

# SME internationalization as a challenge to interpersonal communication competence

## An analysis of interpersonal communication competence in networking and collaboration

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### Abstract

This paper investigates how the internationalization of small and medium-sized enterprises (SMEs) poses a challenge to the interpersonal communication competence of SME owners, managers and employees. Interpersonal communication competence is discussed particularly in the contexts of networking and business collaboration.

Collaborative arrangements even with competitors are needed in today's global business world. Through collaborative interaction it is possible, for instance, to reduce development and production costs or channel resources to creating new innovative products (Stohl & Walker 2002: 237). The expansion of business activities across international borders, in particular, requires networking and collaborative interaction regionally, nationally and internationally. Based on the literature of interpersonal and intercultural communication competence, interpersonal networks and collaborative interaction, this paper provides an analysis of the interpersonal communication competence specific to and needed in the context of SME internationalization.

**Keywords:** collaboration, intercultural communication competence, interpersonal communication competence, networks, SME internationalization

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### 1 Introduction

Until now, the topic of the internationalization of small and medium-sized enterprises (SMEs) has mainly interested business scholars. In the fields of organization, marketing or management studies SME internationalization has been approached through a variety of theories and models. However, one connecting theme for the central theories of SME internationalization is the importance of networks. As Ojala (2008: 17, 19) puts it, network relationships have a significant role in the main theories of business internationalization such as the Uppsala internationalization model (Johanson & Vahlne 1977; Johanson & Wiedersheim-Paul 1975), the network model of internationalization (Johanson & Mattsson 1988), and the internationalization new venture (INV) theory (Oviatt & McDougall 1994). In these theories networks are discussed, in particular, as an important resource (Uppsala model, INV theory), as determinants of market selection or as facilitating entry to successful resources in SME internationalization (Network model). However, what seems to have been neglected in the literature of (SME) internationalization is a deeper understanding of networking as interpersonal relationships and social interaction. The literature emphasizes the significance of network relationships, but deeper analysis of their creation, management and development is still required. No work has either been done to examine what kinds of social or communicative competencies are needed in the contexts of networking.

Scholars applying the network perspective to SME internationalization have typically discussed the internationalization process from the viewpoint of *theories of self-interest*, such as the Theory of Social Capital (Coleman 1988)(i) or the Transaction Cost Economics Theory (Williamson 1975)(ii). SME internationalization is typically realized within regional and local networks of authorities, intermediary organizations, research institutions and manufacturing and service companies which, again, can enable access to important national and international information and knowledge networks (see e.g. Sternberg

2000). The networks related to SME internationalization can thus be characterized as interdependent alliances of public and private sector firms (see Monge et al 1998). According to Monge et al (1998), in such alliances different kinds of public goods are typically created and distributed. Consequently a better approach for the study of interpersonal networks within this context is *theories of mutual-interest and collective action*.

An approach utilizing theories of mutual-interest and collective action allows examination of how participants' collective activity and their contribution to mutual or public goods produces joint value maximization and outcomes that are unattainable by individual action (Monge & Contractor 2003: 22). Given its emphasis on collective action and mutuality, it is from this perspective that the interdependency of multiple interpersonal networks related to SME internationalization is best observed. Questions of collaboration are also brought to the fore.

The application of public goods theories to private sector public goods has typically focused only on the distribution or maintenance of public goods, such as resultant effects on the global economy (Monge et al 1998: 3-4). In SME internationalization, examples of public goods as a result of networking are regional development and welfare or effects on the national economy. However, it is also worth recognizing the production of important, interorganizational communication and information public goods within these alliances. Monge et al (1998: 2) characterize these goods as connectivity (the ability of partners to directly communicate with each other through the information and communication system of the alliance) and communality (the availability of a commonly accessible pool of information to alliance partners). For its members, exchange of these goods is the main benefit of belonging to an alliance (Lewis 2006: 230). By the same token, belonging to an alliance demands active participation in the contribution of the goods, as well as open and reciprocal information sharing. Given this, networking in the context of SME internationalization is bound up with the processes of collaboration.

