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Innovation in SMEs through the lens of gift exchanges between owner-managers and employees

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The purpose of this paper is to understand innovation in SMEs by focusing on the gifts exchanged by both owner-managers and employees. Using the Maussian approach to the gift, as well as the literature on innovation in SMEs, a case study was conducted within an SME. The results show that the logic of the gift is characterized by an implicit request made by the manager, by gifts naturally exchanged between the two parties, and by counter-gifts not returned by the manager, a source of frustration and disengagement.

— *Keywords: SME, innovation, gift, owner-manager, relationships*

Introduction

Innovation in the SME context has drawn much scholarly attention in recent years (Curado, Muñoz-Pascual, & Galende, 2018). Innovation is “an intra- and inter-organizational, deliberate process that leads to the proposal and adoption of a new product by an individual, group of individuals or an organization” (Fernez-Walch and Romon, 2017: 24). Authors thus adopt a vision of innovation that is part of a process-based logic. This perspective sheds light on the relationships established between the individuals taking part in the innovation, and the exchanges that take place within this framework. Grounding oneself in such an approach implies taking an interest in the choices made, actors’ behavior and the events leading to a result (Gopalakrishnan & Damanpour, 1997). Nonetheless, the innovation process in SMEs is still largely unknown (De Jong & Marsili, 2006). In fact, these organizations face obstacles due to limited human and financial resources. Yet their specificities also confer advantages: they benefit from centralization of power and strong proximity, which allows the owner-manager to build strong relationships with the employees. These characteristics make SMEs flexible organizations in which mutual adjustments and exchanges are favored (Torrès & Julien, 2005). Further, building on relationships within the organization seems to be a promising avenue that

is nonetheless underexplored in the literature. However, Alter has emphasized that “innovating presumes the ability to cooperate, to mobilize one’s own resources, but also those of colleagues” (2011:8). More specifically, given the owner-manager’s preponderance in the SME context, the present study focuses on the relations between the owner-manager and the employees in an innovation process. To better understand this relational dimension, we use Mauss’ logic of “give, receive, give back” (1925). Caillé and Grésy (2014) add the issue of demand, which precedes the logic of the Maussian gift. We define giving as an interested and consensual gesture that is part of a relationship between actors, one which generates mutual indebtedness. Within organizations, gift/counter-gift relations between actors can take a vertical, horizontal or even longitudinal trajectory (Caillé & Grésy, 2014). Referring to the culture, values and objectives of the organization, the vertical dynamic implies an exchange with the hierarchy and, in a SME context, between employees and the owner-manager. These arguments inform the following research question: How do gift exchanges between owner-managers and employees influence innovation in SMEs?

Two additional research questions arise from this problem:

- How are gift exchanges between the manager and employees in the context of an innovation in a n SME characterized?
- What are the specific effects of gift exchanges between the manager and employees relative to innovation in SMEs?

As part of a qualitative and retrospective study, we reuse data (Chabaud & Germain, 2006) collected in a French SME that has developed a technological innovation project. The results show that the logic of giving is characterized by an implicit request made by the manager, by gifts exchanged naturally between the two parties, and the lack of counter-gifts by the manager, a source of frustration and disengagement.

We first review the literature on the theory of gift/counter-gift and discuss its specificities with regard to innovation in SMEs. Second, we describe the chosen methodology. Lastly, we analyze the case of an SME that deployed an innovative project, and conclude by underlining the theoretical and managerial contributions.

1. Literature review: from the logic of the gift to innovation in SMEs

First we present the Mauss’ approach to the gift, and then apply the logic of the gift to innovation in SMEs.

1.1. History of the theory of gift/counter-gift

During a trip to the heart of the Trobriand Islands, the anthropologist Malinowski (1922) observed the circularity and regularity of exchanges within primitive societies. Mauss’ (1925) study of archaic societies on the West Coast of North America inspired him to introduce the concept of the “agonistic gift.” The “potlatch,” he observes, is the culmination of this form of gift. The potlatch refers to a competition among tribal leaders who bestow gifts to demonstrate their generosity and establish their power. The author asserts that the object received contains the “hau” (the spirit of giving). In other words, givers who make such a gesture transmit part of themselves to the recipient.

Mauss (1925) has, more generally, lifted the veil on the unfolding and structuring of exchanges that are based on a three-step cycle: “giving, receiving, giving back.” Inspired by Malinowski’s (1922) earlier developments, he introduced the theory of gift and counter-gift.

