Journal of Business Studies Quarterly
2013, Volume 5, Number 2 ISSN 2152-1034

Journal of Business Studies Quarterly jbsq.org

The Relationship Between Country Risk Management and Perenniality of Tunisian Exporting Companies

Belgacem B C H I N I
Higher Institute of Management of Tunis – TUNISIA

Abstract
The objective of this article is to answer the following question: which methods of country risk management really go with which levers and which forms of perenniality? The survey led with 50 totally exporting companies allowed us to highlight the existence of close links between four methods among five of country risk management and the perenniality. Insurance and geographical diversification are influential with income stability, identity preservation, treasury stability, and maintaining the control of the company. However, prevention and alliances and partnerships are influential, but with a limited degree, with cost reduction and maintaining control.

Key Words: country risk, perenniality, insurance, geographical diversification, alliances and partnerships, prevention, bank guarantees.

1. Introduction

The current context is characterized by an increased movement of globalization which implies opening of the borders, reducing barriers at the entry, and choice of establishment to the distance, in order to profit from the comparative advantages of each country. It also implies advent of the economic and financial crisis which supposes diligence and, even efforts of prevention and anticipation.

With globalization and economic crisis, the environment became turbulent, complex, and even hostile, which contributes to the increased risk and therefore makes problematic decision making, creates a feeling of insecurity and generates a climate of lack of confidence.

Moreover, there are several types of risks, having each an important probability of occurring and significant effects. Among these risks, there is the country risk which determines the attractiveness of the economy, the choice of establishment and the competitiveness of the companies, in the extent that it generates significant costs, a strong instability, feelings of insecurity, and difficulties of making choices. Thus, a possibility of loss of income, which constitutes the guarantor of the perenniality of a company. Therefore, its management helps to reassure investors, boost the economic system, and increase the competitiveness of a company and a country.

The field study of the country risk has involved several authors. Some of the topics that are related have almost been completed, without providing convincing results: it is the case of work which sought to define its conceptual dimensions and propose coverage methods (Al Khattab 2011; Al Khattab et al. 2010; Boronad et al. 1998; Graumann–Yettou 1997; Knight 1999; Kühl Teles and Leme 2010; Landry 2001; Li et al. 2009; Marois 1990, 2001; Mathis 2000; Moreau 2002; Ostojic and Unkovic 2011;

Peyrard 1999; Stephens 1994; Terrier 2001). Others have looked at the relationship between country risks and other topics, such as perenniality of companies, which have emerged without being sufficiently developed and refined (Barthelemy 2000). Note in addition that these two issues are so far controversial topics.

The literature review allowed us to identify two problems. The first relates to the country risk management, since the proposed coverage methods which are often limited in scope, while the second refers to a lack of clarity about the contribution of each method to certain objectives of the company, such as perenniality.

All these reasons have led us to focus on this subject, whose aim is to try to fill this gap through an answer to the following central question: which methods of country risk management really go with which levers and which forms of perenniality?

This article will proceed as follows. We begin with a brief discussion of literature related to country risk, perenniality, and country risk management. We develop testable hypotheses related to the relationship between coverage methods and levers, and forms of perenniality. We then explain our data collection and analysis procedures, followed by the presentation of empirical results. We close this manuscript by discussing results, and highlighting some limitations and future directions.

2. Literature review and hypotheses

2.1 . Country Risk

It is meant by country risk, the occurrence of a disaster (Marois 1990). This phenomenon is characterized by the existence of instability, visible or hidden, business conditions in a country, the expected income of an investment (Moreau 2002). It covers as Terrier (2001) underlines it, the political risk of rupture, the risk of non – transfer, and the the risk of non - payment. It is a specific category of the taking into account of the uncertainty, which is itself related on information and time.

Actually, it applies to the various forms of debt and comes from the inability or the unwillingness of a country to meet its commitments (Mikdashi 1998). This risk also appears, to some authors, the moment when discontinuities emerge in the business environment of foreign countries and when they are difficult to predict (Marois 2001).

Moreover, it should be noted that this concept goes back to the middle ages (Marois 2001). However, the field devoted to its study by the academic world is relatively recent and it dates back to the early 1970s (Marois 2001). From that date, its perception and its contents have undergone unprecedented changes (Terrier 2001). This leaves to believe that the country risk is an evolving concept. Its level of vulnerability depends on the country, the company and the strategy planned to reduce it (Deysine and Duboin 1996). It was agreed that the country risk is both an event and a process. It is an event, since it is the result of a political, economic, commercial, financial and country-specific fact.

