INTRODUCTION

1. Aim of the book

The last quarter of a century have witnessed a profound rapidity sway in the business world from a pace of change that was relatively predictable and constant to a condition of higher degrees of uncertainty, ambiguity and a dramatic increase in the speed and volatility of transformation in several industries and sectors (Dagnino, Picone & Ferrigno, 2021). The Covid-19 driven pandemic of the last one and half years has done nothing but accelerating the set of megatrends already in operation and making others emerge to surface (e.g., the big swing from in person to the remote organization of working activities).

These mega-changes have already had and are currently having some spectacular implications on both management theory and management practice. In fact, parallel to the compelling changes in the business world, three major shifts have emerged in the management literature:

a) the transition from an emphasis on competitive and cooperative relationships to the progressive gaining of prominence of *coopetitive relationships* (Brandenburger & Nalebuff, 1996; Bengtsson & Kock, 2000; 2014); i.e., *coopetition strategy* (Dagnino 2009; Dagnino & Minà, 2021);
b) the necessity of conceiving and implementing *glocal strategies* that productively combines local and global actions (Dumitrescu & Vinerean, 2010);
c) the opportunity to implement an *ambidextrous strategy* based on the consistence of exploration and exploitation initiatives (Lavie, Stettner & Tushman, 2010; Levinthal & March, 1991; March, 1991; Tushman & O'Reilly, 1996; Stettner & Lavie, 2014).

The red line or the impelling thread among such strategies is the requirement to *manage paradoxes*. Accordingly, the three above-mentioned strategies are deeply embedded in the concept of paradox, namely, "the simultaneous presence of contradictory, even mutually exclusive elements" that disables the choice between two poles (Cameron & Quinn, 1988, p. 2). In fact, "paradox is gaining more and more pervasiveness in and around organizations, thus increasing the need for an approach to management" (Clegg, Cunha & Cunha, 2002, p. 483).

Since "bridging ideas from one theoretical domain to address an issue or explain a phenomenon in another domain" (Floyd, 2009, p. 1057) can be a rewarding research strategy, in this book we aim to combine *foundational investigation with philosophical inquiry* to identify the core tenets of paradox in management.

We tackle the challenges and the opportunities associated with using a few interdisciplinary theoretical approaches (Zahra & Newey, 2009) to investigate the philosophical foundations of paradoxical strategies. Management scholars frequently borrow and integrate theories from different research fields (Floyd, 2009). This analysis bridges insights from one theoretical domain – specifically, paradox from philosophy – to explain a phenomenon in another domain, namely, strategic management. In this case, theory extension in the focal domain (strategic management) is based on ideas in the parent domain (Floyd, 2009). Moreover, philosophical inquiry is relevant for both explorative results, which can satisfy the human instinct to ask questions, and heuristic goals, which can provide new solutions and integrate, develop and renew existing ones. In fact, the essence of applying philosophy to strategic management is to critically discuss the most important issues of human existence and dynamics as well as to highlight their intellectual relevance for understanding and discovering the limits of our management knowledge.

Since the paradoxical strategies may have different features, in this book we focus on the philosophical foundations of a specific strategy, i.e., *coopetition strategy*. Actually, in the past decade a series of relevant advances have been made in coopetition inquiry through the publication of books, book chapters, articles and special issues of international journals and intense and open conversation in various global venues (Bengtsson & Raza-Ullah, 2016; Bouncken, Gast, Kraus & Bogers, 2015; Devece, Ribeiro-Soriano & Palacios-Marqués, 2019; Dorn, Schweiger & Albers, 2016). However, despite these advancements coopetition still displays some of the facets of a "liquid construct" (as explained by Dagnino & Rocco, 2009) due to its multifaceted dynamics, complexity and instability (Castaldo & Dagnino, 2009). This condition is primarily tied to the paradoxical nature of coopetition.

Actually, several explanations may emerge if we look at this situation by adopting different paradoxical frames (Keller, 2009; Keller, Loewenstein, & Yan, 2017; Smith & Tushman, 2005; Zhang, Waldman, Han & Li, 2015). Paradoxical frames are, in fact, mental templates that allow the user to identify contradictory elements of strategic issues and actions (Keller & Chen, 2017; Smith & Tushman, 2005). If the CEO adopts a paradoxical frame, he/she may "conceptualize a strategic issue as both a threat and an opportunity or to consider engaging in strategic actions that are both cooperative and competitive" (Keller & Chen, 2017, p. 102).

Accordingly, this book addresses the following research questions: *how do Eastern and Western philosophies shape the perspectives of academic studies and business practices in framing coopetition in distinctive manners?*

Given that the distinct philosophical investigation perspective we have taken discerns differences in paradoxical frames, how do such distinctions explain the emergence of specific forms of coopetition in the East and the West? And, more generally, how do such distinctions inform the emergence of specific patterns in managing paradoxical strategies?