The gift rests on dual ambivalence regarding its “voluntary character of these total services, apparently free and disinterested but nevertheless constrained and selfinterested” (Mauss, 1950: 147). If the essence of the gift is a priori disinterested, it is in fact fundamentally self-interested in that it invites a counter-gift.

The threefold obligation of giving also structures relationships within organizations. Symbolizing the first stage of the gift loop, the action of giving is akin to taking liberties, or a hidden constraint (Alter, 2012; Mauss, 1925). The giver chooses the object, the recipient or the time to give the gift. Such a gesture involves sacrificing part of the resources of various kinds held. For the recipient, receiving implies acknowledging the giver’s gesture and showing gratitude (Alter, 2009). It seems essential to emphasize that recognition and giving are two inseparable elements (Caillé & Grésy, 2014). The relationship of exchange is thus more important than the gift itself and acts on the “value of the bond” woven between the two parties (Masclef, 2013). Finally, the act of reciprocating implies that the recipient, in turn, triggers a dynamic of giving and thus forms a relationship of reciprocity between the two parties. This last step contributes to gradually building a bond of trust between the different parties and increasing individual commitment, provided that satisfaction is widespread (Alter, 2009).

More recently, the expression “four-stroke waltz” has been used to describe the logic of giving by introducing the notion of request: “to ask, to give, to receive, to give back” (Caillé & Grésy, 2014). This request is implicit or explicit, and aims to stimulate a dynamic of giving that responds to a need. It therefore seems important to identify the individual who issues the request in order to better define the stakes of the exchange.

Alter (2009) emphasizes that reciprocity is not only between two individuals, but between the individual and the community. This observation leads him to speak of generalized reciprocity in that the gift/counter-gift exchange benefits a third party (group, company, etc.), which is then responsible for the redistribution of wealth.

Further, just as gifts tend to take a multitude of forms such as trust or support (Alter, 2009), Caillé and Grésy (2014) note that gift/counter-gift relationships can follow several trajectories. Given the significant influence of the owner-manager in an SME context, we have chosen to focus on vertical gift/counter-gift relationships.

1.2. Innovation in SMEs through the gift lens

To link gifts and innovation in an SME context, we review the steps of the gift logic below.

1.2.1. From the leader’s request...

Among the antecedents of innovation, the SME owner-manager deserves special attention (Whittaker, Fath, & Fiedler, 2016). The strategic vision of this actor engenders the innovation. Several characteristics conducive to innovation have been identified: high risk-taking capacity (Baron & Tang, 2011), leadership capacity (Vowles, Thirkell, & Sinha, 2011) and a high degree of openness to the external environment (Gronum, Verreyne, &

Kastelle, 2012).¹ Beyond the owner-manager's personality and skills, other characteristics seem to influence innovation. Romijn and Albaladejo (2002) highlight the manager's training and experience, which facilitate effective management of the organization. Note that the owner-manager plays a predominant role in SMEs given the specificities of these organizations (Torrès & Julien, 2005). SME management is centralized around the owner-manager, which reinforces the leader's power. Nevertheless, due to limited resources, the manager does not always have an R&D department or the means to invest in this area (Rammer, Czarnitzki, & Spielkamp, 2009). These authors contend that managers may take other paths, notably by enlisting the participation of their employees throughout the innovation process. Coordination is therefore achieved through direct supervision, given the informal and simple information systems and the low number of hierarchical levels. The owner-manager thus favors oral exchanges and direct contact with staff members. In addition, collaboration with employees is strengthened by the strong proximity that characterizes SMEs (Torrès & Julien, 2005). The owner-manager can thus develop relationships of trust and emotional relationships that emerge over time spent together (Adla & Gallego-Roquelaure, 2019). Although employees may play a pivotal role in innovation, managers are generally the ones who initiate the innovation process. More specifically, they formulate a request that corresponds to the expression of their need. The objective is to lead the players to engage in a gift/counter-gift relationship in the Maussian sense (1925). This step is essential in that it orients the employees' gifts, which include trust or support (Alter, 2009), toward attaining the common goal. This request can mask an initial intention that is not always perceived by employees.

1.2.2. ...to gift exchanges between actors...