However, the country risk is a process, insofar as it has evolved in stages, and from the front of the 1970s until now. Indeed, before 1970, the country risk is considered a political risk, which is the consequence of a fact, such as a war, revolution or riot, a decision or an act of government, impeding the contracts (Boronad et al. 1998). While, during the 1970s, the country risk is, mainly, associated with policy changes (Robock 1971) and economic (Brewer, 1985). Whereas, during the 1980s, there has been a gradual transformation of the political risk in administrative and financial risk (Kobrin 1979) and sovereign risk, which is a typical form of the political risk (Landry 2001). In contrast for the 1990s, the country risk took another dimension to be called a systemic risk. But this term is relatively old; it goes back to the stock market crisis of 1929 and its knock-on effects in the United States. It involves new forms of market and credit, and it is broader than the traditional country risk (Moreau 2002). But in the 2000s, the country risk took less and less political and increasingly macro - economic or macro - financial contents (Cernes 2004).

Based on this fact, the dimension country risk became increasingly widened to take into account various factors and the whole of the international operations; commercial, administrative, and financial, for the company, importing, exporting, investing abroad or having contacts with other companies

(Benmansour and Vadcar 1995). Consequently, it results in economic or financial losses for the company. That is likely to have an absolute impact on its perenniality.

2.2. Perenniality

Perenniality is the minimum level required by any company seeking to continue to exist and achieve performance which constitutes the wish of any leader (Frioui 2006). In fact, a company is deemed to be perennial, is a company able to find a balance between change and continuation, and to fulfill the requirements of its environment (Mignon 2000). The perenniality of a company refers to both, the project perenniality and the power perenniality (Mignon 2000, 2001, 2002). The latter is defined according to the ownership of capital and the degree of control of the company. Whereas, the project perenniality is determined by the degree of maintenance of the main activity of the company, and, the preservation of its identity (Mignon 2000). These two forms of perenniality arise from two types of activity or factors: adaptation and pro-action (Mignon 2002). Note that the behavior of the manager is also, according to Mignon (2002) a vector of perenniality.

Collins and Porras (1996), De Geus (1997) and Mignon (2000) quote four axes forming the base of a perennial company: training permanently, anticipating unceasingly, safeguarding of the identity and financial prudence, thus privileging the productive investment compared to the speculation. But it is advisable to add, that a perennial company must also have a solid organizational structure and a capacity of major defense to enhance the determinants and identify norms and values.

Dumoulin and Simon (2005) suggest that in order to ensure its perenniality and success, a company must firstly adapt to its environment and secondly acquire and defend a sustainable competitive advantage.

In the same vein, Portnoff and Lamblin (2003) propose eight questions carrying about topics to assess the perenniality of the organization. Among these topics, the management of financial and commercial risks. Therefore, it is just to make sure that a company manages these two types of risk for example to consider it a perennial company. But Portnoff and Lamblin (2003) did not show how to manage these risks.

Obviously, it appears that perenniality, is an objective wished by any company whatever its size. But its realization depends on several factors, including country risk management.

2.3. Country risk management

The country risk management consists of taking preventive measures from day to day to undergo less possible losses (Deysine and Duboin 1995). But this, obviously, requires the identification of risk and the provision of a number of basic techniques to reduce or even eliminate it (Deysine and Duboin 1995). On his side, Mathis (2000) stresses the importance of the implementation of a program of risk reduction. This allows to reduce the vulnerability of the company and safeguard its treasury, essential component of perenniality. In addition, four other methods have been used by the authors to manage the country risk. These methods include geographical diversification which is considered by Marois (2001) as a strategic lever that especially allows to minimize the overall political risk in a company, alliances and partnerships (Gomes – Casseres 2001; Reuer and Leiblein 2001), insurance (Logue 1994) and bank guarantees.

In the same vein, Meschi (2005) informs us about an empirical work that has concerned the impact of country risk on companies' survival. It is the study carried out by Bamerka and Vermeulen (1997), which from a sample of 828 joint ventures between 1966 and 1994, 25 Dutch multinationals have invested in 72 different countries, have shown that country risk did not affect significantly the survival of joint ventures of internationalization. Meschi (2005 was also interested, to the survival of the joint ventures of internationalization formed in emerging countries, and linked their survival to changes of the country risk. His study revealed that the relationship between country risk and survival of joint ventures is empirically proven but only when the emerging country knows a degradation of his risk over time. He stated that the relationship between these two variables is irregular. But it is validated and negative in the case of countries accumulating risk, and disappears when it is reduced.