For these reasons this paper focuses on the essential processes in SME internationalization, namely networking and business collaboration. Networking and collaboration are here discussed from the perspective of the interpersonal communication competence of SME owners, managers and employees. The main task of the paper is to analyze *what kind of interpersonal communication competence is specific to and necessary in networking and collaboration*. To approach this goal, literature of interpersonal communication competence and intercultural communication competence is first reviewed. As the phenomena of both collaboration and networking are fundamentally communicative and relational (see Lewis 2006: 242; Heiss & Monge 2007), attention is paid to the definitions and conceptualizations of interpersonal communication competence and intercultural communication competence which focus on social interaction and interpersonal relationships.

Based on the theory of interpersonal communication competence and intercultural communication competence and with the reference also to the literature of interpersonal networks and collaborative interaction, an analysis of the interpersonal communication competence that is essential and specific to the context of SME internationalization is provided. Finally, the last section summarizes the analysis and suggests some directions for future research.

## **2 Interpersonal communication competence in intercultural contexts**

Interpersonal communication competence and intercultural communication competence are both multidimensional, multi-theoretical concepts which have been defined in many ways. In the different definitions and conceptualizations similar characteristics are, however, often emphasized. To start the synthesis, *accomplishing goals, outcomes or objectives* in interaction is explicated in many of the definitions (see Table 1 for examples). Parks (1994) associates goal-achievement in social interaction with personal control. He sees that when pursuing their goals, competent communicators exert control in social interaction in ways that are both adaptive and collaborative (Parks 1994: 611). *Adaptation* and *collaboration* are suggested as the key to the examination of intercultural communication competence as well (see Hajek and Giles 2003).

Lahey and Canary's (2002) definition of interpersonal communication competence (see Table 1) emphasizes the collaborative nature of interpersonal communication competence. Lahey and Canary (2002: 220) argue that attention to partners in interaction helps actors achieve their own goals. Possessing knowledge of the partner's goals can help the interactant to plan behaviors that contribute to perceptions

of competence and, on the other hand, to recognize the existence of incompatible goals. As Parks (1994) puts it, many of the goals in interaction are social by nature and cannot be achieved without the aid of others.

This *relational* nature of interpersonal communication competence refers also to the relational outcomes of social interaction, such as satisfying interpersonal relationships. In accordance with the definition of relational competence proposed by Spitzberg & Cupach (1984), interpersonal communication competence can be viewed as competence both in social interaction and in the creation and management of interpersonal relationships.

<b>TABLE 1</b>	
<b>Definitions of interpersonal communication competence and intercultural communication competence</b>	
<i>Interpersonal communication competence</i>	
Relational competence: 'the extent to which objectives functionally related to communication are fulfilled through cooperative interaction appropriate to the Interpersonal context'	Spitzberg & Cupach (1984: 100)
Communicative competence: 'the degree to which individuals satisfy and perceive that they have satisfied their goals within the limits of a given social situation and without jeopardizing their ability or opportunity to pursue their other subjectively more important goals'	Parks (1994: 595)
'The extent to which an interactant achieves preferred outcomes in a manner that upholds the emergent standards of legitimacy of those judging the interaction'	Spitzberg (2003: 98)
'An impression formed by an interaction partner of an actor's communication behaviors that are performed to achieve his/her goals while also to respect the partner's goals'	Lakey & Canary (2002: 221)
<i>Intercultural communication competence</i>	
'The appropriate level of motivation, knowledge, and skills of both the sojourner and the host-national in regards to their relationship, leading to an effective relational outcome'	Imahori & Lanigan (1989: 276-277)
'The ability to negotiate cultural meanings and to execute appropriately effective communication behaviors that recognize the interactants' multiple identities in a specific environment'	Chen & Starosta (1996: 358-359)
'The process of obtaining desirable communicative outcomes through the appropriate management of levels of individual/stereotype expectation in communication, given a cognitive awareness of all participants' cultural orientations, cultural history, and motivations'	Hajek & Giles (2003: 952)

