

International Management
Call for papers

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Business networks: an international management perspective

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In the fall of 2008, the *International Management* journal will devote a thematic issue to articles dealing with the problematic of *business networks, in a managerial perspective*. Researchers and specialists who have an interest in this theme are invited to submit their texts by **January 15, 2008**.

During the greater part of 20th century, Greek tragedy might have served as a reference to understand how businesses were organized. In this period, the race for critical size or productivity gains forced businesses to abide by the three principles of ancient theatre: **unity of setting** in the distribution of tasks to save logistics costs, **unity of time** in the coordination of these tasks to save infrastructure costs, and **unity of action** with a centralized command of tasks to avoid conflicts.

Today, business life has become more fuzzy, seemingly less predictable and less rational. The organization of a business obeys often contradictory imperatives at the same time: standardization vs. adaptation; effects of size vs. flexibility; responsiveness vs. anticipation. Reconciling these contradictions requires going outside the traditional frameworks previously evoked, by forming cooperations beyond the boundaries of ownership or authority, on several territories at a time, with transactions spaced out over time, and with a decentralization of decision making. When they work harmoniously, these cooperations make the most of the complementarities among businesses confronted with the same strategic issues and the same structural constraints.

They are inspired by the search for competitive advantages, by the cross sharing of the effects of experience, resources, or competencies. They can also result from more complex manoeuvres that have the objective to erect barriers to entry into a sector for example, or to set up a counter alliance against a threatening coalition of competitors. This relational logic is omnipresent in business life, even though it is sometimes difficult to grasp it with the traditional tools of managerial analysis. As evidence, institutional investors and credit-rating agencies continue to evaluate businesses on their asset base or on the value of owned assets, rather than taking into consideration “relational capital,” through the intensity and the solidity of the ties of collusion. Yet the relations formed in partnerships have value, in the same way as a technology licence or the notoriety of a trademark, because they allow businesses to free themselves from transaction costs under certain conditions, and to partially get away from dependence on resources.

In many business lines, competition among firms tends to shift to the upper level, in the conflict that business coalitions engage in. But the market economy is not the only one concerned by this

phenomenon. In the field of public management, examples abound on the need to consolidate administrations, local communities, or nation states either to better defend the general interest by seeking to realize an economy of means, or to better fight in the geopolitical competition, by pitting multilateralism against unilateralism.

To better understand the phenomena of business or administration consolidations, one of the most promising areas of research in this field has to do with the idea of network. When cooperation becomes durable and reciprocal, to the point of establishing the loyalty of the partners in a consensual game based on trust, a network organization is built. This organization has some specific features. It cannot be confused either with a market or with a hierarchy, to borrow Williamson's classification (1983), inasmuch as the network members are simultaneously autonomous and interdependent, engaged in a relation that differs from outsourcing and integration. Even though the existence of networks seems an obvious fact, it is particularly difficult to understand how this "organization of organizations" manages to function, without pre-established boundaries, without a designated pilot, and without traditional methods of control. Thus, in a network, the difficulty of achieving mutual gains for the partners remains, owing to the uncertainties linked notably to the risk of opportunism, to the asymmetry of information, and to the reciprocal delegation of the power of control of the members.

Like an open system, a network feeds on exchanges with the outside that drive it to extend its sphere of influence by continually pushing back its own limits. But the more a network spreads, the less easy it becomes to pilot, owing to the growing number of elements in interaction. Conversely, if the network stops developing, the networking loses its plastic properties with the appearance of a rigidity around the acquired strategic positions, provoking an exaggerated influence of certain members in the relational game. We can state the same problem from the perspective of governance and regulation of relations. In a network, strengthening the autonomy of the members without concern for the mechanisms of collective control, introduces creativity, initiatives, and the involvement of potential partners. But this autonomy can provoke in return individual conflicts of interest and eventually generate collective disruptions. Conversely, strengthening control to the detriment of autonomy presents the advantage of improving coordination and cohesion among the partners. But this regulation limits the capacities for flexible adaptation at the individual level. The problem of regulating relations within a network is therefore extremely complex, so long as the decision-making process remains fragmented, with a progressive division of the chain of responsibilities. This is the reason why the operation of a network often remains an enigma, including for those who are part of it.

With a view to advancing the theoretical and practical knowledge, in 2008 *International Management* will devote a thematic issue to the theme of networks. Original works, fitting into an international, interdisciplinary, managerial perspective, and shedding new empirical or theoretical light on networks, their operating mechanisms, their strategic issues, and their organizational limitations will be given preference. These papers should take into account the abundant literature on this theme. What is important is not to present networks as a new concept, but to make a contribution supported by the existing literature, in line with or contradicting the research avenues already explored by authors like Powell (1990), Thorelli (1986), Gulati (1998), and Jarillo (1988). Some possible examples of themes for these papers include:

- Networks in public management (e.g.: integrated service delivery networks)

- The emergence and life cycle of a network
- Innovating regions and territorial networks (e.g.: PAXIS project, European Community)
- SME innovation and development networks
- Virtual networks and integrated logistic chains
- Networks and stakeholder theory
- Learning networks in the framework of communities of practice
- Community preference within a network
- The dynamic of interconnection or opposition among several networks

Manuscripts must be submitted by **January 15, 2008** for publication planned for the fall of 2008. Manuscripts should be sent by email to *International Management* mi-cetai@hec.ca. The editorial policy of *International Management* must be respected in the documents submitted. The manuscripts chosen for possible publication will undergo double blind peer review.

Some bibliographic databases

- Bartlett C, Ghoshal S. (1993), Beyond the M-form: toward a managerial theory of the firm, *Strategic Management Journal*, vol 14, 23-46.
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