Given their inherent characteristics of coordination through mutual adjustment and managers' proximity, SMEs seem to be particularly fertile ground for gift/counter-gift exchanges between actors (Adla & Gallego-Roquelaure, 2019). This form of relationship constitutes a mechanism that stimulates the development of innovation (Alter, 2011). Gift/counter-gift theory has been applied mainly at an inter-organizational level. The study by Loilier and Tellier (2004) explores the collaboration among actors situated in remote innovation networks within the open source software sector. Their results suggest that gift exchanges indeed take place among the information and communication technologies team members. These researchers found that gift/counter-gift mechanisms facilitate the development of interpersonal trust. Whereas gift/counter-gift relationships can follow an inter-organizational dynamic, this approach has rarely been used as a framework to examine innovation in an SME context. Further, these relationships can follow vertical or horizontal trajectories (Caillé & Grésy, 2014). Given the preponderant influence of the owner-manager in an SME context, we have chosen to focus on vertical gift/counter-gift relationships. In order to innovate, managers require cooperation from their employees (Rammer, Czarnitzki, & Spielkamp, 2009). Studies have focused on the personal characteristics of workers that act as levers: attitude towards innovation (Freel, 2005), level of education (Keizer, Dijkstra, & Halman, 2002) and their skills (Romijn & Albaladejo, 2002). Employees' positive attitude is concomitantly manifested in high motivation and lack of resistance to change (Freel, 2005).

1. Although the literature views the owner-manager as an antecedent of innovation, that individual may also hinder this process.

These actors will therefore offer the leader the resources they have at their disposal, thus constituting a stock of gifts that "(...) can be based on skills, knowledge, experience, etc. (...) [and] occupy a place of choice in the social ties forged within the SME" (Adla & Gallego-Roque-laure, 2019: 164).

This relationship also entails counter-gifts and is fraught with tensions.

1.2.3. ...calling for counter-gifts from the leader

Engaging in a gift/counter-gift relationship assumes a duty to reciprocate the gift. This last stage of the Maussian gift can generate tensions and conflicts, particularly in the context of innovation.

Conflicts, occurring at the interpersonal level, are likely to be affective in nature and may manifest themselves through the development of feelings of frustration or anger (Desivilya, Somech, & Lidgoster, 2010). The conflicts then profoundly detract from employee satisfaction by affecting their motivation and the quality of their relationships with other members of the organization (De Dreu & Weingart, 2003). Further, Pohl and Desrumaux (2014) affirm that tensions can be linked to an increase in requests by the company that is not matched by greater allocation of resources. These requests are consequently a real source of stress for employees. Going further, Pohl and Desrumaux (2014) warned of the harmful effects inherent in a lack of recognition of the efforts of employees who are fully engaged in the innovation process. These authors maintain that the tensions generated are likely to result from a lack of communication throughout the process, which deprives employees of sufficient support in the form of meaning.

These elements echo the logic of Mauss' gift. Within this theory, recognition and gift are two inseparable elements (Caillé & Grésy, 2014). The ingratitude of the recipient therefore has negative repercussions for the company because it may hinder future gifts. The logic of the Maussian gift is thus based on mutual indebtedness of the actors involved in the exchange relationship.

Gift/counter-gift theory can provide insight into innovation in SMEs. Whereas research on innovation and gifts generally adopts an inter-organizational perspective, our study aims to fill a theoretical gap by analyzing gift exchanges in SMEs between owner-managers and employees.

2. Research methodology

In this section we present the objective of the empirical study and the chosen case, followed by the data collection and the general analysis approach.

2.1. Objective of the empirical study and choice of single case study

Given that gift/counter-gift relationships between actors are particularly difficult to grasp at the organizational level, we examined a particular innovation project within a SME. The temporal delimitation of the project is based on the reconstitution of the different stages of the project, defined based on the perception of the actors interviewed.

To conduct this study, we began by compiling a list of the SMEs located in the Auvergne Rhône-Alpes region whose sales, size and independence criteria were in line with the definition proposed by the European Commission.² The objective was to select an SME with no more than 100 employees, which would favor local relationships. The Auvergne Rhône-Alpes region is also one of the areas where SMEs are the most active in terms of R&D investment (Bpifrance, 2018). To identify the SMEs that met the selection criteria, we cross-referenced several sources of information such as the DIANE financial database.

In the second step, we searched the Factiva database for press articles related to the pre-selected SMEs, and browsed their websites to observe their penchant for innovation. We then contacted the firm's owner-manager to ensure that this organization was a relevant case for our problem, and that the owner-manager was willing to give us access to the company during the study. Therefore, we chose to conduct an in-depth study of the phenomenon in order to account for its richness and complexity rather than examine a larger number of cases.