Lakey and Canary (2002) explicitly define interpersonal communication competence as an impression or attribution of the interaction partner. An interesting question to consider is where to locate this competence. The actor and coactor in an interaction can judge their own competence ('I was a competent communicator'), and the competence of each other ('the other person was a competent communicator') or the interaction ('our interaction was competent') (Spitzberg 2000: 113). Thus, rather than as certain skills, abilities, techniques or tactics, interpersonal communication competence should be understood as the evaluations attributed to these behaviors (see Spitzberg 2006). Interpersonal communication competence can be described as an inference and is, hence, *subjective* by its nature.

Another fundamental characteristic of the nature of interpersonal communication competence is that it is *contextual*. This means that the same behavior can produce different outcomes in different contexts (see Spitzberg 2006). Context can refer to, for instance, the culture, time, relationship, situation or function of the communication. In accordance with this classification, networking and collaboration can be seen as functions of social interaction. Behavior evaluated as competent in networking and collaboration may not be evaluated similarly in other functions such as instruction or guidance. In the same way, competence at one time or in one culture, relationship or situation does not as such imply competence in another. (See e.g. Spitzberg 2000, 2003 for context as a multifaceted concept.) To conclude, context is not "out there" but constructed in the mind of the interactant and incorporated into both action and judgments of action (Spitzberg 2000: 112). This means that perceptions of and related to the context of interaction establish different kinds of expectations for interpersonal communication competence.

Owing to this contextual nature of interpersonal communication competence, it can be asked whether interpersonal communication competence and intercultural communication competence actually characterize the same phenomena - competence in social interaction and interpersonal relations -. However, the latter only emphasizes the cultural context of interaction. As Spitzberg (1989: 261) states, 'the fundamental *nature* of the communication process does not change given different cultural contexts; only the contextual parameters change'. The significance of the (intercultural) context to interpersonal communication competence is not underestimated in this paper but is, rather, further discussed in relation to the criteria of the effectiveness and appropriateness and the dimensions of interpersonal communication competence.

## **2.1 Effectiveness and appropriateness as criteria of interpersonal communication competence**

Effectiveness and appropriateness are typically identified as the dual criteria for the evaluation of interpersonal communication competence. Effectiveness refers to the achievement of preferable or desirable outcomes in communication. Depending on the context, effectiveness can subsume understanding, clarity and efficiency. (e.g. Spitzberg 1994). When considering what is perceived as competence in social interaction, it must be noted that the features and emphasis of the criteria are derived from the context of interaction. In high-context cultures like China accuracy may not help in accomplishing interpersonal goals such as harmony in interaction.

Appropriateness, again, can be understood as the perception of suitable behavior, politeness, correctness or legitimacy in interaction. Suitable behavior refers to avoiding the violation of valued rules, expectancies and norms. Nevertheless, sometimes to be appropriate in interpersonal communication, renegotiating the rules or norms is required. Appropriateness should therefore rather be conceived as 'the perceived fitness or legitimacy of a communicator's behavior in a given context' (Spitzberg 2000: 105). In other words, appropriateness is highly sensitive to cultural, relational or situational parameters in social interaction. Moreover, effectiveness and appropriateness must be seen as complementary systems to each other; communication that is both effective and appropriate is most probably perceived as competent. (For criteria of interpersonal communication competence see e.g. Cupach & Canary 1997, Spitzberg 1994, 2000, 2006)

An interesting point is that, according to the meta-analysis of intercultural communication competence research by Bradford, Allen & Beissen (2000), intercultural communication competence and intercultural communication effectiveness have often been operationalized as the same phenomena. Effectiveness seems to be emphasized especially in professional intercultural communication (see e.g. 'a profile of the interculturally effective person IEP' (Canadian Foreign Service Institute 2000 or 'Overseas effectiveness' (Kealey 1990) for examples). The relational and collaborative nature of intercultural communication competence should also be acknowledged more explicitly within professional contexts. As previously noted, effectiveness and appropriateness are complementary to each other, and efforts in sensitivity or legitimacy are likely to have a positive influence on achieving goals and outcomes in interaction. Over the years, the study of intercultural communication competence has been criticized for following an outcome-focused approach and concentrating on competence as effective cross-cultural adaptation (see Imahori & Lanigan 1989).

