An Inquiry into the Management Theory: Introducing Cooperative Advantage

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Abstract

Although scientists and philosophers have debated epistemological questions since the time of Plato and Aristotle, the term Epistemology is not usually noticed in management research as mentioned in the literature by Johnson and Duberley in 2000. However, epistemology is still not usually noticed in management research. The most commonly known epistemological approaches are interpretative and positivism. The purpose of this study is to introduce a cooperative advantage model in management by addressing epistemology. The study focuses on how competitive advantage damage humankind. The study also figures out whether Management is Science or Not. The study findings show that management in fact is science and philosophy however scholars of the 20th and 21st century have made management just a discipline based on the puzzle-solving approach introduced by Thomas Kuhn in 1962. I sincerely hope the scientific community to pay attention to this research.

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Biography: Murat Kayak awarded his Ph.D. from the University of Naples Federico II (Naples – Italy), Master from Asia University (Taichung – Taiwan), and Bachelor from Muğla University (Muğla – Türkiye).
1. Introduction

Humankind’s story has started with Adem (Adam). Adem means “İnsan” (Human) in Türk Language. Humankind is Ademoğlu. We are all Ademoğlu. The first Prophet was Adam then Şit (Sheth). Then, Prophets come from Sheth’s family who is Adam’s Son then İdris (Enoch), Nuh (Noah), İbrahim (Abraham). Musa (Moses) and İsa (Jesus) come from Abraham’s son who is Ishak (Isaac) and Mohammed comes from Abraham’s son who is Ismail (Ishmael). As known, after Kabil and Habil, the war has been started among humankind. One side has been in the Truth another side has been in the False. This is the war between Truth and False. After then earth saw cruel leaders some of them were; Nemrud (Nimrod), Firavn (Pharaoh), Abū Lahab (Ebu Leheb). Humankind has suffered from cruel leaders. However, oppressed humans have not been alone. This is the case of management science and philosophy. This was only a humankind’s exam. Ontology is the study of being. Suppose that you are in the class. The teacher makes an exam you but you are not aware that you are in the exam. This world is just like a class. Waking up is not so much difficult. Understanding epistemology in order to study the nature of being is important.

Management is a discipline not a science and philosophy right now. The reason is simple; Although scientists and philosophers have debated epistemological questions since the time of Plato and Aristotle, the term Epistemology is not usually noticed in management research as mentioned in the literature by Johnson and Duberley in 2000. However, epistemology is still not usually noticed in management research. The most commonly known epistemological approaches are interpretative and positivism. The purpose of this study is to introduce a cooperative advantage model in management by addressing epistemology. The study focuses on how competitive advantage damage humankind. The study also figures out whether Management is Science or Not. The study findings show that management in fact is science and philosophy however scholars of the 20th and 21st century have made management just a discipline based on the puzzle-solving approach introduced by Thomas Kuhn in 1962. I sincerely hope the scientific community to pay attention to this research. Management is Global. Equity, Diversity, and Inclusion are to foster Global partnership sharing information, and experiences to shape the earth better for humanity.

2. What is Science and Philosophy?

2.1. Definition of the terms

According to Online Etymology Dictionary; Science is;

"...what is known, knowledge (of something) acquired by study; information;" also "assurance of knowledge, certitude, certainty..." - https://www.etymonline.com/search?q=science

Philosophy is;

"...from Greek philosophia "love of knowledge, pursuit of wisdom; systematic investigation..." - https://www.etymonline.com/search?q=philosophy
Science is "what is known, knowledge by conducting a study". The difference between information and knowledge is clear in this definition as well. On the other hand; philosophy is a "love of knowledge". Then; that is very clear that; scientists are philosophers if one is in love with knowledge. If the knowledge is Genuine; then one might argue that this knowledge is scientific knowledge. It is the Episteme. Epistemology is the theory of knowledge whereas ontology is the nature of being. Epistemology is a way for us to choose what kind of methodology is useful in a particular research question. Table 1 demonstrates the research paradigm. Interpretative epistemology is inductive reasoning whereas positivism epistemology is deductive reasoning. Inductive reasoning is theory building approach whereas positivism is a theory-testing approach.

Protagoras known with his famous words; "Man is the Measure of All Things". "All things" is important in this sentence because management is one of all things as well. In order to understand the management; then we need to look at Man. Plato as a Man, emphasized the difference between Episteme and Doxa. Who was Plato? Socrates's student was Plato; Plato's student was Aristotle. The current university system can be traced back to the ancient philosophers’ thoughts. Based on the literature, it is very clear that ancient philosophers are really scientists and philosophers. On the other hand, the Holy Bible of Christianity also has a Doxa word. According to Plato known in the literature; whereas Episteme is "Geniune Knowledge" Doxa is an Illusion. Science is all about Genuine knowledge. If knowledge is not Absolute then this is not a scientific argument. In the 21st century; why don't we have Scientists and Philosophers? Scientists and Philosophers never call their self as "I am a scientist" or "I am a philosopher". Humankind calls them as scientists and philosophers when they produce value for the humankind. Thomas Kuhn published his book entitled "The Structure of Scientific Revolutions" in 1962. The book introduces puzzle-solving science in which is the case of our current scientific system.