In contrast, other authors do not explain this relationship. But it seems that the effects of the country risk management on the perenniality of companies are positive. Indeed, it is on the level of benefits that the objectives of the company are the most visible. These go beyond the search for a sense of security, since the managers of a company and the investors will be better able to predict the evolution of their cash flow and especially planning for the future safely (Logue 1994). This planning led, on the one hand, to increase the income and on the other hand, to improve the competitiveness and thus ensure perenniality of the companies (Barthelemy 2000).

In light of what precedes, it is now clear to highlight the lack of an only one method for managing country risk, but several, each one can be used for the management of a specific type. It seems that the combination of these various methods may be possible and effective to ensure the perenniality of the company. However, the total prevention of country risk is necessarily doomed to failure, given the difficulty of predicting the event which can happen (Marois 2001). The assessment of each method presented in the following table can inform us on this irrefutable fact.

Table 1: Assessment of each method of country risk management

Methods	Advantages	Disadvantages
Alliances and partnerships	Obtaining a minimum income to continue to exist	Risks and costs: departure of partner for example.
Geographical diversification	Making profits and spreading risks	The costs borne by the company
Insurance	Stable income and treasury	The required expenditure
Bank guarantees	Sure protection system	The required expenditure
Prevention	Possibility to avoid any kind of risk	Difficulty to identify all risk factors to be able to control

Whatever the method used, any risk management requires the identification of its origin factors for analysis. Their analysis is of a major importance to the extent that it can be useful for the production of information which first allows investors, to better trace the trajectory to be followed in terms of portfolio management, then for the bankers, to evaluate and determine the credit that can they provide, and finally for the exporters, to know the degree of solvency of the country. In sum, each actor manages to determine the needs of its perenniality.

In a more precise way, the perenniality of a company depends on its income stability, its turnover stability, and its treasury stability, or by improving its performance. This protection implies that the company remains the owner of its capital, do not lose control of its core business, preserves its identity, and becomes able to increase its capacity to adapt, plan and control its management. The following two tables (No. 2 and No. 3) may shed light on the degree of importance of each method of country risk management in achieving the levers and forms of the perenniality of a company.

Table 2: Methods of country risk management in achieving the levers of perenniality

		Levers of perenniality of a company			
		Income stability	Treasury stability	Improved performance	Cost reduction
Methods of country risk management	Alliances and partnerships	LI	LI	LI	EI
	Geographical diversification	LI	EI	LI	I
	Insurance	EI	I	LI	LI
	Bank garantees	LI	LI	LI	I
	Prevention	LI	LI	LI	I

EI: Extremely Important, I: Important, LI: Less Important.

Table 3: Methods of country risk management in achieving the forms of perenniality

		Forms of the perenniality of a company			
		Power perenniality		Project perenniality	
		Maintaining ownership of capital	Maintaining control	Maintaining activity	Preserving identity
Methods of country risk management	Alliances and partnerships	LI	LI	LI	I
	Geographical diversification	LI	EI	LI	LI
	Insurance	I	I	I	EI
	Bank garantees	I	I	I	EI
	Prevention	I	I	I	EI

EI: Extremely important, I: Important, LI: Less Important.

It is possible to go further in the analysis in order to express an opinion on the nature of the methods of country risk management: permanent, temporary, random. The following two tables (No. 4 and No. 5) summarize this fact, while highlighting the different explanatory factors.

Table 4: The nature of the methods of country risk management facing the perenniality of the company

		Perenniality	Commentary
Methods of country risk management	Alliances and partnerships	RF	Depends on the share of capital ownership
	Geographical diversification	PF	Depends on the existence of a growing market and industry where you can invest
	Insurance	PF	Depends on the institutional framework and the policy followed by the company
	Bank garantees	pf	Depends on the institutional framework
	Prevention	pf	Depends on the monitoring system of the company