2.2. Presentation of the Broch case and its innovation project

Founded in 1946, Broch is an SME that initially specialized in the production of special cutting and formwork tools for turning and milling machines. In 1969, the company refocused on the manufacture of broaching tools for machining. This company has particular know-how that makes it one of the leaders in the field. In 1975, it established a partnership with one of its customers that led to the creation of the fir-tree broaching tool, which represents its first innovation. In 2016, Broch had 87 employees, and reported sales of 10.3 million euros. Its customers include major companies in the automotive, aeronautics and energy sectors. Roul³ is one such customer. Although not all of its cutting tools are manufactured by Broch, Roul regularly hires this SME to resharpen them. When setting up the broaches on the company's production machines, the Roul manager observed that several of the pieces were defective, and that their characteristics did not correspond to the specifications defined. After performing a diagnosis, the head of industrialization at Roul chose to address this broaching problem jointly with the SME in order to reduce the variability of the results obtained. More specifically, the project aimed to innovate by improving the SME's manufacturing processes significantly. To achieve this goal, Roul provided most of the budget for the project. The project was led by the company's industrialization manager, and the team also comprised three other Roul engineers.

Given the study objective of focusing on the role of the leader, below we present a profile of the owner-manager of Broch, Etienne (Box 1).

Box 1. Portrait of Etienne, Owner-Manager of the SME Broch

Etienne, who led the SME since 1996, graduated from Arts et Métiers engineering school in 1988, following which he briefly worked in an audit and business consulting firm in order to acquire finance skills. After gaining this dual expertise, he joined Broch as an engineer in 1993. Upon his arrival, Etienne noticed that the company was experiencing heavy losses resulting from the difficulties

2. <https://www.bpifrance.fr/A-la-une/Actualites/Rapport-sur-l-evolution-des-PME-decouvrez-l-edition-2017-39429>.

3. Roul, a global group with 20,000 employees, has several units located in the Auvergne Rhône-Alpes region. It specializes in precision mechanics, and more particularly in bearing ranges and transmission joints. Broch is an SME that does not belong to the Roul group.

encountered by its Singapore-based factory. These poor results forced the SME to close the unit and file for bankruptcy the following year. After two years of legal proceedings, no takeover bids had been received, so Etienne took up the challenge.

2.3. Data collection and analysis

In this research, we chose to reuse qualitative data (Chabaud & Germain, 2006) from a study conducted from 2016 to 2017 at Broch We thus reexamined “one or more sets of qualitative data, with a view to examining research questions that are different from those contained in the initial survey” (Thorne, 2004:1006). More specifically, this reuse is part of “supplementary analysis”: in other words, “a more in-depth investigation of an emerging issue or aspect of the data that was not considered or insufficiently considered in the primary analysis” (Heaton, 2004: 34). In the context of data reuse, two themes present in the initial interview guides were analyzed for each population (senior management including the owner-manager and homo donators⁴): the company and the relationship with the innovation project. In order to operationalize the theory of gift/counter-gift, we used the terms exchanges, counterparts and relationships.

In order to verify some information, and to avoid bias related to the reuse of data, we met with the owner-manager of Broch again in July 2018 and the industrialization manager of Roul in September 2018. In total, we conducted 16 interviews (Table 1), one day of observation and an in-company debriefing.

As part of process-based research, we used a temporal bracketing strategy (Langley, 1999). We thus identified sequences within the trajectory of the innovation project that were identified according to three key dates that emerged from the analysis of interviews with the owner-manager and employees of the SME. The first date is January 2014, when the project started, and the second is October 2014, when the first tensions appeared. This date also corresponds to the implicit request by the owner-manager. The third date is linked to the closing of the project in January 2016, which marks the beginning of a period of tensions linked to the absence of counter-gift or the arrival of false counter-gifts.

As Langley (1999) notes, these sequences should not be equated with the successive phases of a process. They only serve to structure the description of the facts. We therefore track the innovation project through gift/counter-gift relationships.

Our analysis approach involved coding and double coding by the two co-authors. Initially, we performed simple coding, in which the co-author who conducted the interviews analyzed each interview individually and performed an initial coding based on alternations between the study of the literature and the transcripts. After the second co-author coded the same interview data, the two codings were compared in order to establish the different categories to be retained. We have thus identified the dimensions of Caillé and Grésy's four-stroke waltz (2014): the manager's implicit request, the gifts exchanged in a natural way between the owner-manager and the employees, and the counter-gifts that the owner-manager did not bestow. Finally, based on the transcripts, we identified themes for each of the dimensions, which enabled us to construct a coding grid (Table 2).

4. The term “Homo donators” refers to employees who, regardless of their hierarchical position, are involved in the innovation project.