The current issue in the 21st century; there is a social class namely "scientific society" however this class considers only themself as scientific although most of the research articles are just puzzle-solving. For example; if you are not a scholar and reading this study; please check Google Scholar to make some research about "management" that you can easily see all the articles are related to competitive advantage. I have started to learn about competitive advantage since my Bachelor in Hospitality Management in 2005. We are in 2020 however; the students are still learning competitive advantage from Micheal Porter’s book. Some might argue that we are talking about Ancient Philosophers then why there is an issue about Micheal Porter. There is no issue with Micheal Porter’s book. The issue is current science's thought. Science is not science anymore. Science has been a money-making platform. There is no scientist or any philosophers nowadays. Not only in business or nations (Porter, 1990); there is a competition among scientific society as well. Science is suffering from puzzle-solving. Science is alone right now. Science is waiting for True Man to discover True Knowledge. That is the Truth.

All scholars might agree that science and philosophy is knowledge. Then; what is knowledge? If there is a Genuine Knowledge in the 21st Century then why don't we have scientists and philosophers nowadays? Then, that means there is no Genuine Knowledge in the current century. This is the issue of our current civilization. For example; although Einstein's theory (e.g., e=mc2) is not testable; most scholars in the scientific society consider that Einstein's theory might be right. However; science and philosophy are not about "might" which is a possibility. Once again, Science is Genuine Knowledge. The knowledge must be certain. In order to understand the nature of being (ontology) with the theory of knowledge (epistemology), an adequate methodology is required. The knowledge is not only certain but also testable. If knowledge is not testable then we can not call this as knowledge. This is a Doxa. Doxa is illusory knowledge. Knowledge in which is scientific is episteme.
Table 1. Research Paradigms

| Ontology     | Epistemology               | Methodology   |
|--------------|----------------------------|---------------|
| Nominal Ontology | Interpretative (Inductive) | Qualitative   |
| Real Ontology   | Positivism (Deductive)    | Quantitative  |

3. Is Management Science?

The answer is simply “No”. Management is not a science “right now”. With the work entitled “The nature of the firm”, Coase, (1937) formulated a research question that a product or a useful idea is generated by individuals or teams then why do we need an organization. He pointed out that because there is a transaction cost. Freeman et al., (2010) worked on Stakeholder Theory while Barney (1991) worked on Resource-Based Theory. Coopetition has become popular among scholars in management after the presentation of a series of articles related to competitive advantage in the 1980s and 1990s. Coopetition is first introduced by Brandenburger and Nalebuff, (1995), accordingly, coopetition is simply means encourage thinking cooperative and competitive to change the game. Upon the presentation of coopetition, the term has become popular among the researchers even after 25 years by publishing research in the well-known journals (e.g. Czakon et al., 2020; Estrada & Dong, 2020; Knein et al., 2019; Lascaux, 2020; Luo, 2007).

3.1. Puzzle-solving science

All might agree that a scientific argument starts with a “thought” (e.g., Czakon et al., 2020; Estrada & Dong, 2020; Knein et al., 2019; Lascaux, 2020). For example, Czakon et al. (2020) investigated managers’ perceptions of coopetition antecedents to better understand why firms adopt coopetition. Based on a random sample of 368 Polish tourism firms, they run exploratory and confirmatory factor analyses to find that antecedent used in coopetition literature converge into two latent, behavioral constructs. Estrada and Dong (2020) analyzed a panel data set from 911 Spanish manufacturing firms between 2007 and 2014, they provide empirical evidence on the often overlooked but critical detrimental effects of coopetition experience on firm profitability and reveal the asymmetric moderating role of a firm’s technological investments in information technology and R&D. They find that the impact of coopetition experience on firm profitability is negative and becomes more negative as R&D investment increases, which suggests that R&D investment may aggravate the detrimental effects of coopetition experience. Knein et al. (2019) introduced cross-functional coopetition to the international management literature by illuminating the cultural antecedents of cross-functional coopetition. They developed a cross-cultural model to analyze the influence of organizational and national culture on cross-functional coopetition. Drawing on a data set of 646 companies from seven countries, they theoretically advance and empirically validate the influence of organizational culture and the moderating role of individualism and uncertainty avoidance on cross-functional coopetition.

