

BEYOND CONFLICT RESOLUTION: MEDIATION AS A STRATEGIC CAPABILITY IN ENTREPRENEURSHIP

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ABSTRACT

This study analyses the theoretical and conceptual framework of mediation and its relationship with entrepreneurship. Mediation, an ancient practice that has evolved into a recognised discipline, represents a fundamental tool for the peaceful resolution of conflicts. In the entrepreneurial context, the role of the mediator closely parallels that of the entrepreneur, as both rely on creativity, communication, and negotiation to overcome challenges. The study, conducted in Lebanon with a sample of 266 entrepreneurs enrolled in incubation programmes, highlights the importance of mediation skills in managing organisational and interpersonal conflicts. The findings indicate that the majority of participants consider these skills essential for maintaining professional relationships, reducing costs, and preserving emotional stability. The integration of mediation training into university curricula is therefore recommended in order to strengthen future entrepreneurs' capacity to manage tensions, foster innovation, and support sustainable development.

Keywords: Mediation; Entrepreneurship; Conflict Resolution; Entrepreneurial Competencies; Organizational Sustainability; Innovation.

1. INTRODUCTION

Entrepreneurial activity takes place in environments characterised by uncertainty, continuous decision; making, and frequent interactions with multiple stakeholders. As entrepreneurs establish relationships with employees, customers, suppliers, investors, and business partners, differences in opinions, interests, expectations, and values naturally emerge. These differences often generate interpersonal and organisational conflicts that, if not managed effectively, may undermine communication, collaboration, innovation, and long; term business sustainability. Effective conflict management has therefore become an essential competency for entrepreneurs operating in increasingly dynamic and competitive environments (Liu et al., 2023; Makdissi et al., 2020; Yin et al., 2020).

Human interaction is inherently relational, and conflict represents a natural consequence of social and organisational life. Behavioural and economic sciences have demonstrated that individuals do not always make perfectly rational decisions, as judgement is frequently influenced by cognitive biases, emotions, and contextual factors (Abatecola et al., 2022). Within entrepreneurial settings, where uncertainty and high; stakes decisions are commonplace, these behavioural dimensions further increase the likelihood of conflict (Sasseti et al., 2022). Consequently, entrepreneurs require structured approaches that enable constructive dialogue, facilitate collaboration, and

transform disagreements into opportunities for organisational learning and improvement (Meng, 2022).

Mediation has progressively evolved from an informal conflict resolution practice into a recognised professional discipline applied across legal, organisational, educational, commercial, and social contexts (Munduate et al., 2022). Rather than merely resolving disputes, mediation promotes communication, negotiation, mutual understanding, and collaborative problem solving through the intervention of a neutral third party (Munduate et al., 2022). Within entrepreneurial environments, these competencies extend beyond conflict management and contribute to leadership effectiveness, relationship building, creativity, resilience, and organisational sustainability (Pu et al., 2022; Feeney et al., 2022). In this sense, mediation can be viewed not only as a dispute resolution mechanism but also as a strategic capability that supports entrepreneurial success.

Despite the growing importance of mediation in professional practice, relatively limited empirical research has examined its strategic role within entrepreneurship, particularly in developing entrepreneurial ecosystems such as Lebanon. Existing studies have largely focused on mediation as an alternative dispute resolution mechanism, while its broader contribution to entrepreneurial competencies and organisational performance has received comparatively less attention (Thai et al., 2023; Munduate et al., 2022). This gap highlights the need for empirical evidence exploring how mediation can enhance entrepreneurs' ability to manage workplace conflicts while simultaneously strengthening innovation, collaboration, and sustainable organisational development (Kusa, 2023).

Accordingly, the primary objective of this study is to examine the role of mediation as a strategic capability in entrepreneurship and to evaluate its effectiveness in managing workplace conflicts. More specifically, the study investigates entrepreneurs' perceptions of mediation, their experience with mediation practices, the perceived benefits of mediation within entrepreneurial organisations, and their willingness to integrate mediation into future organisational practices.