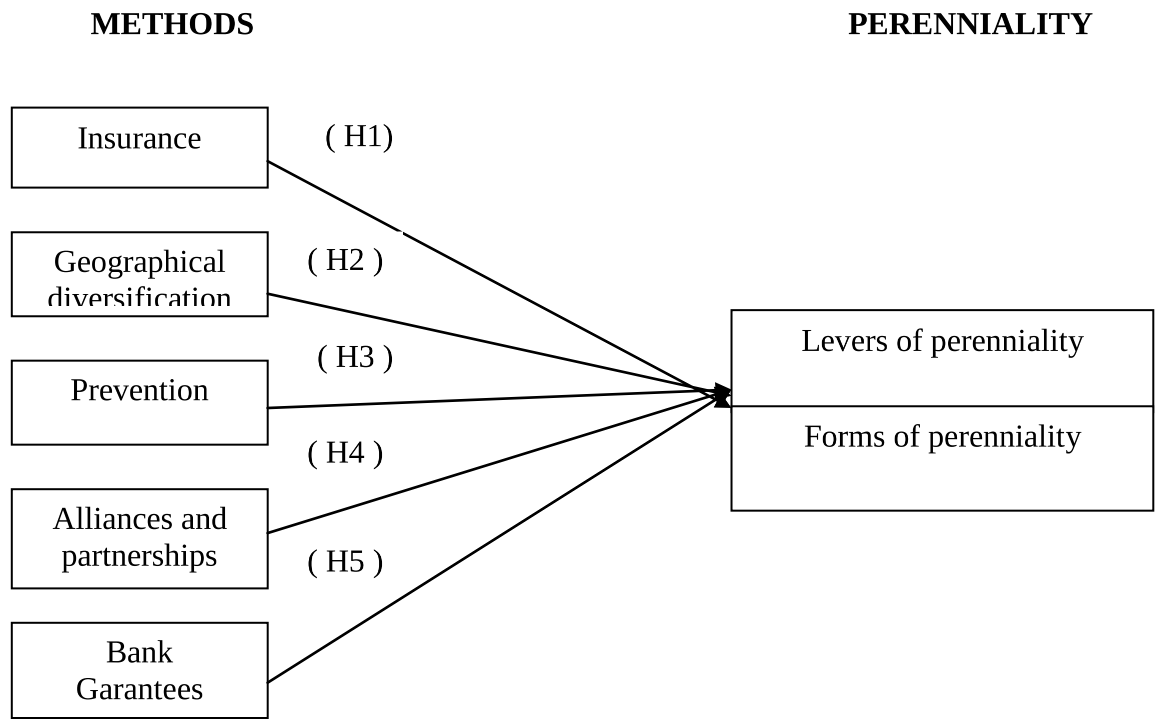
PF: Permanent factor, pf : provisional factor, RF: Random Factor

Table 5: The nature of the methods of country risk management facing the forms of the perenniality

		The forms of the perenniality		
		Power perenniality	Project perenniality	Commentary
Methods of country risk management	Alliances and partnerships	RF	RF	The departure of partner or relationship breakdown can cause the demise of the company.
	Geographical diversification	PF	PF	The existence of a growing market and risk diversification promote the perenniality of the company.
	Insurance	PF	PF	Covering all risks and solving problems negatively condition the life of the company.
	Bank garantees	pf	pf	The allocated amounts are dependent on certain conditions.
	Prevention	RF	RF	Difficulty of identifying and measuring the intensity of risk factors.

PF: Permanent factor, pf : provisional factor, RF: Random Factor

Given the above developments, we propose the following model:



Under such circumstances, we hypothesize that:

Hypothesis 1: *the variable "insurance" is influential to varying degrees on the levers and forms of perenniality. More specifically, it will be influential at a high level with income stability and identity preservation of the company.*

Hypothesis 2: *the variable "geographical diversification" is influential to varying degrees on thelevers and forms of perenniality. More specifically, it will be influential at a high level with treasury stability and the maintaining of the control of the company.*

Hypothesis 3: *the variable "prevention" is influential to varying degrees on the levers and forms of perenniality. More specifically, it will be influential at a high level with costs reduction and the maintaining of the control of the company.*

Hypothesis 4: *the variable "alliances and partnerships" is influential to varying degrees on the levers and forms of perenniality. More specifically, it will be influential at a high level with costs reduction and identity preservation of the company.*

Hypothesis 5: *the variable "bank garanties" is influential to varying degrees on the levers and forms of perenniality. More specifically, it will be influential at a high level with costs reduction and identity preservation of the company.*

These hypotheses will be tested in the empirical part.

3. Methods

In order to better understand the factors of perenniality and methods of the country risk management in the company, we opted for an empirical approach to examine totally exporting companies on this issue.

We distributed 250 questionnaires; only 50 responses have been exploited. The choice of sector is due to three main reasons:

- The first is due to the fact that, after having carried out an exploratory study in 2006, which involved hundred companies, we found that a number of external events, including the two wars of golf had a visible negative impact on the perenniality of the Tunisian exporting companies.
- The second reason, and concerning the country risk, Tunisia is among the countries which have obtained an A4 note (by Coface in 2008)[1] i.e. it is characterized by a payment behavior often rather average and the probability that this will lead to a non-payment remains acceptable.
- The third reason is the downgrade of Tunisia by Standard and Poor's and its consequences that are beginning to be felt on the Tunisian economy.

