

Introductory article for NCMR's Special Issue: Negotiation and Conflict Management in Entrepreneurial Ventures and Small Medium Enterprises (SMEs)

Andrea Caputo

University of Lincoln, Lincoln, UK

Correspondence

Andrea Caputo, Lincoln International Business School, University of Lincoln, Brayford Pool, Lincoln, Lincolnshire, LN6 7TS, UK;
e-mail: acaputo@lincoln.ac.uk

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This article aims to introduce the Special Issue of Negotiation and Conflict Management Research titled “Negotiation and Conflict Management in Entrepreneurial Ventures and Small Medium Enterprises (SMEs).” The purpose of this special issue is to provide a stimulus to the research carried out by scholars in negotiation and conflict management who investigate entrepreneurs and SMEs, and by scholars in entrepreneurship who investigate conflicts and negotiations.

A few years ago, a consultant wanted to put two of his clients in touch. They were two successful entrepreneurs and owners of quite large businesses: one in the sport retail sector and the other in the production of sport clothing. The consultant's aim was to help the two businesses navigate the economic crisis facing those markets by negotiating a strategic alliance agreement. He spoke independently to each of the entrepreneurs, who well favored the idea and agreed for the consultant to give each other their contact details. Weeks later, the consultant found out that neither one had called the other. Upon calling them to ask what happened, they both gave a similar answer: “Do you think I became a successful entrepreneur by making the first call when I need to negotiate something? It's the other guy who has to call me so I can have a leverage.”

Although a single case, this practical example is quite familiar to those of us who deal with consulting entrepreneurs alongside our academic main career. It shows clearly a peculiar take on negotiation from the point of view of entrepreneurs and depicts quite well how vital negotiations are for entrepreneurs. It also shows how the dynamics of distributive, competitive bargaining are very well embedded in the idea of what negotiation is for an entrepreneur. If one talks with entrepreneurs or consultants, asking whether they believe that negotiating well is one of the key characteristics of an entrepreneur, they would receive a unanimous verdict: yes, obviously! One would imagine that to such a practical straightforward answer, a similar unanimity would be found in academic research. Yet, that seems not to be the case and the call for papers for this special issue which aims to gather research, stimulate new theoretical development and seek the application of new research methods to investigate a pivotal topic for both the negotiation and conflict management research community and the entrepreneurship research community.

Indeed, researchers from the field of entrepreneurship agree that the creation, success, longevity, and survival of entrepreneurial ventures are deeply linked to the effectiveness of the many negotiations that permeate internally (within the team) and externally (with the stakeholders) the business activity.

Moreover, recent empirical and theoretical research has shown how the relevance of hybrid forms of organizations, new business models that link multiple parties through advanced technologies, and the increased interest of customers and stakeholders at large about sustainability and responsibility have widened the boundaries of today's firms (Caputo, Fiorentino, & Garzella, 2018a). Such enlarged

boundaries make it fundamental for competitive success to develop appropriate managerial capabilities to manage the boundary resources, not only at the individual level, but also at the organizational level (Borbély & Caputo, 2017). Negotiation and conflict management, particularly in small and medium enterprises, are seen as fundamental capabilities to develop.

For these reasons, the call for papers for this special issue, which is included in a series of research calls that are made within the International Association for Conflict Management and the European Academy of Management, aims to trigger research questions that will shed light on how entrepreneurs deal with conflicts and how they negotiate.

Indeed, entrepreneurs, as compared to nonentrepreneurs, face conditions of high uncertainty, ambiguity, time pressure, emotional intensity, and high risk (Beaver & Jennings, 2005; Brouters, Andriessen, & Nicolaes, 1998; Liberman-Yaconi, Hooper, & Hutchings, 2010; Woods & Joyce, 2003). Previous research in the field of entrepreneurship has shown how the entrepreneur is the principal force behind the creation, evolution, sustainability, and success of SMEs (Sarasvathy & Venkataraman, 2011). Therefore, given the particular characteristics of entrepreneurs and their role in the business, it is important to understand how entrepreneurs negotiate and manage conflicts with their internal and external stakeholders.

