

## **Boundary zones in business networks**

*Chairs: Prof Simone Guercini, Florence, and Assoc Prof Christopher Medlin, Adelaide*

[simone.guercini@unifi.it](mailto:simone.guercini@unifi.it)

[chris.medlin@adelaide.edu.au](mailto:chris.medlin@adelaide.edu.au)

Boundaries have been essential to the theoretical development of the Industrial Marketing and Purchasing (IMP) approach (Munksgaard, Olsen, & Prenkert, 2017). However, conceptual development of boundaries has lagged. The usual way to treat boundaries in the literature is as static physical or conceptual artefacts. In this track we want to challenge this idea by proposing that boundaries are comprised as zones of interaction.

The interactivity of the business world speaks to enacted business relationships and the networks they form (Håkansson & Snehota, 2017). In the IMP perspective firms seek to gain and hold positions in networks (Johanson & Mattsson, 1992) which are always imbalanced (Håkansson & Johanson, 1993). Researchers and practitioners for practical, analytic or some other reason must according to Huemer, Becerra, and Lunnan (2004, 63) “divide the network up by introducing a number of apprehensible boundaries. Thus it would be incorrect to describe the IMP view as lacking boundaries—indeed, the opposite is nearer the truth.” (Huemer et al., 2004, 63) Thus, the view that a firm network exists without boundaries needs further research. We presume the activities to gain and hold positions speak to boundaries created by firms and business relationships.

Dividing the network with boundaries needs, however, attention to the form of division. One can as a researcher or manager divide the network according to: (i) a conceptual ideal denoted by signs (Schütz, 1967; Schütz & Luckmann, 1983) or (ii) boundaries held in place by interaction inside business relationships. For example, a market boundary is likely composed of both division forms. The two forms mutually interpenetrate, although we think the second has more immediate and interesting consequences. The second is enacted between firms/entities, and within business relationships, and so we would term this form of division as a boundary zone; whereas the first is conceptual and we would surmise is not a zone. Still the ideals/signs, for example boundary objects, must indicate zones (see Abbott, 1995). The zone concept implies that interaction between firms occurs within enacted time and space, concepts aligned to the interactive view of business in networks.

We presume that when and where actors create boundaries these do not only concern the organization but also the environment that they recognize outside. Boundaries are not just between organization and context, but they are in context. Further, the firm or organization can be defined for the role assumed with respect to these boundaries. For example, the “literature dealing with local networks has espoused a vision of the focal firm as a leading enterprise with an important role on the boundaries between the local community and the external environment.” (Guercini & Runfola, 2015, 269) This means the relevant boundaries are not only those of the organization and the others created within it to direct and regulate its functioning, but also those that the organizational actors conceive and represent in the context outside. Add to these thoughts multiple actors, or firms, and that each is enacting and changing multiple external boundaries and the theorization of boundaries as zones is coming into focus, rather than simple boundaries.

In this track we seek to explore boundary zones created within and by managers inside their business relationships and their networks. We assume that boundary zones enclose, both spatially and temporally, a host of networks, e.g. market spaces, value nets, innovation nets,

entrepreneurial nets. We think that past and future temporal boundary zones are particularly important in re-shaping and orchestrating innovations and entrepreneurial nets. On the other hand while the endless connections of networks mean they are forever imbalanced (Håkansson & Johanson, 1993), spatial boundary zones might offer a degree of steadiness although never absolute, but nevertheless providing the means to direct and secure activities. Further we expect organic, disruptive and directed boundary zone variations are important in understanding network and institutional change (Medlin & Guercini, 2018).

Suitable themes for papers in this track include:

- Boundary objects in interaction zones
- Coopetition
- Enacting entrepreneurial futures
- Innovation as enacted futures
- International business
- Network change, imbalance
- Institutional change
- Development of institutional entities
- Market forming, market change

## References

- Abbott, A. (1995). Things of Boundaries. *Social Research*, 62(4), 857-882.
- Guercini, S., & Runfola, A. (2015). Actors' roles in interaction and innovation in local systems: A conceptual taxonomy. *Journal of Business & Industrial Marketing*, 30(3/4), 269-278.
- Håkansson, H., & Johanson, J. (1993). The Network as a Governance Structure: Interfirm Co-operation beyond Markets and Hierarchy. In G. Grabher (Ed.), *The Embedded Firm: On the Socio-economics of Industrial Networks* (pp. 35-51). London: Routledge.
- Håkansson, H., & Snehota, I. (Eds.). (2017). *No Business is an Island: Making Sense of the Interactive Business World*: Emerald Publishing Limited.
- Huemer, L., Becerra, M., & Lunnan, R. (2004). Organizational identity and network identification: Relating within and beyond imaginary boundaries. *Scandinavian Journal of Management*, 20(1), 53-73.
- Johanson, J., & Mattsson, L.-G. (1992). Network positions and strategic action: An analytical framework. In B. Axelsson & G. Easton (Eds.), *Industrial Networks: A new view of reality* (pp. 205-217). London: Routledge.
- Medlin, C. J., & Guercini, S. (2018). *Boundary zones in business networks* Paper presented at the IMP Annual Conference, Marseilles, France.
- Munksgaard, K. B., Olsen, P. I., & Prenkert, F. (2017). Boundaries of Business Actors and Networks: Theoretical and Methodological Reflections. In H. Håkansson & I. Snehota (Eds.), *No Business is an Island: Making Sense of the Interactive Business World* (pp. 213-233): Emerald Publishing Limited.
- Schütz, A. (1967). *The phenomenology of the social world*. Evanston, Illinois: Northwestern University Press.
- Schütz, A., & Luckmann, T. (1983). *The structures of the life-world, Vol II* (R. M. Zaner & D. J. Parent, Trans. Vol. II). Evanston, Illinois: Northwestern University Press.