## **2.2 Dimensions of interpersonal communication competence**

Most communication scholars define interpersonal communication competence as the construction of cognitive, affective and behavioral dimensions. The cognitive dimension refers to knowledge and metacognitive skills. Competence in social interaction requires, for instance, knowledge of the communication partner, of conversing and the topic (Spitzberg & Hecht 1984: Knowledge (KNO) Measure); knowledge of communication processes, strategies and context; and metacognitive skills to plan, perceive, evaluate, control and analyze communication. (For dimensions of interpersonal communication competence, see e.g. Valkonen 2003; Spitzberg 2003, 2006.)

The affective dimension of interpersonal communication competence can be understood as motivation to communicate competently (Spitzberg & Hecht 1984: Motivation (MOT) Measure) and may be expressed in a person's willingness to approach or avoid particular situations or achieve specific objectives in interaction (Wilson & Sabee 2003: 11). Finally, the behavioral dimension of interpersonal communication competence refers to interpersonal communication skills. In the Conversational Skills Rating Scale (CSRS), a widely used measure of interpersonal communication skills, these skills are classified in terms of attentiveness, composure, expressiveness and coordination. Attentiveness refers to the quality of being interested in and attentive to a conversational partner. Composure can be understood as assertiveness and confidence, or avoidance of anxiety cues in interaction. Expressiveness relates to topical verbosity or nonverbal animation and finally, coordination refers to interaction management, including coordinated entrance and exit from conversations, nondisruptive flow of conversational turns or topic innovation. (Spitzberg 1998, 2006)

In the literature of intercultural communication, the behavioral dimension of intercultural communication competence is operationalized similarly to interpersonal communication skills (for example, see Chen & Starosta 1996, 2005). The structure of The Conversational Skills Rating Scale CSRS has also been tested in intercultural contexts (Milhouse 1993) and validated as consistent regardless of the participants' cultures. This finding supports the equivalence of perspective of interpersonal communication competence in intercultural contexts as well as Spitzberg's (1989) statement that the actual interaction process is the same even if the context of communication changes.

Milhouse's (1993) research on the applicability of interpersonal communication competence to intercultural communication contexts also resulted in finding equivalent operationalization of the Knowledge (KNO) Measure and Motivation (MTO) Measure across cultures. However, in the literature of intercultural communication and definitions of intercultural communication competence (Table 1), the cognitive and affective dimensions of intercultural communication competence are explicated somewhat differently from the cognitive and affective dimensions of interpersonal communication competence.

In Chen and Starosta's (1996: 358-359) definition of intercultural communication competence, recognition of the interactant's multiple identities in a specific environment is emphasized. Understanding and awareness of how cultures vary and how they affect people's thinking and behavior is typically characterized as intercultural awareness (e.g. Chen & Starosta 1996: 365). Korzilius et al (2007) define intercultural awareness as follows:

'Intercultural awareness is the ability to empathize and to decentre. More specifically, in a communication situation, it is the ability to take on the perspective(s) of (a) conversational partner(s) from another culture or with another nationality, and of their cultural background(s), and thus, to be able to understand and take into consideration interlocutors' different perspective(s) simultaneously.'

Secondly, knowledge of cultural parameters such as knowledge of cultural orientation and history are also brought to the fore in intercultural communication competence (see Hajek and Giles 2003 in Table 1).

The affective dimension of intercultural communication competence has also been characterized as readiness to accommodate oneself to intercultural challenges (Kim 1991: 269) or as intercultural sensitivity (Chen and Starosta 1996: 362). Intercultural sensitivity refers to the acknowledgement of and respect for cultural differences (Chen & Starosta 1996) or as Bennett (1993: 24) puts it, as 'the construction of reality as increasingly capable of accommodating cultural difference that constitutes development'. (For intercultural sensitivity see e.g. Bennett 1988, 1993.)