To achieve this objective, the study addresses the following research question:

How does mediation contribute to conflict resolution and organisational effectiveness within entrepreneurial environments?

Based on this question, the following hypotheses were formulated:

- **H1:** Mediation constitutes an effective strategic capability for resolving entrepreneurial conflicts and improving organisational performance.
- **H0:** Mediation does not have a significant effect on the resolution of entrepreneurial conflicts or organisational performance.

This study contributes to the entrepreneurship and conflict management literature by proposing a broader perspective on mediation that extends beyond traditional dispute resolution. By combining a theoretical review with empirical evidence collected from entrepreneurs participating in incubation programmes in Lebanon, the study demonstrates how mediation competencies, including communication, negotiation, creativity, empathy, and stress management, can

strengthen entrepreneurial resilience, preserve professional relationships, and support sustainable organisational development.

2. LITERATURE REVIEW

2.1. Conceptual and Theoretical Foundations of Mediation

Mediation is one of the oldest forms of conflict resolution and has progressively evolved into a recognised professional discipline (International Mediation Institute [IMI], 2024). The term *mediation* originates from the Latin verb *mediāre*, meaning "to be in the middle" or "to intervene," reflecting the essential role of a neutral third party in facilitating dialogue between conflicting parties (Moore, 2014). Although initially practised informally within communities through respected elders and community leaders, mediation has gradually become institutionalised and is now governed by internationally recognised principles, professional standards, and ethical frameworks (United Nations Commission on International Trade Law [UNCITRAL], 2021). Today, mediation is widely applied across legal, commercial, organisational, educational, environmental, and international contexts as an effective and collaborative approach to conflict resolution (Singapore International Mediation Centre [SIMC], 2023).

The theoretical foundations of mediation are supported by several well-established perspectives that explain both the origins of conflict and the mechanisms through which conflicts can be managed constructively. Maslow's hierarchy of needs suggests that unmet physiological, safety, social, esteem, or self-actualisation needs may generate frustration and interpersonal tensions that eventually lead to conflict (Maslow, 1943; Hopper, 2020). Mediation provides a structured environment in which these underlying needs can be identified, acknowledged, and addressed before disagreements escalate. Similarly, Fisher and Ury's theory of principled negotiation advocates focusing on interests rather than positions, encouraging mutually beneficial solutions based on objective criteria rather than adversarial confrontation (Fisher et al., 2011). Mediation operationalises these principles by facilitating collaborative dialogue and interest-based negotiation.

Additional theoretical perspectives further reinforce the relevance of mediation. Restorative justice theory emphasises repairing relationships, rebuilding trust, and promoting accountability instead of assigning blame or punishment (Zehr, 2015; Suzuki & Wood, 2024). Communication theory highlights the importance of effective interaction in preventing misunderstandings, while systems theory explains how dysfunctional communication patterns may intensify conflicts within organisations (Aritz et al., 2023). By promoting active listening, transparent communication, and collaborative problem-solving, mediation directly addresses these behavioural and relational dynamics, enabling parties to restore constructive relationships and achieve sustainable outcomes (LeBaron et al., 2023).

Beyond its theoretical foundations, mediation is guided by a comprehensive ethical framework that ensures fairness, neutrality, and professionalism throughout the mediation process. Core ethical principles include impartiality, confidentiality, voluntariness, party autonomy, professional competence, integrity, and respect for cultural and contextual diversity. These principles strengthen trust in the mediation process while preserving the parties' decision-making authority.

and encouraging mutually acceptable solutions. Within organisational and entrepreneurial settings, adherence to these ethical standards contributes to stronger professional relationships, enhanced organisational trust, and long; term stability (Nolan-Haley, 2022).

