

*Presentation for National Taiwan University*

# Business Coopetition in CMC - An Ethnographic Research

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# Agenda

- Research Aim & Questions
- Conceptual Foundations
- Research Methodology
- Data Collections
- Data Analysis and Results
- Contributions
- Questions

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# Research Aim & Questions

- Research Aim: This study aims to explore media selection in an inter-organisational business collaboration where the companies involved have also been competitors.

[BBC 2 The virtual revolution - craving communication \(resource: you tube\)](#)

- RQ1: Whether and how the existence of business strategic conflict influences participants?
- RQ2: How is this inter-organisational conflict influenced by the selected media?'

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# Coopetition

- Coopetition or co-opetition (Brandenburger & Nalebuff, 1996) is termed to describe **cooperative competition**.
- Business is war and peace: you have to compete and cooperate at the same time (Nalebuff, 1996).
- For instance, *Peugeot* and *Toyota* on shared components for a new city car in 2005; *Sony* and *Samsung's* cross-licensing on shared patents.

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# FTF vs CMC

- Computer-mediated communication (CMC) has been seen as 'a process of human communication via computers, involving people, situated in a particular contexts' (Ulijn & Lincke, 2004) and exhibits different features to face-to-face (FTF) conversations.

Structural features of communication media

Medium	Co-presence	Visibility	Audibility	Co-temporality	Simultaneity	Sequentiality	Reviewability	Revisability
FTF	V	V	V	V	V	V		
Telephone			V	V	V	V		
Audio-conferencing			V	V	V	V		
Video-conferencing		V	V	V	V	V		
Email							V	V

V: The medium is associated with the feature.

Resource: Frideman & Currall (2003) and Lee & Panteli (2010).

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# Media Selection

- **Information richness theory** (Daft & Lengel, 1986) identifies rich and *lean* media by their objective properties and the invariant characteristics of the media themselves.
- **Social influence theory** (e.g. Fulk et al., 1990; Lee, 1994; Markus, 1994) argues that the characteristics that influence the choice of communication media should include social context.
- **Situational determinants** (e.g. Trevino et al), such as organisational norms and work environment, also influence the choice of media.

# Organizational Ethnography

- Ethnographic research entails: an interest in cultural understanding, and sense-making; looking at the culture from the 'inside' with the 'native' point of view; focusing on language and rhetoric; **being close to the field and collecting first-hand experience** (Paivi & Kovalainen , 2008).
- A range of studies on management and organizations that focus on how people in **specific work settings** make sense of their day-to-day actions and situations termed 'organizational ethnography' (Rosen, 1991; Kunda, 1992).
- In order to become immersed in other people's realities, ethnographers engage in fieldwork that tends to commit them to **a period of time** spent in the organization, or **a long stay 'in the field'** (Bryman & Bell, 2003).

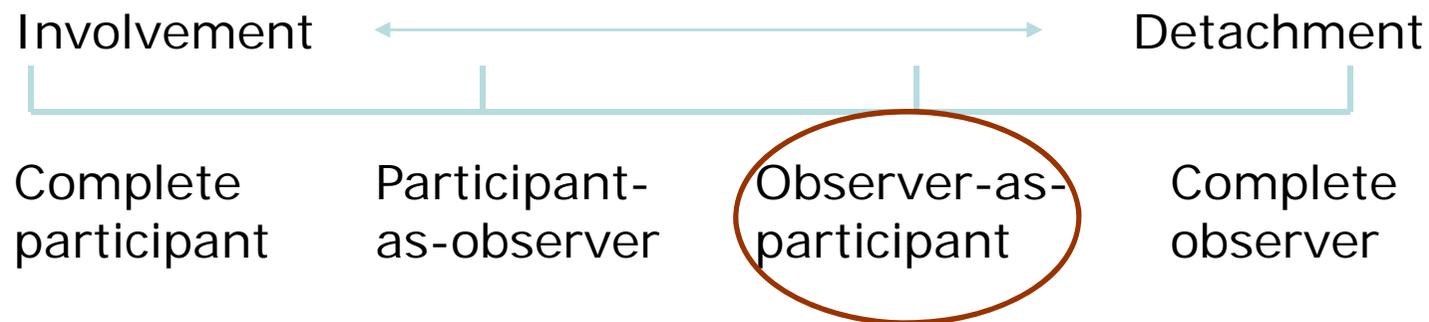
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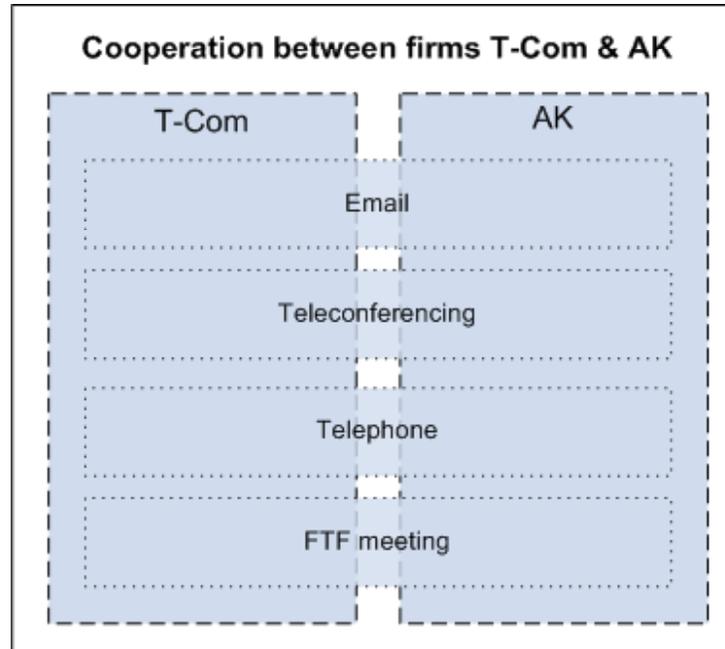
# Participant Observation