The surveyed companies have a medium and large size. Most of them have a workforce of more than 500 employees. In addition, a pre - test is conducted with 15 companies to correct the questionnaire. Data collection is carried out by using the method of the direct contact with the managers of the surveyed companies. The questionnaire, essential means of data collection, consists of five parts. Each part is reserved to a method. It is to answer the following question, *taking insurance*, for example, *into account, as a method of managing country risk, did involve modifications in the levers and the forms of perenniality of your company*? The answer to this question is with yes or no. If the answer is yes, the respondent is required to indicate whether there have been changes in the levers and forms of the perenniality of the company. We asked the same questions for the other four methods.

The structure of the sample can be explained by reference to the degree of risk faced by each branch. Indeed, if we refer to the studies of Coface dating of January 22nd, 2008 and published by the journal 'Economic Problems' n°2. 942 of February 27th, 2008, it is noted that the branches of activity which represent the highest country risk is the textile - clothing. The weakest risk brand especially the mechanical, electronics and electrical industry. Whereas other branches occupy the intermediate position.

4. Analysis and results

To further understand the relative importance of each factor of perenniality and of any method of country risk management, we have applied the technique of discriminant analysis which aims to describe, explain, and predict the membership in predefined groups of a set of observations starting from a set of predictive variables (De Lagarde 1995; Crauser Harvatopoulos and Sarnin 1989).

Three main objectives can be assigned to the discriminant analysis:

- determining the explanatory variables most discriminating with respect to the given classes;
- deciding to which group an individual starting from its characteristics belongs;
- validating a classification or making a choice between several classifications to know which is the most relevant (De Lagarde 1995; Crauser Harvatopoulos and Sarnin 1989). The discriminant analysis therefore takes a *posteriori* classification.

[1] See review 'Problèmes économiques' February 27, 2008, No. 2. 942 (special issue).

Moreover, an another purpose of discriminant analysis is to estimate linear combinations of variables, called discriminant functions, the application of which maximizes the distance between observations attached to different forms of the dependent variable Gavard-Perret et al. (2012).

We tested our theory model using SPSS 15.0. The examination of the mean, the variance, the F test, and Wilks' Lambda allows us to affirm that overall, the variable "insurance" is the most discriminant variable. Indeed, it has the highest value of F. It is about 27.469. It is significant at the p<0,0001. Similarly, the Wilks' Lambda test also confirms the influence of the "insurance" variable. It is equal to 0, 631, i.e. strictly less than 0.90.

Furthermore, the analysis of "canonical correlation" enables us to conclude that the model is significant in the sense that it is close to 1 (it is around 0,661). Moreover, the value of Wilks' Lambda is low, since it is equal to 0.563 and also emphasizes its significance at the p<0,0001. At this stage, it seems important to us to estimate the coefficients of the discriminant function. Indeed, referring to the table "canonical discriminant function coefficients," we can get the following equation:

$$1.204 * \text{insurance} + 0.327 * \text{geographical diversification} + 0.154 * \text{prevention} - 0.320 * \text{alliances and partnerships}$$

We realize that the variable bank guarantees was eliminated from the analysis because its level of importance which is too low. Moreover the surveyed companies do not have the right to receive bank guarantees because they did not meet the legal requirements of the country. While the variable "insurance" has a significant coefficient, thus a clearly visible discriminating power. The variable prevention is not very contributive, as highlighted by Gavard-Perret et al. (2012). For him, since the discriminating weights are lower than 0, 30 in absolute value, they are regarded as not very contributive (Gavard-Perret et al. 2012). This allows a first level of interpretation of the discriminating functions. In addition, taking each variable separately is of a major importance.

H1 was supported, demonstrating that the variable ‘insurance’ is influential to varying degrees on the levers and forms of perenniality. It seems to be the most discriminant if we want to compare it with the other variables. Its dominant impact is recorded on the stability of income and identity preservation, to the extent that the two tests F and Lambda wilks are significant, the results are shown in the following two tables.

Table 6: The relationship between insurance and the income stability

(as a lever of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box’sM	Sign.
Insurance and income stability	0, 631	27, 469	0,000	0, 661	0, 563	23,366	0, 000

Table 7: The relationship between insurance and the identity preservation

(as a form of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
Discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box'sM	Sign.
Insurance and identity preservation	0, 623	28,409	0,000	0,626	0,609	32,565	0,000

For H2, our findings showed the variable 'geographical diversification' seems to be an important discriminant variable if we compare it with 'alliances and partnerships', 'prevention', and 'banking guaranties'. Its dominant impact is recorded on the stability of the treasury and maintaining the control of the company, to the extent that the two tests F and Lambda wilks are significant, the results are shown in the following two tables.