Consequently, mediation should not be viewed solely as an alternative dispute resolution mechanism. Rather, it represents a structured relational process that promotes dialogue, cooperation, and sustainable conflict management (Nolan-Haley, 2022; LeBaron et al., 2023). Its multidisciplinary theoretical foundations and ethical principles provide a robust framework for improving interpersonal relationships, organisational effectiveness, and collaborative decision; making across diverse professional environments (LeBaron et al., 2023).

2.2. Entrepreneurship: Opportunities and Challenges

Entrepreneurship has undergone significant conceptual evolution over the past decades, expanding from a narrow focus on business creation and risk; taking to a broader perspective centred on innovation, opportunity recognition, and value creation. Contemporary entrepreneurship is increasingly recognised as a dynamic process that integrates economic, social, and institutional dimensions. Rather than simply establishing new ventures, entrepreneurs identify opportunities, develop innovative solutions, and generate value for multiple stakeholders while operating in environments characterised by uncertainty and continuous change (Alameddine et al., 2022).

One of the principal motivations for entrepreneurial activity is the pursuit of autonomy and independence. Entrepreneurship enables individuals to exercise greater control over their professional decisions, align their work with personal aspirations, and shape the strategic direction of their ventures. Research cited in the literature highlights autonomy as a major source of entrepreneurial motivation and career satisfaction. Beyond personal fulfilment, entrepreneurship also creates opportunities for financial growth through innovation, market responsiveness, and continuous adaptation to changing customer needs. Successful entrepreneurs generate value not only for themselves but also for customers, employees, investors, and society through the development of innovative products and services that address emerging market demands (Moucachar et al., 2023).

Innovation and creativity constitute fundamental dimensions of entrepreneurial success. Entrepreneurship provides an environment that encourages experimentation, opportunity recognition, and the development of new business models capable of responding to rapidly evolving technological and market conditions (Kim & Jin, 2024; Lin et al., 2024). Maintaining competitiveness increasingly depends on entrepreneurs' capacity to innovate continuously while adapting their products, services, and organisational strategies to environmental changes (Ishaq et al., 2024). In addition to economic value creation, entrepreneurship contributes significantly to employment generation, local economic development, and social cohesion. Throughout this process, entrepreneurs continually develop new competencies, strengthening their adaptability, resilience, and professional capabilities (Makdissi et al., 2023).

Despite these opportunities, entrepreneurship is accompanied by considerable challenges that may threaten both venture creation and long; term sustainability. Access to financial resources remains one of the most significant obstacles, particularly during the early stages of business development

(Mekdessi et al., 2025). Entrepreneurs must also compete in increasingly saturated and digitally connected markets, requiring them to differentiate their value propositions and continuously innovate to remain competitive (Saliba et al., 2025). At the same time, they operate under conditions of uncertainty, making strategic decisions despite incomplete information and accepting the possibility of failure as an inherent component of entrepreneurial activity (Makdissi et al., 2023).

Entrepreneurs also encounter important organisational and interpersonal challenges. Building and managing cohesive teams requires effective leadership, communication, and conflict management skills, particularly when competing with larger organisations for qualified talent. Regulatory and administrative requirements may further complicate business operations, while balancing professional responsibilities with personal well-being remains an ongoing concern. High workloads, financial pressures, and continuous decision-making often expose entrepreneurs to elevated levels of stress and emotional fatigue, increasing the importance of competencies that promote resilience and constructive interpersonal relationships (Masri et al., 2022).

Overall, entrepreneurship represents a multifaceted process in which opportunities for innovation, independence, and value creation coexist with significant organisational, financial, and relational challenges (Shepherd, Wennberg, Suddaby, & Wiklund, 2019; Neessen et al., 2021). Success therefore depends not only on technical and managerial expertise but also on behavioural competencies that enable entrepreneurs to navigate uncertainty, build sustainable relationships, and effectively manage workplace tensions (Bagheri & Akbari, 2024; Makdissi et al., 2025). These realities provide the foundation for examining mediation as a strategic capability that can strengthen entrepreneurial performance and organisational sustainability.

