of prior board experience on new CEO insiderness. ***Strategic Management Journal***, 41(10), 1933-1951.

Zimbardo, P. G., & Boyd, J. N. 1999. Putting time in perspective: A valid, reliable individual-differences metric. ***Journal of Personality and Social Psychology***, 77 (6), 1271–1288.

Zimbardo, P. G., Keough, K. A., & Boyd, J. N. 1997. Present time perspective as a predictor of risky driving. ***Personality and Individual Differences***, 23(6), 1007–1023.

Zimbardo, P. G., Marshall, G., & Maslach, C. 1971. Liberating Behavior from Time-Bound Control: Expanding the Present Through Hypnosis 1. ***Journal of Applied Social Psychology***, 1(4), 305–323.