3.2. Micro, Small, or Medium-Sized Enterprise (SME)

Specifically, Figure 1 shows the overall argument of the study. Since the coopetition is being cooperative and competitive, is there a right game to shape the strategy (Brandenburger and Nalebuff, 1995)? Then, it is important to highlight the level of the firms.

Small and medium-sized enterprises (SMEs) are defined in the EU recommendation 2003/361. United Nation (UN) also refers the European Commission’s definition;
• Micro-enterprise: fewer than 10 employees and an annual turnover (the amount of money taken in a particular period) or balance sheet (a statement of a company's assets and liabilities) below €2 million.

• small enterprise: fewer than 50 employees and an annual turnover or balance sheet below €10 million.

• medium-sized enterprise: fewer than 250 employees and annual turnover below €50 million or balance sheet below €43 million.

The choice of MSME definition could depend on many factors, such as business culture, the size of the country’s population, industry and the level of international economic integration. Academics might agree that medium-sized firms can not compete with large sized firms even with having maximum capital €43 million.

**Figure 1.** Competition and Cooperation based on Firm Sizes
Kuhn (1962) described puzzle-solving in his work. Competitive approach increases repeated works in which is simply a puzzle-solving (e.g., Czakon et al., 2020; Estrada & Dong, 2020; Knein et al., 2019; Lascaux, 2020). This study argues that scientific revolutions can be produced by cooperative advantage not only in management but in all disciplines. The competition among businesses and nations bring competition among researchers, too. In a competitive environment; a researcher can not produce scientific knowledge. Scientific Knowledge means producing Value at the same time.

3.3. Public Property in Management with Economics Perspective

A human can not create a commodity. Humanity can only shape a product by shaping a commodity. Then, why is there a private property of a commodity? Economics is one of the fields for the Nobel Prize however Management is not. We, scholars in Management should argue that Management should be one of the fields for the Nobel Prize. However, we have to have a scientific argument for this argument. What is management then? I define management as managing the resources in an efficient manner. I am not using effectively because of effective management produce competition. Then, how can we succeed efficient manner? Simply, commodities should be public property. If a commodity is owned by a group of people or entrepreneurs who establish firms, this encourages competition for people in which has a negative impact on the development of humankind.

Why is there a private property of raw materials in which design humanity via a competitive attitude? From the subjective aspect, since from my primary school, my peers and I were trained to compete with each other. No, any true scholar can not regret that competition is not wild. Competition is wild. Why do we have to design the world with competition (Porter, 1990)? Instead of competition advantage, as a True Scholar, as a Scientist and a Philosopher, we can make scientific revolution all together (Thomas, 1962) to shape the earth with a cooperative advantage by avoiding puzzle-solving science. What is competition exactly? Why do we have to have a competition? No, we don’t have to have competition.

Figure 2 shows suppliers and buyers in the aspects of competition. For example, Tüpraş is operating refineries owned by Koç Holding in Turkey. There are a lot of products that can be manufactured by gas. Taking the example of an aerosol product in auto industry use gas in the can, large-sized and medium-sized firm produces this product. However, there is no competition in large-sized firms since the commodity is owned by Koç Holding. There is a low competition among medium-sized firms, and medium competition among small-sized firms, and high competition among micro-sized firms. If a small-sized firm can access large size firms for raw material, in this case, this firm can not produce products for some reason. For example, small-sized firms usually don’t have enough capital to invest know-how to produce products.
Figure 2. Supplying and Buying Relationship

Figure 3 provides a conceptual framework of cooperative advantage and competitive advantage. The conceptual model suggests raw materials should be public property for humanity and nature well-being and for the development of world citizens. If Raw Material is owned by a group of entrepreneurs, this encourages competition among humanity. Humanity can not create a commodity. Humanity can only discover a product or service by using a commodity. A product or service can be private property however a commodity can not be private property. This must be public property.

Figure 3. Cooperative advantage and competitive advantage
Conclusions

A human can not create a commodity. Humanity can only discover a product by shaping a commodity. Then, why is there a private property of commodity which increases competition? Coopetition has become popular among scholars in management after the presentation of a series of articles related to competitive advantage in the 1980s and 1990s. With an inductive approach, defining management as managing the resources in an efficient manner, this study advises that commodity should be public property for nature and humanity are being. If the commodity / raw materials owned by a group of people; this provides power to those actors. This produces competition among students, firms, nations. The solution is simple. Commodity should be public property. This can be solved by the United Nations. However, a product can be private property. We are all human. We don’t have to train our students with competitive skills by arguing resources are limited and wants are unlimited which encourages competition. Resources are not limited. Scarcity means resources are limited but wants are unlimited. However; resources are not defined well in the economics literature. Re-source means renewable. How do renewable material can be limited? This is a silly argument from economists.

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