Table 1. Actors surveyed

| Position of the actors surveyed | Date of interview | Duration | Number of pages |
|---|-------------------|----------|-----------------|
| Executive management (EM) | | | |
| Director | 11/04/2016 | 1h19 | 26 |
| | 16/07/2018 | 2h22 | 45 |
| Managing director | 11/04/2016 | 1h45 | 37 |
| Industrialization manager | 11/04/2016 | 1h37 | 33 |
| Sales manager | 11/04/2016 | 0h55 | 19 |
| "Homo donators" involved in innovation (HD) | | | |
| Design office manager | 19/04/2016 | 1h14 | 23 |
| Workshop manager | 19/04/2016 | 0h55 | 21 |
| Middle manager 1 | 19/04/2016 | 1h02 | 22 |
| Control engineer | 19/04/2016 | 1h22 | 26 |
| Scheduling manager | 27/04/2016 | 0h40 | 14 |
| Machine designers | 27/04/2016 | 0h52 | 19 |
| Engineer trainee | 27/04/2016 | 1h15 | 25 |
| Middle manager 2 | 27/04/2016 | 0h50 | 18 |
| Team leader | 27/04/2016 | 0h40 | 16 |
| External partner (EP) | | | |
| Innovation Partner – Roul (Broch customer), industrialization manager | 10/01/2017 | 1h01 | 21 |
| | 19/09/2018 | 1h14 | 24 |

Table 2. Coding Grid

| Dimensions | Themes | Interview excerpts |
|---|---|--|
| The leader's implicit request for gifts | Detection of the actors to be mobilized | <i>"My industrialization manager is very good at implementation, which is not really my case!" (Etienne, manager).</i> |
| | Informal formulation of the request | <i>"We didn't have a meeting to talk about it. When we ran into each other one day, he told me about the project and that we could do this, etc." (Pierre, industrialization manager).</i> |

| | | |
|---|-----------------------------------|---|
| Gifts exchanged naturally between manager and employees | Acceptance of the request | <i>"I've always found it interesting! In fact, it helps to take a step back, to create skills!" (Nicolas, head of the design office).</i> |
| | Gifts offered | <i>"I am very technical cause I have a lot of experience! People often come see me to ask me if it's possible to do this or not" (Rayane, middle manager).</i> |
| | Expected counter-gifts | <i>"It's clear that when I invest myself, I hope to get a raise at the end anyway..." (Samuel, engineer)</i> |
| Counter-gifts not returned by the leader | Lack of recognition | <i>"Everybody can see that Pierre never got over not being chosen as GM after all he had done since his arrival..." (Arthur, sales manager).</i> |
| | Offer of false counter-gifts | <i>"I understand that Rayane has refused to evolve in the workshop. There is a lot of tension, it would have been complicated for him..." (Sacha, managing director).</i> |
| | Deterioration of the relationship | <i>"I know that Pierre does not take it well when I change my mind regularly and tell him that he has to do it all over again. It's often very tense between us..." (Etienne, owner-manager).</i> |

3. Results

We present the results in line with the gift logic described in the theoretical section.

3.1. The owner-manager's implicit request for gifts

The innovation project led by the company arose from an opportunity offered by an external partner. The partner was not satisfied with the quality of the tools developed by Broch. After conducting an in-depth diagnosis, the partner invited Broch's owner-manager to collaborate in order to improve the SME's manufacturing processes. Etienne accepted the proposal in order to innovate technologically. Within Broch, innovation was initiated solely by the owner-manager; he finds all the solutions.

"The innovation process at Broch is very 'Etiennian,' it's really very centered around him (...). He's the creative one! He's the Jean-Paul Gaultier of broaches!" (Sacha, managing director).

Given the scope of the project, the manager chose to enlist the help of a few employees. In order to identify the staff members to involve in the innovation process, Etienne focused on the type of links forged, specifically relations of trust. The owner-manager also shared affinities with these employees given the time spent with them and the significant events they have experienced together.

"There are people I often go to see for innovation, like Rayane, who is in the workshop, we've known each other for a long time. He never left the company even when things were going badly... He's someone I like! He knows what I'm waiting for, I don't need to tell him." (Etienne, owner-manager).

Having built relationships with the employees at the heart of the innovation, the manager got to know their personal characteristics and could easily identify their potential contributions toward attaining the common goal. Over time, these players have gradually acquired expertise and mastered the subtleties of the company's highly technical activity. As a result, they were of particular interest to the manager, who wished to carry out his innovation project.