2.3. Mediation as a Strategic Capability in Entrepreneurship

While mediation and entrepreneurship originate from different academic disciplines, they share a common foundation based on problem-solving, communication, negotiation, and relationship management (Bagheri & Akbari, 2024; LeBaron et al., 2023). Both mediators and entrepreneurs operate in complex environments characterised by uncertainty, competing interests, and the need to generate constructive solutions. Consequently, mediation extends beyond its traditional function as a conflict resolution mechanism and emerges as a strategic capability that equips entrepreneurs with essential behavioural competencies for managing organisations effectively (Pu et al., 2022).

Communication represents one of the strongest intersections between mediation and entrepreneurship. Mediators rely on active listening, empathy, and structured dialogue to facilitate mutual understanding among conflicting parties. Similarly, entrepreneurs must communicate effectively with employees, customers, investors, suppliers, and strategic partners to articulate their vision, negotiate agreements, and build trust-based relationships (Cardon et al., 2022; Makdissi et al., 2020). Clear, respectful, and purposeful communication enhances collaboration while reducing misunderstandings that could otherwise escalate into organisational conflict.

Problem-solving and negotiation constitute additional competencies shared by both roles. Mediators guide parties in identifying the underlying causes of conflict and collaboratively

developing mutually acceptable solutions. Entrepreneurs likewise identify market problems as opportunities for innovation, transforming challenges into value; creating initiatives through analytical thinking and creativity (Doroshuk et al., 2024). Effective negotiation further enables entrepreneurs to establish partnerships, secure investment, manage commercial agreements, and sustain productive relationships with multiple stakeholders (Hernández-Perlines et al., 2022). In both disciplines, successful outcomes depend on flexibility, dialogue, and the pursuit of mutually beneficial solutions rather than adversarial confrontation.

Empathy, creativity, and leadership further reinforce the strategic relationship between mediation and entrepreneurship. Mediators seek to understand the emotional and cognitive perspectives of conflicting parties, while entrepreneurs must understand customer needs, employee expectations, and stakeholder interests to create products, services, and organisational environments that generate value (Wei et al., 2023). Creativity enables both mediators and entrepreneurs to move beyond conventional approaches by exploring innovative alternatives to complex problems (Kim & Jin, 2024). Leadership, meanwhile, allows mediators to guide constructive dialogue and entrepreneurs to coordinate teams, inspire confidence, and align individual efforts with organisational objectives (Makdissi et al., 2020; Pu et al., 2022).

Stress management represents another essential capability linking mediation and entrepreneurship. Entrepreneurial environments frequently involve financial pressure, uncertainty, rapid decision; making, and interpersonal tensions, all of which increase psychological demands on business leaders. Mediation contributes to emotional regulation by promoting non; violent communication, reducing conflict escalation, and encouraging constructive interactions. These competencies enhance entrepreneurs' resilience, improve decision; making quality, and support long; term organisational performance under conditions of uncertainty (Baroncelli et al., 2024).

Taken together, these shared competencies demonstrate that mediation should be viewed not merely as a dispute resolution process but as a strategic entrepreneurial capability. By strengthening communication, negotiation, creativity, leadership, empathy, and stress management, mediation equips entrepreneurs with the behavioural skills necessary to navigate organisational complexity, preserve professional relationships, foster innovation, and promote sustainable business development (Salamzadeh et al., 2023; Díaz Pincheira et al., 2023).

2.4. The Role of Mediation in Entrepreneurial Performance

Conflict is an inherent component of entrepreneurial activity, arising from differences in interests, values, objectives, communication styles, and resource allocation among individuals and organisations. Within entrepreneurial environments, where uncertainty, rapid decision; making, and continuous interaction with diverse stakeholders are commonplace, conflicts may emerge between founders, employees, customers, suppliers, investors, or strategic partners. Rather than being viewed solely as negative events, conflicts can become opportunities for organisational learning and improvement when managed through appropriate communication and collaborative problem; solving approaches (Hagvall Svensson, O. (2022).