Conceptualizations of both the cognitive and affective dimensions of intercultural communication competence reflect cultural differences and expectations. Wilson and Sabe (2003) explain communication competence through communication theories and suggest that from the perspective of expectancy theories competent communicators are responsive to expectations (8-9). However, in examinations of intercultural communication competence, expectations related to social interaction are typically limited only to cultural expectations. Similarly, Korzilius et al (2007) admit that their definition of cultural awareness (see above) does not take into account the individual, episodic and relational components which should also be represented if a person is to be considered interculturally aware.

The perspective of intercultural communication competence alone is too narrow for the examination of competence in social interaction and interpersonal relationships, even if the context is intercultural. The perspective of intercultural communication competence mainly acknowledges only one dimension of the multifaceted concept of context: culture. It is better then to see intercultural communication competence as a sub-concept and part of the broader interpersonal communication competence. Making communication choices and enacting communication appropriate to the setting entails perceiving the contextual parameters and identifying the variables that influence the situation (see Duran and Spitzberg 1995: 260). Admittedly, this can be challenging, especially in intercultural contexts, in which appropriateness requires both recognizing different kinds of cultural values and flexibility both in behavior and with one's cultural identity. Nonetheless, adaptability, sensitivity and respect are not needed only in cultural terms, but within the broader context of any social interaction, where situation, function, time and relationship are also factors.

Finally, it is important to note that these behavioral, cognitive and affective dimensions are interrelated and are all part of interpersonal communication competence. The cognitive and affective dimensions are needed to produce and display the behavioral dimension, interpersonal communication skills. Skills are the actual manifested behaviors which attempt to achieve goals and understanding in interaction (Spitzberg 2003: 95) or as Kim (1991: 270) puts it, the behavioral dimension can be understood as carrying out what a person is capable of in the cognitive and affective dimensions.

In this section the concepts of interpersonal communication competence and intercultural communication competence have been discussed. It has been concluded that intercultural communication competence is part of interpersonal communication competence; the concepts are not separate. In the next section, interpersonal communication competence will be examined particularly in the contexts of networking and collaboration and from the perspective of SME owners, managers and employees. An analysis of interpersonal communication competence in networking and collaboration will be provided based on the literature reviewed in this section and the theory-base of interpersonal networks and collaborative interaction.

### **3 Interpersonal communication competence in networking and collaboration**

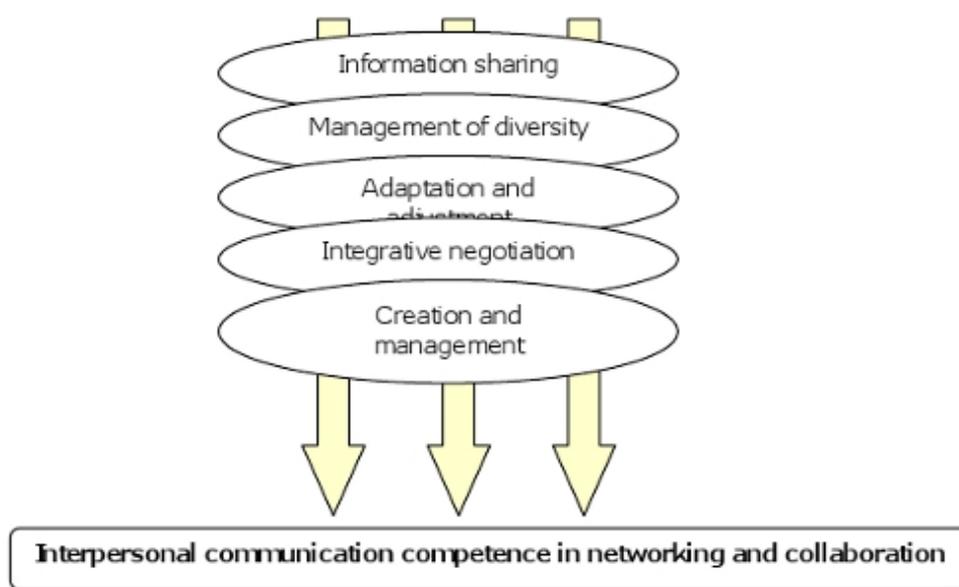
When aiming to examine the interpersonal communication competence specific to and needed in the internationalization of SMEs, it is first useful to summon up the main parameters of the context. The internationalization of business activities across international borders requires networking and collaborative interaction regionally, nationally and internationally. Hence, it is appropriate to confine the examination particularly to the contexts - or functions - of networking and collaboration. The contexts of social interaction are also often multicultural. This must also be taken into account in the analysis of interpersonal communication competence in SME internationalization.