We investigate the philosophical foundations of coopetition through an informed analysis of Chinese yin-yang philosophy (i.e., Confucianism, Taoism, and Legalism) and five Western philosophical streams of thought (i.e., David Hume, Adam Smith, Immanuel Kant, Georg Wilhelm Frederich Hegel and Søren Kierkegaard. We sketch a conceptual framework to explain how the paradoxical frames underlying competitive and cooperative actions can led to different forms of coopetition strategies. Then, we discuss the implications of our study for other paradoxical strategies and distil some managerial implications. We believe that, through using a paradox lens, we can extract new insights in dealing with tensions in the strategic management of coopetition, thereby "enabling scholars to gain sense of future, seemingly, senseless events" (Carmine *et al.*, 2021, p. 138).

2. Value added of the book

Paradox is an established and time-honored concept that finds its roots in both philosophies, the Eastern and the Western (Schad *et al.*, 2017; 2018). We show that Eastern philosophical foundations – with some differences between Eastern teachings [1] – share the fact that paradox is considered "a lens for exploring the nature of existence" (Schad *et al.*, 2017, p. 8). Light-dark and life-death are clear examples of paradoxes in occurring in real life, and where each opposite is the seed of the other (Chen, 2002, 2008; Peng & Nisbett, 1999).

Additionally, we show that Western philosophical foundations draw on two main philosophical paths (Dagnino & Minà, 2021), respectively Aristotle's formal logic, which emphasizes the quest for truth within contradic-

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[1] While occurring within the same philosophical roots, within the Eastern philosophical roots there are several school teachings, each one featuring a different application of paradox. Similarly, within the Western philosophical roots, we may find different philosophers, each one featuring a different conceptualization and application of paradox. In the following chapters of this book, we will dig deeper into the different Eastern and Western philosophies, and then, into the different applications of paradoxes.

tion, and the Hegelian logic, which underscores the natural conflict between opposite elements (Schad *et al.*, 2017). The Achilles and tortoise paradox[2] is a clear example of Aristotle's formal logic for which "in a race, the quickest runner can never overtake the slowest, since the pursuer must first reach the point whence the pursued started, so that the slower must always hold a lead" (Aristotle, Physics, VI: 9, 239/Barnes, 1984). This situation shows to be paradoxical *per se*. According to Aristotle, the choice is twofold here: either we accept that the reasoning is wrong or we accept that this is not possible. Basically, the Western schools of thought argue that every paradox epitomizes a set of contradictions that, according to standard logic of reasoning, cannot be understood and, thus, resolved (Quan, 1968).

Interestingly, both Eastern and Western philosophical foundations convey on that paradox implies the interdependence between opposites. However, Eastern schools of thinking emphasize that such opposites can coexist, and hence, whereas Western schools of thinking highlight that such opposites cannot coexist, at least at first sight. Consequently, while the Eastern schools of thought emphasize the relevance to handle paradox, and the added value of paradox to understand wholeness, Western thinking emphasizes the relevance to solve the paradox to understand phenomena.

Given our choice to focus on the paradoxical relationship occurring between competition and cooperation and thus on coopetition, we argue that the yin-yang philosophy applied to strategy is in line with the relational view competitive action (Chen & Miller, 2015), according to which "an action should have the potential to be both competitive and cooperative" (Chen & Miller, 2015, p. 762). Hence, it does not operate uniquely to achieve an advantage for one firm, but to "find new path leading to mutual benefits" (Chen & Miller, 2015, p. 762). Interestingly, while coopetition scholars have generally considered the yin-yang balancing cognitive frame, they have generally kept competition and cooperation separated in two different baskets. This condition confirms that paradox is in the mind of "the observer(s) and not of the observed" (Ford & Ford, 1994, p. 760), for which "equilibrium is the circulation of energy between apparent opposites" (Ford & Ford, 1994, p. 769).

We anticipate that, based on a philosophical investigation of the foundations of coopetition, we will be able to shed light on the following four coopetition subjects. First, by comparing Eastern and Western dialectical approaches that deal with opposites, we add to the debate on philosophical

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[2] See section 1.1.1 for a more specific description of the Achilles and tortoise paradox.

foundations of coopetition (Dagnino & Minà, 2021) by illustrating and discussing in detail the four logics underlying the intersection of competition and cooperation: either/or, both/and, both/or, and either/and.

Second, our philosophically-grounded inquiry offers a comparison between the both/or logic, that is traceable back to Hegel's dialectics, and the either/and logic, that is instead portrayed in the cognitive frame of yin-yang balancing. While they are different in foundations, we acknowledge their complementarity in understanding coopetition logics (Luo & Zheng, 2016). In fact, while the dualism between opposites underlying Hegel's philosophy is helpful in reconnecting facts due to its argumentative style (Peng & Nisbett, 1999), the duality between opposites underlying the cognitive frame of yin-yang balancing appears well-suited to balance coopetition and cooperation because of its intuitive, imaginative, and insightful style (Li, 2014a). In the process, we also recognize different tactics to balance competition and cooperation within the either/and logic, as suggested by Taoism and Confucianism.