Table 8: the relationship between geographical diversification and the treasury stability

(as an a lever of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
Discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box's M	Sign.
Geographical diversification and treasury stability	0,473	52,415	0,000	0,748	0,440	27,272	0,000

Table 9: The relationship between geographical diversification and maintaining control (as a form of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
Discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box's M	Sign.
Geographical diversification and maintaining control of the company	0,534	40,971	0,000	0,748	0,441	20,260	0,000

For H3, our findings showed the variable ‘prevention’ seems to be an less important discriminant variable if we compare it with ‘insurance’ and ‘geographical diversification’ but more important than ‘alliances and partnerships’ and ‘banking guaranties’ Its dominant impact is recorded on the reducing costs of the company and maintaining the control of the company, to the extent that the two tests F and Lambda wilks are significant, the results are shown in the following two tables.

Table 10: The relationship between prevention and reducing costs

(as a lever of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
Discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box’sM	Sign.
Prevention and costs reduction of the company	0,768	14,161	0,000	0,673	0,547	20,328	0,000

Table 11: The relationship between prevention and maintaining control

(as a form of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
Discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box’sM	Sign.
Prevention and maintaining control of the company	0,793	12,296	0,001	0,556	0,691	18,644	0,002

For H4, our findings showed the variable ‘alliances and partnerships’ seems to be a less important discriminant variable if we compare it with the other variables as ‘insurance’ and ‘geographical diversification’, prevention, and banking guarantees. Its dominant impact is recorded on the reducing costs of the company and preserving identity of the company, to the extent that the two tests F and Lambda wilks are significant, the results are shown in the following two tables.

Table 12: The relationship between alliances and partnerships and reducing costs

(as a lever of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
Discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box'sM	Sign.
Alliances and partnerships and costs reduction	0, 852	8,160	0,006	0,489	0,761	14,718	0,015

Table 13: The relationship between alliances and partnerships and preserving identity

(as a form of perenniality)

Verification of the existence of differences between subgroups				Checking the validity of the study			
Discriminating variable	Wilks' lambda	F	Sign.	canonical correlation	Wilks' lambda	Box'sM	Sign.
Alliances and partnerships and identity preservation	0 ,852	8,160	0,006	0,507	0,743	22,067	0,010

For H5, our findings showed that the discriminating power of the variable bank guarantees was unimportant, that is why we neglected this hypothesis.

5. Discussion and conclusion

The management of country risk has an impact on the perenniality of exporting companies in Tunisia, which implies the existence of close links between the different methods of the country risk management and levers and forms of the perenniality. Our study:

- confirm the ideas advanced by some authors that support the existence of a direct relationship between country risk management and the perenniality of companies;
- reverse the findings of empirical studies conducted by Meschi (2005) and Bamerka and Vermeulen (1997).

The information collected from the survey of 50 completely exporting companies allows us to note that overall, the variables insurance and geographical diversification are the two dominant discriminating variables which make all the levers and all the forms of perenniality. The two other variables, prevention and alliances and partnerships also help ensure perenniality but with a limited degree.

Note that the variable bank guarantees, does not have a visible discriminating power that is why it was removed, following the application of the discriminant analysis.

Regarding insurance, it is considered as the most important variable to promote the perenniality of Tunisian exporting companies. All companies surveyed, are using insurance to cover mainly the commercial risk.

Concerning the bank guarantee, it should be noted that exporting companies and especially those having a partnership agreement with a foreign company cannot take advantage of banking facilities or credit lines granted by the Foreign Aid Organizations, since the foreign partners take part with decayed equipment and the conditions do not satisfy to profit from the granted advantages. That is why it is most often overlooked.

Relating to geographical diversification, it is important to specify that the majority of the surveyed companies belong to a company-network working with a corporate network. This enables them to increase the income, share risks and costs, and thus to preserve their perenniality.

For alliances and partnerships, they are of limited range, given the disadvantages they have. But they guarantee a level of income, in most cases, minimum to ensure perenniality for the company. Several contributions distinguish this study. Firstly, this study advances our understanding of the perenniality of the company, often confused with other related concepts such as continuity, durability, longevity, sustainability, and survival. Secondly, existing research on the country risk management emphasizes the importance of using methods such as insurance, geographical diversification, prevention, bank guarantees, and alliances and partnerships, without showing when, how, and to what extent a particular method should be used. Our study has the advantage of being able to demonstrate the importance and usefulness of each method in the context of the perenniality of the company. Finally, this study, thus, has important implications values. The results suggest that companies need to make a match between the methods of country risk management and levers and forms of perenniality. For Tunisian exporting companies, they should pay attention to the adequacy between each method of country risk management and each lever and form of perenniality.