Among the many topics, the call for papers suggested scholars to focus, for example, on questions such as:

- How entrepreneurs negotiate and the impact of negotiation and conflict management on the business
- What are the conflict management and negotiation styles most appropriate in SMEs, family businesses and start-ups
- How conflict-related dynamics impact entrepreneurial intention, attitude, and motivation
- The role of emotions, trust, and fairness in entrepreneurial negotiation and conflict management
- The role of external consultants in conflicts affecting entrepreneurial ventures and SMEs
- How intergenerational succession is negotiated and how intergenerational conflicts are managed
- Work–family balance conflicts in entrepreneurial ventures and SMEs
- The role of negotiation and conflict management in fostering creativity and innovation
- The role and use of mediation in entrepreneurial ventures and SMEs

The special issue saw four fitting submissions from several countries (Greece, Iran, Spain, and Korea), of which three were not successful after several rounds of review. The submissions covered several interesting topics, such as the negative effects of conflict types on entrepreneurial team cohesion, the possible role of constructive conflict management and negotiations in fostering creativity and innovation in small and medium enterprises, and how the negotiation style of the entrepreneur could impact the general management of their business. However, despite the fit of such topics with the call for papers, unfortunately the studies came short in terms of adequate grounding into the existing body of work. For example, conflict in entrepreneurial teams (Breugst, Patzelt, & Rathgeber, 2015; Chen, Chang, & Chang, 2017) or their methodology was not rigorous enough in terms of research design, data collection, or data analysis.

The successful article included in the special issue, by Alvarado, Armadans and Parada (2019), titled “Tracing the roots of Constructive Conflict Management in family firms,” reviews the current research on conflict management and family firms and suggests theoretical propositions about the influence of familiness in constructive conflict management in family firms. Alvarado et al. (2019) base their study on how the overlap between family and business systems creates a particular bundle of resources. They explain how these specific resources, that is, the familiness, may determine how family firms positively or negatively manage their conflicts. Alvarado et al. (2019) propose that specific levels of structural, cognitive, and relational dimensions of familiness configure a specific arrangement of resources, conceptualized as collaborative familiness, which enhances constructive conflict.

The study of Alvarado et al. (2019) is consistent with recent reviews of the literature in conflict management and family business (Caputo, Marzi, Pellegrini, & Rialti, 2018b), which shows how family

conflicts and work–family balance issues received a lot of attention in literature. Yet, studies in conflict management still seem to miss a thorough investigation of conflict in family businesses. Alvarado et al. (2019) contribute to this call for future studies in helping scholars to unpack the dynamics of conflicts in family businesses.

Even though scholars have given growing attention to topics of conflict management and negotiation in family firms (Caputo & Zarone, 2019; Caputo et al., 2018b; Kellermanns & Eddleston, 2007) and in entrepreneurial teams (Breugst et al., 2015; Chen et al., 2017), the analysis of how entrepreneurs negotiate and how conflict impacts entrepreneurial ventures and SMEs as opposed to larger businesses still has many topics to investigate.

For example, in their book “Entrepreneurial Negotiation: Understanding and Managing the Relationships That Determine Your Entrepreneurial Success,” Dinnar and Susskind (2018) explain the eight most common negotiation mistakes that entrepreneurs make in addressing the heightened emotion, uncertainty, complexity, and relationship-building intensity of entrepreneurial negotiation. Although these mistakes have been studied in other areas from negotiation scholars, through a series of interviews, the authors provide an interpretation of how and why these errors occur in the entrepreneurial context.

Along with the many questions posed by the original call for papers of this special issue, which still remain unanswered, future research could contribute to a deeper understanding of what entrepreneurial negotiation and conflict management are, and how the entrepreneurial context differs from the business and managerial contexts that have been widely investigated. Of particular interest could be the examination of the use and characteristics of mediation in SMEs and in family firms, or how the family–work dynamics affect the entrepreneurs’ well-being. The investigation of how cognition, emotion, and passion impact negotiation within SMEs and family firms could also provide a further avenue for research.

To answer such calls, it will be important that scholars from apparently different fields of research acknowledge each other’s existence and take advantage of the possible benefit of cross-fertilization from other fields.

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Andrea Caputo is Reader in Strategy & Entrepreneurship at the University of Lincoln (UK), where he co-founded the UNESCO Chair in Responsible Foresight for Sustainable Development and the Lincoln Innovation in Family Enterprises (LIFE) Observatory. He received his PhD in Management from the University of Rome “Tor Vergata” (Italy). He has also held visiting positions at several universities, like University of Queensland, George Washington University, University of Malta, Alicante, Macerata, and Naples Parthenope. His main research expertise is related to entrepreneurship, strategic management, negotiation, and decision-making. He has authored more than 40 international publications and presented at leading conferences. He is editor of the book series “Entrepreneurial Behaviour” by Emerald, and the author of the book “Strategic Corporate Negotiations,” published by Palgrave.