Third, to make them clear the profound connections between philosophical approaches and coopetition, we identify various coopetition basic arguments and their behavioral patterns as emerging in each philosophical school. Then, we discuss the implications for coopetition research. Specifically, by looking at Taoism, Confucianism, and Legalism, we distinguish respectively three patterns of coopetition strategies: implicit coopetition, explicit coopetition, and induced coopetition. Further, by looking closely at the Western systems of thought, we detect the rationale for operating the distinction between the two sequences that flow into coopetition: from cooperation to coopetition and from competition to coopetition.

In such way, we reconnect to earlier studies on coopetition strategy that considered coopetition a "hybrid strategy" that involves elements of both deliberate and spontaneous strategic behaviors (Dagnino, 2007). In fact, our philosophical investigation helps disentangle the dichotomy between the phenomenon of coopetition and coopetitive strategy. Specifically, coopetition intended as a phenomenon regards the emergence of a spontaneous coopetitive behavior, that we may evaluate only by analyzing individual motives and actions. Conversely, coopetition strategy concerns an intentional goal-seeking action, where individuals are relatively extraneous to phenomena because only collective facts determine individual behavior. Actually, coopetition strategy may materialize as a deliberate (planned) strategy or as an emergent (unplanned, but conscious) coopetitive strategy (Mariani, 2007). Thus, we understand this dichotomy's implications for relationship stability between actors. By doing so, we also appraise the rationale for distinguishing between deliberate and emergent coopetition

strategies. Finally, from the study of Hegelian contemplation, we recognize a pattern labeled "temporary coopetition strategy".

In addition, at the managerial level, we investigate how and to what extent an understanding of the two essential elements of coopetitive behavior (i.e., cooperative competition and competitive cooperation) may be fruitful of producing insights for business executives. This approach allows to recognize the "coopetitor" to act as a competitor who is interested in cooperation and/or as a cooperator who cannot stay away from competition.

Overall, we trace the philosophical roots of coopetition and represent the ways of looking at interfirm relationships combining the advantages associated with performing both competitive and cooperative actions. We show that the yin-yang cognitive framework supports the ideas that coopetition transforms logics and mindsets, because it implies a shift from a logic that is based on breaking-wholes-into-their-separate-parts to a logic that is based on an integrated, holistic perspective on overall firm strategy. Such an approach unlocks new relevant management issues, such as the management of tensions in coopetitive relationships.

3. Structure of the book

We have structured this volume in five chapters plus this introduction and the concluding section. Chapter 1 titled "From studying paradoxes to detecting the foundations of paradox in strategic management" presents the key concept of this book (i.e., the one of paradox) and disentangles the main differences between paradox and contradiction, opposition, dualism, duality and oxymoron.

At this point, we introduce the discussion of the most common paradoxical strategies:

a) coopetition strategy that simultaneously considers cooperation and competition;
b) glocal strategy that combines elements of local and global, and;
c) ambidextrous strategy the epitomizes the coexistence of exploration and exploitation.

Given the importance of paradoxical strategies, we argue on the opportunity to approach the philosophical foundations of paradoxical strategies. By taking an interdisciplinary approach, we discuss the importance of such interdisciplinary approach to manage paradoxes. Specifically, we focus on the contribution of psychology and anthropology. Then, we explain why a philosophical inquiry on managing paradoxical strategies is required and appropriate.

Chapter 2 presents the book's path of analysis. Specifically, it clarifies why the analysis is focused on coopetition strategy. Then, it lays out the pathway of analysis:

1. the level of investigation;
2. the Eastern and Western philosophical contexts;
3. the period of investigation; and
4. the epistemological and methodological perspectives that the Western thinkers used.

We perform the analysis of each philosophical school by considering:

a) its historical background;
b) the use of out-performing and out-helping constructs; and
c) how the philosophical school frames the coexistence of out-helping and out-performing.

In the light of such analysis, we infer the tactics and patterns for coopetition strategy.

Chapter 3 introduces the Chinese yin-yang philosophical viewpoint and systematically analyzes its key components, such as Confucianism, Taoism and Legalism in the light of coopetition. Finally, we discuss how the Chinese mindset has spread out throughout Europe in the eighteenth century and has influenced the thought of Western philosophers.

Chapter 4 is dedicated to the analysis of a specifically selected set of five Western thinkers: David Hume (1711-1776), Adam Smith (1723-1790), Immanuel Kant (1724-1804), Georg Wilhelm Frederich Hegel (1770-1831) and Søren Kierkegaard (1813-1855). For each thinker, we elaborate the coopetitive arguments that they used, which help identify the essence of coopetition.

Chapter 5 summarizes the interpretative framework of the philosophical foundations of coopetition. Specifically, it discusses the distinction of dualism vs. duality to interpret coopetition and the unique contribution of the yin-yang cognitive frame to understand coopetition. Finally, it offers a taxonomy of coopetition on the basis of the starting blocks of coopetition (competitive or cooperative settings), the paths of coopetition (deliberate strategy vs. emergent strategy), and the nature of coopetition (coopetition intended as a phenomenon vs. coopetition as a strategy).

In the concluding section, we outline a synopsis of Eastern and Western thoughts on coopetition strategy, draw some conclusions underlining our study's implications for coopetition theory and, more generally, for paradoxical strategies. Then, we discuss the limitations of this study and gather the main avenues for future research on this topic.