From the perspective of theories of mutual interest and collective action as well as of research in collaborative interaction (see Lewis 2006; Stohl & Walker 2002), it can be argued that networking and collaboration as functions are closely connected. To be competent in both of these communication contexts requires similar kinds of skills, knowledge and motivation. Here this competence is analyzed through the theory-base of interpersonal communication competence, intercultural communication competence and interpersonal networks and collaborative interaction. Instead of providing a molecular list of certain communication skills, knowledge and attitudes needed in networking and collaboration, interpersonal communication competence is examined through five areas of competence which are seen here subjective to the context: information sharing; the management of diversity; adaptation and adjustment; integrative negotiation; and the creation and management of relationships. These areas of

competence can also be understood as the specific challenges to the interpersonal communication competence of SME owners, managers and employees which the process of SME internationalization poses.

These areas of competence are illustrated in Figure 1. The figure shows that they are interconnected and overlapping, and together they illustrate the kind of interpersonal communication competence that is essential and specific to networking and collaboration. The three arrows in the figure signify the three dimensions of interpersonal communication competence and show that skills, knowledge and motivation are all included in the appointed areas. The areas of interpersonal communication competence in networking and collaboration are discussed further below.

**FIGURE 1**



## Areas of interpersonal communication competence in networking and collaboration

### 3.1 Information sharing

For participants, the exchange of expertise, information and knowledge can be seen as the main benefit of belonging to business networks and collaborative groups (see Lewis 2006: 230). Based on the literature of collaborative interaction and the theories of mutual interest and collective action, it can be said that mutuality, reciprocity and openness are the criteria for competent information sharing in the contexts of collaboration and networking. For SME owners, managers and employees, these criteria create challenges in terms of activeness and participation as well as creativeness and innovativeness in conversations and meetings. To contribute to the mutual or public good, it is necessary to contribute one's own objectives, ideas or proposals to the commonly accessible pool of information for one's alliance partners (see Monge 1998).

It is also important to acknowledge that the groups collaborating often have unstable and ambiguous borders. They are always closely connected to broader networks and are interdependent with the contexts in which they are embedded (Stohl & Walker 2002). It is therefore useful for collaborating groups if their members have the ability 'to determine who in their social networks can link them to the needed knowledge and skills' (Stohl & Walker 2002: 249). For SME owners, managers and employees it is thus important to recognize what kind of information and other resources exist within their interpersonal networks, and how these resources could help their collaborating group or partners. Stohl and Walker (2002: 242) also claim that the collaborating group's ability to access and use the needed knowledge is even more dependent on members' networks than on the group's openness or its supportive climate.

### 3.2 The management of diversity

According to Lewis's (2006) review of collaborative interaction in communication scholarship and research agendas, in the definitions of collaboration the features of 'coordinated, joint action', 'mutual

and shared goals' or 'mutual exchange' are typically emphasized. However, as Lewis (2006) also remarks, individual goals are also (often) involved in collaboration and the members in collaborating groups are therefore rarely unanimous in their goals and activity. Stohl and Walker (2002: 242-243) argue that members' individual and organizational goals that are in any way distinct from the overall objective can become sources of tension and distrust in collaboration. Members in collaborating groups are committed to multiple targets including the targets of their partner organization (Stohl & Walker 2003: 245), and this can create problems in achieving trust, commitment or reciprocity within the collaborating group. This complexity puts particular strain on the collaborating and networking partners' interpersonal communication competence. SME representatives must firstly have knowledge and understanding of and secondly pay attention to the multiple organizational affiliations of their collaborative partners and to how these affiliations may affect their goals, tasks or roles in the interaction and on a wider scale in their larger networks.