The origins of conflict are diverse and often interconnected. Differences in beliefs, values, and

personal expectations frequently generate interpersonal tensions, while competition for limited financial, human, or organisational resources may intensify disagreements. Ineffective communication, misunderstandings, emotional reactions, and differences in personality or working styles further contribute to the escalation of workplace conflicts. Entrepreneurial organisations, characterised by innovation, rapid growth, and changing responsibilities, are particularly exposed to these challenges, highlighting the importance of effective conflict management strategies (Lee et al., 2022).

Mediation provides a structured and collaborative mechanism for addressing these conflicts by facilitating dialogue, encouraging mutual understanding, and supporting interest-based negotiation. Unlike adversarial approaches, mediation enables parties to jointly identify solutions while preserving professional relationships and organisational cohesion. Within entrepreneurial settings, mediation contributes not only to resolving disputes but also to strengthening communication, enhancing teamwork, and fostering a collaborative organisational culture that supports innovation and sustainable growth (Akgün et al., 2023).

Previous empirical evidence demonstrates the practical value of mediation across organisational contexts. Studies cited in the literature indicate that mediation achieves high settlement rates while substantially reducing litigation costs and shortening conflict resolution time. Reports from the American Arbitration Association show that approximately 85% of mediated cases reach successful resolution, allowing organisations to maintain focus on their core business activities. Similarly, findings reported by the Centre for Effective Dispute Resolution (CEDR) estimate significant financial savings associated with mediation compared with traditional litigation. Additional evidence indicates that mediation strengthens collaboration among employees, preserves long-term business relationships, and increases overall satisfaction with conflict resolution processes (CEDR, 2025).

Beyond operational efficiency, mediation contributes to several strategic dimensions of entrepreneurial performance. By reducing conflict-related costs and time losses, entrepreneurs can allocate greater resources to innovation, business development, and value creation. Mediation also strengthens organisational resilience by promoting trust, cooperation, and constructive communication among stakeholders. The preservation of professional relationships further supports long-term partnerships and organisational stability, while the collaborative nature of mediation encourages creative solutions capable of addressing complex entrepreneurial challenges (Salamzadeh et al., 2023).

Overall, the literature suggests that mediation extends far beyond its traditional function as an alternative dispute resolution mechanism. Its integration into entrepreneurial practice supports communication, negotiation, innovation, collaboration, and organisational resilience, positioning mediation as a strategic capability that enhances entrepreneurial performance and contributes to sustainable organisational development (Gunawan et al., 2023). These theoretical insights provide the foundation for the empirical investigation presented in the following sections of this study.

3. MATERIALS AND METHODS

3.1. Research Design

This study adopts a quantitative research design to examine the role of mediation as a strategic capability in entrepreneurship and to evaluate its effectiveness in managing workplace conflicts. Quantitative research is based on the objective collection and statistical analysis of numerical data using structured instruments such as questionnaires and surveys. This approach enables researchers to identify relationships between variables, test hypotheses, and generate findings that can be generalised to the target population within an acceptable margin of error.

The choice of a quantitative approach was considered appropriate because the study seeks to assess entrepreneurs' perceptions, experiences, and attitudes regarding mediation through measurable indicators. By relying on structured data collection, the research provides empirical evidence concerning the contribution of mediation to entrepreneurial conflict management and organisational effectiveness. The use of standardised procedures also enhances the reliability, validity, and objectivity of the findings.

The primary objective of the study is to investigate the impact of mediation within entrepreneurial environments and to determine whether mediation constitutes an effective strategic capability for resolving workplace conflicts. Based on this objective, the study tests the following hypotheses:

- **H1:** Mediation constitutes an effective strategic capability for resolving entrepreneurial conflicts and improving organisational performance.
- **H0:** Mediation does not have a significant effect on the resolution of entrepreneurial conflicts or organisational performance.