"For me, it's more about technique and feasibility! That's why people come to consult me, I have experience on the subject, real expertise! (...) The boss comes into the workshop and explains a little bit what he wants to do, then I think about it and see how I can do it!" (Rayane, middle manager).

Because the manager quickly identified the employees he wanted to recruit to assist with the innovation process, he did not need to make an explicit request for gifts. Rather, the request was expressed during an informal exchange in the workshop or in the corridor.

"The presentation wasn't a big production! For the operators, he went into the workshop saying that the subject was next because we had a problem! For design, it was a quick chat in the corridor! That's how we started! After all, he's someone we have no trouble following. We don't forget that he saved the company! Without him, we wouldn't be here today..." (Arthur, sales manager).

"It's indispensable for us, because it's a good way to move forward, to progress and to get recognition from customers. That's important because without them, we're not there, you know... For me, it made sense when I discussed it with the boss. Afterwards, he talked about it to the others like that, in the workshop" (Pierre, industrialization manager).

Further, the request the Broch owner-manager made to the employees involved in the project remained rather vague. Etienne had difficulty communicating his expectations and defining precise roles.

"We gave it all we had, as always, in fact! We didn't know what the boss wanted exactly but we each went with the information we had, our experience, our skills! That's how we place a stone in the building little by little. But watch out, it's not always easy when you don't know where you're going..." (Paul, workshop manager)

3.2. Gifts exchanged naturally between manager and employees

This project made sense to Broch employees who wanted to help build the structure. A few workers expressed a desire to get involved because of their attachment to the company, but the vast majority of employees had more personal motivations.

"Doing a project like this motivates me! It stimulates my intellectual curiosity! I need it to get out of this strange everyday routine..." (Rayane, middle manager).

The owner-manager successfully mobilized the employees he wanted to involve in the innovation project and gained their support. In order to encourage them to participate,⁵

5. Engagement refers to individuals' commitment to the common goal and the gifts offered in this context.

this pivotal actor displayed his trust in the workers by giving them more autonomy in order to encourage initiative and experimentation for the benefit of the project. The participating employees thus enjoyed considerable freedom.

Moreover, the manager is fully aware that failure is part of innovation. He consequently recognizes the right to make mistakes.

"The good thing about this is that we're not necessarily going to look at you and tell you that you didn't do anything because you spent time on tuning, it has those advantages too. They trust us! It's still interesting to do tests, especially when you have projects like that, to have a manager like that, which is even more important, strong (...)" (Rayane, middle manager).

In return, the employees offered the manager a multitude of gifts. They channeled their expertise into the project. In other words, they shared their skills, experience, knowledge and representations.

"It's not a job you learn in school, what we do here! It's in the field, developing sharp skills over the years, talking with the veterans!" (Paul, workshop manager).

"Pierre shared his vision for improving the quality of tools and processes with the boss. He has great experience in the industry, it's interesting how he sees things" (Nicolas, head of the design office).

Some members of the company also did not hesitate to give their time, energy and support to the actors involved in the project.

"They spent many hours working on the project, even after their working hours... I'm well aware of that! They put a lot of elbow grease in it too, it pumped a lot of power out of us all the same!" (Etienne, Manager).

"We supported each other anyway, I gave advice on technical points of process engineering, information. I shared my knowledge to avoid making the same mistakes!" (Samuel, engineer).

In return for the various gifts offered, employees hope to satisfy their personal interests. By engaging in this exchange relationship, they anticipate that the manager will meet their expectations.

"When you make efforts, it's normal that they be rewarded! An increase in salary has never hurt anyone... Many of us think that way!" (Samuel, engineer)

"At the end of the day, it's not just about the money. I aspire to be a technical salesman to get out of production and bring all my experience, that's my goal" (Rayane, Intermediate Manager).

3.3. Counter-gifts not returned by the manager

The lack of spontaneous recognition by the leader caused deep disappointment among the "homo donators" involved in the project. The absence of a display of gratitude amounts to denying the gifts that the employees offered the manager. In the end, the lack of

recognition is likely to lead to employee disengagement. The leader did not offer any bonuses or promotion following the recent innovations.

"If we don't ask for a raise and we wait, we won't get one... And even then, we won't necessarily get one... It's true that the boss finds it hard to say thank you, to thank people! However, increases are the best way he could do it... He will never do it on his own, I think... At the same time, we, we give it our all! But he doesn't reciprocate, so..." (Samuel, engineer).

