Chapter 12
Conflict of Interest or Community of Collaboration? Leadership, SME Network Dialectics, and Dialogs

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ABSTRACT

In this chapter we aim to consider both dialectical and dialogical systems, local and regional policies and practice implications for the communication and management of the creative as well as destructive conflict within networks and what else may be needed by cooperating parties as a support infrastructure to assist the development and growth of SME innovation networks. We firstly outline key terms, concepts and issues about innovation, collaboration and the goals set for business incubators by the European Union and globally, contrasting these with each other. We provide an overview of the role of key stakeholders, systems and research analyses, discussion and recommendations indicating our own. These recommendations will be informed by some case studies we have been engaged in as well as the wider research literature canon on these topics.

INTRODUCTION: DIALECTICS AND DIALOGS IN BUSINESS INNOVATION PRACTICE

National and global business environments are in a constant state of complex, evolutionary flux, although there are times when such change is faster or more radical than others. The global business environment has been described as a Volatile Uncertain Complex and Ambiguous (VUCA) context (Smith & Cockburn, 2013, pp.6-7, Lawrence, 2013). Whatever the complexity dynamics and speed of change, countries, businesses and individual organizations must match or exceed their external environment’s rate of change in order to maintain or develop their position. In such turbulent times there is a greater likelihood of conflict and fractures in professional or com-
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Commercial networks especially where debate is stifled or it is simply assumed by leaders that there is only ‘one best way’ to achieve success. However the process is a complex one rather than an inevitable linear or ‘unidirectional’ one and ‘surprise’ is the key feature of global business complexity (Smith and Cockburn, 2014).

This chapter seeks to briefly describe and discuss key debates concerning public and private sector policy-making efforts geared to ‘scaffolding’ the growth of innovation clusters or networks for supporting collaboration between local or regional groups of Small to Medium Enterprises (SME). The discussion here includes examining the policy development, implementation and practices aimed at sustainable management of potential conflict between the parties and individuals involved. The avowed aims of such policies for funded networking efforts are to help the SMEs individually and within the network, to ‘stand on their own feet’ as commercial businesses with marketable goods and services generating employment in their area.

We do not use the term dialectics here in the strict, deterministic Hegelian manner of rising contradictions inevitably leading to struggle, contention and ultimate synthesis at a new, higher level of praxis. We refer to dialectics as rational debate, argumentation, conflict or contention between parties that may be overt or may exist latent within the interplay of dialog between them and erupt or evolve from discussions concerning the best way forward or the allocation of resources. Such conflict may not always be deemed wholly destructive if it leads to positive change.

Open and frank dialog incorporating dialectics and challenges is a means to promote greater collaboration and harmony by attempting to clarify potential or actual misunderstandings, anticipate, forestall or otherwise ‘surface’ and address unspoken or latent forms of tension in the network. However, we also recognize that collaboration may pose problems for some or all parties from time to time. The interplay of dialog and dialectics is a multidimensional and multispiral process over time as Kodama (2005, pp. 49-51) suggests when describing the concept of ‘dialectical dialog’. Target audiences for this chapter therefore include academics, policymakers, consultants and students studying management, Politics and Government, Communication, business strategy, information systems and knowledge management.

Three cases are used to illustrate key aspects of the need to creatively balance dialog and dialectics and aim for a balance of forces and drivers promoting collaboration between businesses in networks of Small to Medium Enterprises (S.M.Es). We provide some broad guidelines for improving policy development and implementation including some relevant Human Resource Management policies and training points.

Success for a country’s economy, as for a business company or network within the country, comes from policies and practices that provide it with the necessary competencies and freedom to permit the maintenance and appropriate development of products for their business environments - this is termed Right to Market (R2M) (Koudal & Coleman, 2005). For a business organization, R2M means introducing the right products and/or services at the right time in the right contexts with the right supply chains, and then continually updating, optimizing, and retiring them as necessary. For a country the same principles apply except that governments aim for beneficial policies and regulations such as international trade treaties, import-export business support, monetary policies, internal market regulations and the like. R2M involves the complex, dynamic interplay of dialog and dialectics at various points in the supply chain.

Business organizations must also maintain their economic, social and ecological policies consistent with those of the country in which they operate and with countries where they do business, or where they have impact. Thus for a business organization or country to be classified as operating “sustainably” care must be exercised to make sure that R2M does not negatively impact relevant