As in any study, the findings of this research must be considered in light of its limitations. On the conceptual level, this study developed a research model that focuses on the relationship between methods of country risk management and axes of perenniality of the companies. It, also, raises other issues that should be addressed by future research. For example, the results of the study are specific to the Tunisian context and should be viewed with caution when we want to generalize them. On the empirical level, this study is based on data collected from the first person in charge of the company which often neglects the managerial aspect of the company, the interpretation of results should be considered in light of this limitation. In addition, because the study sample included only medium and large companies, future research should take into account also the small firms. The age and size of the company are particularly important when considering the effect of country risk management on the perenniality of the company.

It is clear that this study has practical significance in more than one way:

- Firstly, it helps to clarify any manager on the possible ways of guarantee of perenniality, the goal of any company living in a constantly changing environment.
- Secondly, it is a starting point for any researcher being interested in the problems of management in a context of crisis.

6. References

Al Khattab, A. (2011), “The role of corporate risk managers in country risk management: a survey of Jordanian multinational enterprises”, *International Journal of Business and Management*, Vol. 6 N°.1, pp. 274-282.

Al Khattab, A., Aldehayyat, J. And Stein, W. (2010), “Informing country risk assessment in international business”, *International Journal of Business and Management*, Vol. 5, N°.7, pp.54-62.

Bamerka, H. G. and Vermeulen, F. (1997), “What differences in the cultural backgrounds of partners are detrimental for international joint ventures?”, *Journal of International Business Studies*, Vol. 28, N°.4, pp. 845-864.

Barthelemy, B. (2000), *Gestion des risques. Méthode d’optimisation globale*, Ed. D’organisation.

Benmansour, H. and Vadcar, C. (1995), *Le risque politique dans le nouveau contexte international*, Dialogue Edition, Paris.

Boddewyn, J. J. (1988), “Political aspects of MNE theory”, *Journal of International Business Studies*, Vol.15, N°.4, pp. 341-363.

Boronad, V., Massabie-François, M., Petitclerc, M. Rota-Lonjon, L., Poulain, E. (1998), *Commerce international. Techniques et management des opérations*, Ed. Eréal, Rosny.

Brewer, T. (1985), *Political risk in international business: new directions for research, management and public policy*, Praeger, New – York.

Cernès, J. (2004), Les instruments de mesure du risque – pays sont – ils fiables?, synthèse des travaux de l’atelier de recherche de l’ESG, 23 mars.

Collins, J. C. and Poras, J. L. (1996), *Bilt to last : successful habits of visionary companies*, Century Lt. 1994.

Crauser, J-P, Harvatopoulos, Y. and Sarnin P. (1989), *Guide pratique d’analyse des données*, Les Editions d’Organisation, Paris.

De Geus, A. (1997), *Habits for survival in a turbulent business environment*. Harvard Business School, Cambridge, MA.

De Lagarde, J. (1995), *Initiation à l’analyse des données*, Dunod, Paris.

Deborah, J. P. and Knight, R. (2001), Les avantages réels de la diversification, in Coll P. *l’art de la gestion des risques*, Edition Française. Financial Times Limited et Editions Village Mondial / Pearson Education, France, Paris.

Delios, A. and Henisz, W. J. (2003), “Policy uncertainty as a consequence of entry by Japanese firms (1980-1998)”, *Journal of International Business Studies*, Vol. 34, pp.227-241.

Deysine, A. and Duboin, J. (1996), *S’internationaliser. Stratégies et techniques*, Ed. Dalloz.

Dumoulin, R. and Simon, E. (2005), “Stratégie de rupture et PME : la réplication impossible”, *Revue Française de Gestion*, Mars – Avril, Vol.31, N°.155, pp.75-95.

Frioui, M. (2006), *Le cadre institutionnel et la problématique managériale. Cas vivants de management*, Top Printing, Tunisie.

Gavard-Perret, M-L, Gotteland, D., Haon, C., Jolibert, A. (2012), *Méthodologie de la recherche. Réussir son mémoire ou sa thèse en sciences de gestion*, Pearson Education.

Gomes – Casseres, B. (2001), Risques et alliances: s’assurer une place sur le podium, in Coll P. *l’art de la gestion des risques*, Edition Française. Financial Times Limited et Editions Village Mondial / Pearson Education, France, Paris.

Graumann – Yettou, S. (1997), *Guide pratique du commerce international – Exportation /Importation*- éditions Litec.