3.2. Research Context and Participants

The empirical component of this study was conducted in Lebanon, where entrepreneurship has become an increasingly important driver of innovation and economic development despite challenging socio-economic conditions. The target population consisted of entrepreneurs who had participated in incubation programmes and had received support for developing innovation-oriented projects. This population was selected because incubated entrepreneurs regularly interact with mentors, partners, investors, and multidisciplinary teams, making conflict management an important aspect of their entrepreneurial activities.

The final study sample consisted of 266 entrepreneurs operating across various sectors in Lebanon. Participants were recruited through established entrepreneurial support organisations and programs, including the Careers, Innovation, and Entrepreneurship Center (CENTRE MINE), MILES (Momentum Incubator for Lebanese Startups), Takeoff Accelerator, Generation of Innovation Leaders (GIL Labs), and the Tripoli Entrepreneurs Club (TEC). These institutions play a significant role in strengthening the Lebanese entrepreneurial ecosystem by fostering innovation, supporting startup development, providing mentoring and networking opportunities, and enhancing entrepreneurial competencies.

The required sample size was determined using established statistical guidelines based on the desired confidence level, acceptable margin of error, and expected population variability. The

Qualtrics Sample Size Calculator was employed to estimate the minimum number of participants necessary to achieve adequate statistical power and ensure the reliability of the findings. Furthermore, appropriate sampling procedures were adopted to reduce potential selection bias and enhance the representativeness of the study sample, thereby improving the generalisability of the research findings within the Lebanese entrepreneurial context.

3.3. Data Collection Instrument

Data were collected using a structured questionnaire specifically developed for this research based on the literature concerning mediation, entrepreneurship, behavioural sciences, and conflict resolution. The questionnaire was designed to operationalise the theoretical concepts discussed in the literature review while generating quantitative data aligned with the research objectives and hypotheses. Particular attention was given to ensuring that the questions were clear, concise, and easily understood by respondents.

The questionnaire was initially prepared in English and subsequently translated into Arabic to facilitate accurate responses from participants and eliminate potential language barriers. It was administered electronically using Google Forms, enabling efficient data collection and management.

The questionnaire consisted of five sections. The first section collected general information about the participants' enterprises, including company characteristics, common organisational problems, methods of problem identification, and existing conflict management practices. A standard definition of mediation was also provided to ensure a common understanding among respondents. The second section examined entrepreneurs' perceptions of mediation competencies, including non-violent communication, active listening, empathy, creativity, and stress management. The third section explored participants' practical experience with mediation within their organisations. The fourth section assessed the perceived benefits of mediation, including cost reduction, time efficiency, confidentiality, relationship preservation, and innovation. Finally, the fifth section invited respondents to provide suggestions for improving mediation practices within entrepreneurial environments.

3.4. Data Analysis

The collected data were analysed using descriptive statistical techniques to examine entrepreneurs' responses and identify patterns related to mediation practices within entrepreneurial organisations. Questionnaire responses were summarised and presented through figures and percentage distributions, allowing each research objective to be examined systematically. The analysis focused on entrepreneurs' perceptions of mediation, their experience with mediation practices, the perceived benefits of mediation, and their willingness to integrate mediation into their organisations.

A total of 266 valid responses were collected, slightly exceeding the minimum sample size required for statistical analysis. Prior to data collection, the required sample size was estimated using the Snap Surveys Sample Size Calculator, based on an estimated target population of 10,000 entrepreneurs, an anticipated 90% response rate, a 90% confidence level, and a 5% margin of error. The calculation indicated a minimum required sample of 264 respondents, corresponding to 293 survey invitations. The final sample of 266 valid responses therefore satisfied the predefined statistical criteria, providing adequate statistical power and supporting the reliability, validity, and

generalisability of the study findings within the Lebanese entrepreneurial context.

4. RESULTS

The results explored entrepreneurs' experiences with mediation, their perceptions of its benefits, and their willingness to integrate mediation practices within their organisations.