In addition, Etienne made proposals knowing that they would not be accepted by certain employees if the counter-gift did not meet their expectations. He therefore used manipulation techniques instead of offering a meaningful counter-gift.

"I turned down the position of team leader because I knew I'd hit a lot of snags... It wasn't even a prospect that could make me happy when I was told that... I didn't want it! I regret it a little... But, it couldn't have gone well, I think... For me, it was a poisoned gift... It's hard because he's someone I really trusted after everything we've been through together..." (Rayane, middle manager).

Some SME actors experience the lack of recognition by the manager as a profound injustice. Beyond the feeling of iniquity developed, these employees do not dare to admit their suffering, even though it is perceptible.

"My arrival shook things up, there are people who saw him [Pierre] as number 2. There is one who arrived as number 2 and finally became number 1! And with a real complicity with Etienne, which he might have wanted to have but he didn't... There is perhaps a lack of love, a lack of recognition and then, one guy is put on top while he participates in many strategic innovation projects, they've been working hard to get the firm out of the very dark situation it was in... When things get better, they put one that's harvesting the fruits somewhere... Living halfway through that, from what I can hear, I've got one that's in real distress, especially since I was appointed MD in early 2016..." (Sacha, managing director).

Further, the lack of support and follow-up from the manager also caused the employees to lose reference points.

"Everyone knows Etienne's language, it's pretty funny, that, and it's pretty good! But it's more about negative messages, not positive ones... I try to value and be positive about innovation, but it's true that we still have a lot of progress to make there. We didn't support... as a result, dissemination and acceptance are complicated... Especially when you're at the end and you realize that people haven't necessarily understood..." (Sacha, managing director).

Some employees also mentioned breaks in the information transmission chain.

"You get a bit lost in it, you don't necessarily understand everything... There have been cuts in information, in the project. The last tests were complicated..." (Samuel, engineer).

Lack of recognition and loss of meaning are at the root of the employees' exhaustion during the final stages of project execution and closure. The manager did not spare his employees, just like the industrialization manager, who is also the pilot of the innovation process under study, who suffers from this situation.

"I've worn Pierre out a bit in the system, every day he takes a different one. As we are on the same industrial sector and have engineer profiles, there are limits. When he comes to structure something for me, I have the impression that he blocks it at some point, so I break what he did, and so it's not easy...". (Etienne, Leader).

4. Theoretical and managerial contributions

This research makes both theoretical and managerial contributions, which are presented below.

4.1. Theoretical contributions

Whereas Loilier and Tellier's (2004) work on innovation highlights the challenge of collaboration between actors at the inter-organizational level, our research is positioned at the intra-organizational level. More precisely, contrary to the literature dedicated to innovation in SMEs, which generally focuses on the manager (Whittaker, Fath, & Fiedler, 2016; Freel, 2000), this article covers all the actors of the firm. We compare the perceptions of the owner-manager and the employees in order to enrich our analysis and adopt a global vision. We have thus relied on their experiences and interpretations in order to understand their respective expectations and the way in which the exchanges work. Further, this research, through the theory of gift and counter-gift, illustrates the issues related to different gift trajectories (Caillé & Grésy, 2014). On the one hand, vertical trajectories between the manager and employees present weaknesses due to a lack of communication and support. On the other hand, the absence of a horizontal trajectory, i.e. between employees, creates dysfunctions. The lack of exchange and, more broadly, of solidarity between employees, ultimately leads the workers to exhaustion followed by disengagement. Not only do exchanges of gifts, such as support or time, among employees stimulate innovation in the short term, but they also create a virtuous collaboration dynamic in the longer term, likely to foster a context conducive to generalized reciprocity. Ultimately, the combination of gift trajectories would foster innovation and, more broadly, benefit the organization as a whole (Adla & Gallego-Roqueleure, 2019).

The results also highlight the leader's lack of managerial skills and his need to form an affective relationship with each employee. This relationship even led him to create tensions and, despite himself, to widen the gap between each of his employees. In addition, the owner-manager could have triggered a dynamic of giving by sharing his strategic vision with his employees (Grant, 2014). However, we observed that this initial gift was absent, which created vagueness and left room for uncertainty. Employees consequently could not unite around a common goal. In the end, the lack of the owner's managerial skills hindered innovation. This result corroborates the findings of studies that show that managerial skills present in SMEs remain underdeveloped (Rammer, Czarnitzki, & Spielkamp, 2009).