Henisz, W. J. (2000), “The institutional environment for internal investment”, *Journal of Law, Economy, and Organization*, Vol.16, pp.334-364.

Knight, R. E. (1999), Entreprise et finance mondiales, in PriceWaterhouseCoopers, *l’art de l’entreprise globale*, éditions française Financial Times Limited et éditions Village mondial, Paris.

Kobrin, S. (1979), “Political risk: a review and reconsideration”, *Journal of International Business Studies*, Vol.10, N°.1, pp.67-80.

Kühl Teles, V. and Leme, M.C. (2010), “Fundamentals or market sentiment: what causes country risk?”, *Applied Economics*, Vol.42, pp.2577-2585.

Landry, Y. (2001), La gestion du risque obligatoire souverain émergent, in Chaigneau, P. *gestion des risques internationaux*, éditions Economica.

Logue, D. E. (1994), Gérer le risque de change dans un monde volatil, in PriceWaterhouseCoopers, *l’art de l’entreprise globale*, éditions française Financial Times Limited et éditions Village mondial, Paris.

Li, J., Sun, X., He, W., Tang, L., and Xu, W. (2009), Modeling dynamic correlations and spillover effects of country risk: evidence from Russia and Kazakhstan, *International Journal of Information Technology & Decision Making*, Vol.8, N°.4, pp. 803-818.

Marois, B. (1990), *Le risque – pays*, PUF, coll. ‘que sais –je’ ? Paris.

Marois, B. (2001), “Le risque –pays revisité”, *Revue Française de Gestion*, Vol.133.

___________ "Mesure du risque politique et internationalisation de l'entreprise", *Revue Française de Gestion*, Vol. 133.
___________ "Trente ans d'évolution du risque pays", *Revue Française de Gestion*, Vol.133, pp.61-66
___________ La gestion du risque- pays , in Coll P. *l'art de la gestion des risques,* Edition Française. Financial Times Limited et Editions Village Mondial / Pearson Education, France, Paris.
Marois, B. and Syssan, P. (2006), "Pratiques des banques françaises en termes d'analyse du risque – pays", *Revue Française de Gestion* Vol.32, N°. 162, pp. 77- 93.
Meschi, P-X (2005), "La survie des coentreprises d'internationalisation dans les pays émergents: quel est l'impact du risque-pays? ", *Management International*, Winter, Vol.9, N°.2, pp.37-50.
Mignon, S. (2000), "La pérennité des entreprises familiales : un modèle alternatif à la création de valeur pour l'actionnaire? ", *Finance – Contrôle – Stratégie*, Vol.3, N°. 1, pp.169 – 196.
Mignon, S. (2001), *Stratégie de pérennité d'entreprise*, Vuibert, Paris.
Mignon, S. (2002), "La pérennisation d'une PME: la spécificité du processus stratégique", *Revue Internationale PME*, Vol.15, N°. 2, pp. 93-118.
Mikdashi, K. (1998), *Les banques à l'ère de la mondialisation*, Economica, Paris.
Moreau, F. (2002), *Comprendre et gérer les risques*, Edition, Economica, Paris.
Ostojic, S. and Unkovic, Z. (2011), "Insurance and management of political risk. Exposure in developed economies and Serbia", *South East European Journal of Economics and Business*, Vol.6, N°. 2, pp. 79–93.
Peyard, J. (1999), *Gestion financière internationale*, Librairie Vuibert.
Portnoff, A-Y, et Lamblin, V. (2003), "Le capital réel des organisations", *Futuribles*, Vol. *285*, Juillet–Août.
Reuer, J. J. and Leilblein, M. J. (2001), Connaissez – vous l'option réelle? in Coll P. *l'art de la gestion des risques*, Edition Française. Financial Times Limited et Editions Village Mondial / Pearson Education, France, Paris.
Robock, S. (1971), "Political risk: identification and assessment", *Columbia Journal of World Business*, Vol. 6, N° 4, pp. 6-20.
Stephens, M. (1994), Assureurs : la couverture du risque politique aussi, in PriceWaterhouseCoopers, *l'art de l'entreprise globale*, éditions française Financial Times Limited et éditions Village mondial, Paris.
Terrier, J- L. (2001), Réactualiser la notion de risque – pays, in Chaigneau, P. *gestion des risques internationaux*, éditions Economica.
Terrier, J. L. (2001), *Gestion des risques internationaux*. Economica, Paris.
Zonis, M. and Wilkin, S. (2001), Se protéger sur le terrain miné des risques politiques, in, Coll P. *l'art de la gestion des risques*, Edition Française. Financial Times Limited et Editions Village Mondial / Pearson Education, France, Paris.