The diversity among the individuals in any collaborating groups and networks must be not only acknowledged, but also respected. Respect for others' values, even if they are different from one's own, and equity in collaboration are important. Questions about equity, equality or ethics in business collaboration are always complex. Since in collaboration related to SME internationalization there are always organizational goals, conflicts may arise not only between the various interactants' values and goals on the personal level, but also between these personal values and the organizations' values. Ethics is also understood differently in different cultures, which is why knowledge and acceptance of different cultures are very important in SME internationalization.

### **3.3 Adaptation and adjustment**

The complexity and multiplicity of collaboration and networking pose a great challenge in terms of adaptation and adjustment in social interaction. In the literature of interpersonal communication competence, adaptation (together with collaboration and goal-accomplishment) has been characterized as, for instance, revising one's interpretations of events and people in accordance with changing goals and situational demands; or predicting and explaining others' behavior to empathize or role-take to the degree required to satisfy one's personal goals (Parks 1995: 606). Adaptation entails possessing a diverse behavioral repertoire and adjusting effectively to changes in the surrounding context (Spitzberg (1989: 20).

The collaborating groups and networks are often temporary and changes in them may be rapid and demanding, especially in unfamiliar international contexts. Therefore, management of uncertainty and adjustment to sudden and unexpected changes have become essential facets of interpersonal communication competence in SME internationalization.

In the literature of intercultural communication competence, adaptation is often regarded as psychological adaptation – coping with frustration, stress or alienation (see Chen & Starosta 1996: 354, Kim 1991). However, adaptation in intercultural communication contexts can also refer to recognition of interactants' multiple identities in a specific environment (see Chen & Starosta's 1996 in Table 1). Especially in intercultural collaboration and networking contexts, flexibility and adaptation may be needed not only in behavior but also in the interactant's (cultural) identity.

### **3.4 Integrative negotiation**

Negotiation is not here understood merely as business negotiation (compare Numprasertchai & Swierczek 2006) but also as negotiation of the collaborating group's boundaries, borders, contexts, roles and tasks (see Stohl & Walker 2002: 242). In the context of collaboration, integrative or cooperative negotiation tactics are emphasized rather than distributive or competitive ones.

Morley (2006) reports the finding of Williams' (1993) study on effective negotiators, stating that effective cooperative negotiators were seen as fair-minded, willing to share information, actively exploring the opponent's views and avoiding using threats. Lakey and Canary's (2002) study on interpersonal communication competence in conflicts confirmed the proposition that showing support for a partner's conflicting goals and choosing integrative rather than distributive tactics to manage the conflict had a positive effect on goal-accomplishment and effectiveness in communication. These findings are highly consistent with research on collaborative interaction (Lewis 2006). When networking or collaborating,

SME representatives must be able not only to accept but to actively seek compromises, which lead to mutual or public benefits and goods.

### 3.5 The creation and management of relationships

In Lewis's (2006) review of collaborative interaction, the following communication skills or behaviors are mentioned as examples of collaborative communication skills: showing concern for others; reasoning with others; expressions of trust; using elaboration, directness and mutual concessions; providing face support; maintaining a warm and friendly tone; assertiveness; and the use of effective communication structures (230-231). These skills or behaviors could just as well be characterized as relational communication skills. In the literature of relational communication, similar skills or competencies are emphasized. Reciprocal self-disclosure, sharing informal and personal information, highlighting shared interests, showing confidence in each other and making decisions together, for instance, are emphasized in relationship formation and management (see Hargie and Tourish 1997: 360-373).