Moreover, the absence of counter-gifts generates tensions. In the SME studied, the gifts exchanged created frustration and a loss of confidence in the manager. When the

owner-manager implicitly formulated his request, the employees engaged without hesitation. This is a hidden constraint (Alter, 2012; Mauss, 1925) due to the weight of the hierarchy and the centralization of the manager's power. In other words, the recipient, namely the owner-manager, who received the gifts, undertakes to acknowledge the gesture and show his gratitude (Alter, 2009). In this case, the lack of recognition was significant. There was also a discrepancy between the expected and actual counter-gifts. Moreover, the counter-gifts obtained could be perceived as "false counter-gifts" as in the example of the so-called promotion. Aware that they were not offered any meaningful counter-gifts, the employees felt aggrieved: as a result they lost confidence in the owner-manager and were reluctant to commit themselves again to this type of project.

More broadly, the role of employees is highlighted in this article. However, contrary to the literature, it is not the profile of employees that is decisive (Freel, 2005), but rather the relationships between them that led them to exchange gifts. Accordingly, the research affirms that human resources can be an obstacle to innovation, notably due to employees' lack of training and/or qualifications (Freel, 2000). While human capital is central in the literature (Curado, Muñoz-Pascual, & Galende, 2018), we show, through the lens of the gift, that relationships prevail. Going further, the logic of the gift suggests that there are untapped resources in the SME that could be real drivers of innovation. Our research conducted in the context of SMEs thus complements Alter's assertion of "the *existence of an unexploited treasure*" (2012: 5).

Therefore, it is important to keep in mind that it is not only skills (Romijn & Albaladejo, 2002) that play a predominant role: special attention must be paid to relationships and exchanges.

4.2. Managerial inputs

Based on this case study, six recommendations can be made to managers. The first is that leaders should share their strategic vision at the outset of the project. This would give meaning to the request in a context of innovation in SMEs in order to gain maximal support among the staff. The second recommendation is to develop a culture conducive to gift exchanges, based on organizational factors such as the history of the company or the economic context in which it operates. This culture needs to be co-constructed by all stakeholders in order to strengthen their commitment. The third recommendation pertains to employee engagement, which can be facilitated when innovation is part of a *bottom-up* approach. Managers can also encourage vertical and horizontal collaboration by removing any obstacles to exchanges. The fourth recommendation refers to the detection and mobilization of *homo donators*. These are employees who have supported employees who have encountered obstacles. They are identified as soon as they are recruited, when the importance of soft skills is growing. The fifth recommendation is that managers should be more aware of employees' frustrations following the absence of counter-gifts, or disappointment following an unwanted counter-gift. It is important to be alert to the possible deterioration of the relationship between the manager and employees, and to be attentive to potential signs of frustration, such as refusal to provide services on time. However, the deterioration of social ties may produce positive effects if it raises managers' awareness. Accordingly, managers may decide to change certain practices in order to improve relations among the staff. In other words, managers could give the employees the necessary resources to facilitate their ownership of the innovation and to mitigate the risks of burnout. The implementation of feedback

is another effective strategy to dissipate frustration. The sixth recommendation is to establish and maintain virtuous collaboration by taking time to capitalize on the innovation experience. Balance sheets can be a means of identifying the “gift stock” accumulated by employees, such as the skills developed during the innovation project. Finally, we recommend that SME managers plan more team-building moments in order to strengthen the affinities created and nurture social ties that unite the players.

Conclusion

This study has mobilized the four-stroke waltz resulting from Maussian logic of the gift in order to explore the challenge of the relational dimension in the context of innovation in SMEs. More precisely, the pivotal role of the manager in the dynamics of the gift was underlined. Although the manager initiated the request, the results of our case study show that he also constituted a real obstacle to innovation by formulating a request implicitly, and by neglecting the counter-gifts expected by the collaborators who engaged in the innovation process. Even though the four-stroke waltz is off beat in this SME, we recommend that employees should be considered by involving them in projects from the start, and by taking their expectations into account.

In the logic of giving, “the bond matters more than the good” (Caillé, 2000: 124). This author argues that the focus should be on the gift's effects on the individuals who engage in the relationship, rather than on the gifts exchanged. Recognition is thus more important than the gift itself because it affects the “value of the bond” between the two parties (Mascléf, 2013).

This research also has limitations. For one, it deals with a unique case, certainly explanatory, but whose representativeness is questionable. It would have been interesting to be able to carry out a comparative study between several SMEs. We therefore plan to enlarge the sample in order to generalize the results and to guide SME managers in their innovation process by proposing more targeted avenues for reflection.

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