- Observation is the most widely used method of collecting data for ethnographic research (DeWalt & DeWalt, 2002).
- Gold's classification (1958) of participant observer roles:



# Data Collection

- Research setting:



- Resource of data:

Observation records, interviews, documentary data

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# Results & Analysis

- Highly reliance on email communication  
Email with its feature of 'recordability' was established as a means for legally binding agreements, and thus it became the main media in situations where there was business coopetitions.

Dear Jin [AK manager],  
We've been waiting for your response for two weeks. Could you hurry it up?  
Robert [T-Com manager]

Email records

Dear Li [AK engineer]  
... I couldn't understand why such a simple engineering change took you two months to complete.  
31/July – engineering change notice released from AK  
1/Aug – T-Com asked for clarification regarding some unclear information  
9/Oct – Li replied to the email  
(.....)  
Wong [T-Com engineer]

Email records

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# Results & Analysis (cont.)

- Stylised email communication in business coopetition  
Although the participants were often involved in conflict, their communication behaviour was neither aggressive nor hostile in emails. Instead, **offensive language hardly ever occurred in emails.**

Dear Joyce  
I am really sorry for all the confusion. I'll resend the spec ...  
Please see the reply below to your questions ... ..  
Best regards,  
Jin [AK engineer]

Email records

Dear Robert [T-Com Manager]  
Sorry for the late response. Li will send you the document later today.  
Best regards,  
Jin [AK engineer]

Email records

I (the researcher) called Jin (AK manager) for a discussion on a technical issue. He picked up the phone. I introduced myself (this was the first time I had called Jin) I said that I would like to discuss the cosmetic spec. He suddenly shouted at me 'Why are you so fussy? Why are you still not satisfied with our support? I've told you several times we've done our best. We can't change anything for you ...'  
Initially, I didn't say anything but only listened to him. He complained endlessly and impolitely. Then I was getting annoyed and answered back angrily. Then I answered back, 'Stop shouting!! I just want to discuss the issue. If anything I said was wrong, please correct me. All the questions that I wrote in those emails were pure questions. I really don't understand why you couldn't respond to one single email in the past two weeks!' ... ..

Daily logs

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# Research & Analysis (cont.)

- Conflict escalation through email communication  
Because the conflicting business strategy between the firms had never been tackled through the vast majority of the emails, the cooperation between these two firms was never auspicious, and **it was terminated in the end.**

I [the researcher] received a phone call from Joe [AK manager]. He wanted to speak to Robert [T-Com manager] but he was not at the seat so I answered the call for him. Joe said that it was impossible to provide the materials to the quality that T-Com requested as he had addressed in emails. He explained this to me in quite a nice manner. This is our conversation on the phone.

Daily logs

Joe: I think you've got the emails for explaining the material shortage problem. I am sorry that our company can't support you the materials with the better quality.

Joyce: It has been an open secret that your company does manufacture the materials of a better quality. Why don't you sell them to us?

Joe: Um ... It's our company's policy.

Joyce: I don't understand it. We would like you to support us with higher grade materials and you do produce the ones we need. Why don't you just sell them to us, then we won't waste more time on arguing about the quality?

Joe: (There was silence for a few seconds. Joe cleared his throat and continued.) As you know, your company and our company are serious competitors in the North American market. Do you think we would let you have the better-quality materials? ... ..

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# Conclusions

- This study has taken a specific focus on CMC selection in coopetitive inter-organizational setting.
- Perception and expression of conflict in emails are clearly not the same.
- Understanding conflict avoidance from the cultural perspectives.

To find out more details, please refer to Lee, J. & Panteli, N. (2010) Business strategic conflict in computer-mediated communication, *European Journal of Information Systems*, 19 (2), 196-208.

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# Questions?

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