The relational nature of both networking and collaboration is set out in the research literature (see e.g. Hardy et al 2003: 323, Heiss and Monge 2007). This is why interpersonal communication competence in these contexts should be examined particularly from the perspective of relational communication.

Baxter and Montgomery (1996) take a dialogic view of interpersonal communication competence. From the perspective of their relational-dialectics theory, interpersonal communication competence is determined by multiple, valid meaning systems as well as dialectical tensions and contradictions in social interaction and interpersonal relationships. Interpersonal communication competence is realized in interaction that is sensitive to the demands and possibilities of contradiction (Wilson & Sabe 2003: 8). Attention is thus drawn from interpersonally competent individuals to competent relationships or interaction (Wilson & Sabe 2003: 29).

According to Baxter & Montgomery (1996: 1999-203, see also Wilson & Sabe 2003: 32) competent interaction is realized through respect to multivocality (recognizes and is sensitive to multiple, simultaneously salient meaning systems in interaction), fluid dialogue (engages the ongoing exchange and joint action) and creativity (creates ways to coordinate action without sharing the same meaning systems (Pearce 1989)). It must, however, be acknowledged that Baxter and Montgomery's (1996) relational-dialectics theory concerns especially close relationships. This is why it is applicable to the context of SME internationalization only selectively and with acknowledgement of the professional nature of the interpersonal relationships in question. In any case, it can be concluded that in networking and collaboration, SME representatives need to manage relational communication that creates understanding among the interactants as well as mutuality and trust.

## 4 Concluding remarks

Given the significance of networking and business collaboration in the internationalization of business operations, interpersonal communication competence is an important resource and asset in the process of SME internationalization. Based on the literature of interpersonal communication competence, intercultural communication competence, collaborative interaction and interpersonal networks, five areas of interpersonal communication competence become focal in SME internationalization: information sharing, the management of diversity, adaptation and adjustment, integrative negotiation, and the creation and management of relationships. These areas of competence were seen here as specific to the contexts of networking and business collaboration.

These areas of competence were considered in the light of the two criteria of interpersonal communication competence: effectiveness and appropriateness. In the contexts of collaboration and networking pursuing one's own (business) goals in any interaction should be done in such a way that it is acceptable to the other parties and does not jeopardize the continuation of the relationship. Task accomplishment or goal achievement in collaborative interaction is often dependent on relational communication and the robustness of the interpersonal relationship. Teng's (2007) study on collaborative intercultural study programs, for instance, showed that students felt they needed to know the members of their collaborating group 'well enough to collaborate'.

However, there are also difficulties in depending on the relational perspective to interpersonal communication competence in the context of SME internationalization. The research literature on relational communication, in particular Baxter and Montgomery's (1996) relational dialectics theory, often discusses interpersonal communication competence in *close* relationships. Furthermore, Baxter and Montgomery (1996: 205) explicitly consider the applicability of relational dialectics theory in different cultures (see also Wilson & Sabee 2003: 38). It also needs to be pointed out, as Lewis (2006: 239) does, that the collaboration literature also depends on assumptions of 'western' communication styles and characteristics.

For these reasons, empirical research is needed to study how interpersonal communication competence is perceived by SME owners, managers and employees and their main national and international collaborative partners in SME internationalization. Citing Lewis (2006: 238) further: 'Research needs to further analyze how participants in collaboration manage this type of interaction, how they recognize it as appropriate, and how they evaluate their experiences with it'. Attitudes, expectations and evaluations of interpersonal communication competence in networking and collaboration should be further examined in a wide range of cultural contexts.

Numprasertchai and Swierczek's (2006) research interestingly indicated that at the same time there seem to be both culture-specific and culture-general standards for business negotiations. In today's global business world, it would be interesting to study whether, for example, traditional Asian values affect perceptions of networking and collaboration competence in international business relations or whether these perceptions could be considered universal in these contexts.

## NOTES

i Arenius (2002), for instance, has studied the creation of firm-level social capital and its' exploitation in the process of internationalization.

ii See e.g. Ruzzier et al (2006) for the Transaction cost approach to SME internationalization.

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