4.1. Problem Identification Practices

Respondents were first asked about the approaches they use to identify organisational problems. The results indicate that entrepreneurs primarily rely on communication; based approaches when diagnosing challenges within their businesses. Customer feedback emerged as the most frequently used method, accounting for **30%** of responses, followed by team meetings (**26.7%**). Additionally, **23.3%** of participants reported using a combination of several approaches to obtain a more comprehensive understanding of organisational issues.

These findings suggest that entrepreneurs place considerable importance on both internal and external communication when identifying operational challenges. The preference for customer feedback and collaborative discussions reflects the central role of stakeholder engagement and dialogue in entrepreneurial decision; making.

4.2. Formal Training in Mediation

The study also examined whether entrepreneurs had received formal training in mediation. The results reveal that the majority of respondents had not participated in any structured mediation training. Only a small proportion reported having acquired formal knowledge or practical skills related to mediation.

This finding indicates that although entrepreneurs regularly encounter workplace conflicts, mediation has not yet become an integral component of entrepreneurial education or professional development. The absence of formal training may limit entrepreneurs' ability to apply structured conflict management techniques within their organisations.

4.3. Practical Experience with Mediation

Participants were asked whether mediation had been used within their organisations to address workplace conflicts. The responses demonstrate that mediation remains relatively uncommon in entrepreneurial practice. Half of the respondents (**50%**) stated that mediation was not used within their organisations, while approximately **30%** indicated that they were uncertain whether they had previously practised mediation.

This uncertainty suggests that many entrepreneurs may unknowingly employ mediation; related behaviours, such as negotiation, dialogue, or collaborative problem; solving, without recognising these practices as components of formal mediation. The findings therefore highlight limited awareness regarding the concept and practical application of mediation in entrepreneurial environments.

4.4. Perceived Benefits of Mediation

Respondents were invited to identify the principal benefits associated with mediation in entrepreneurial settings. The findings demonstrate broad recognition of mediation as a valuable organisational practice. The most frequently identified benefits were the preservation of

professional relationships, the reduction of stress and anxiety, and the generation of creative and flexible solutions to workplace conflicts. Although cost reduction was also recognised as an advantage, respondents attributed greater importance to the relational and behavioural dimensions of mediation.

Participants were further asked to evaluate the importance of several mediation outcomes using a five; point Likert scale. Between **70% and 80%** of respondents considered cost reduction, time efficiency, confidentiality, relationship preservation, innovation, creativity, stress reduction, and the empowerment of the parties involved to be highly important. These findings indicate that entrepreneurs perceive mediation as offering benefits that extend beyond conflict resolution to include organisational, interpersonal, and psychological advantages.

4.5. Suggestions for Improving Mediation

To identify opportunities for strengthening mediation practices within entrepreneurial ecosystems, respondents were asked to provide suggestions for improvement. The results indicate that increasing awareness of mediation was considered the highest priority. Participants also emphasised the importance of providing additional training for mediators and improving the accessibility of mediation services. Although reducing the cost of mediation services was identified as beneficial, it was viewed as less critical than improving awareness and capacity building.

These findings suggest that entrepreneurs consider the limited visibility and accessibility of mediation to be greater barriers than financial considerations, highlighting the importance of educational and institutional initiatives aimed at promoting mediation practices.

4.6. Future Adoption of Mediation

The final part of the questionnaire explored entrepreneurs' willingness to integrate mediation more extensively into their organisations. The responses reveal a generally positive attitude toward future adoption. Approximately **46.6%** of respondents stated that they intended to incorporate mediation more actively into their organisations, while **50%** expressed openness to adopting mediation in the future.

These findings demonstrate considerable potential for expanding the use of mediation within entrepreneurial organisations. Although formal implementation remains limited, entrepreneurs appear receptive to integrating mediation into their conflict management practices once they become more familiar with its principles and benefits.

4.7. Summary of Findings

Overall, the empirical findings indicate that entrepreneurs recognise mediation as a valuable approach for managing workplace conflicts and improving organisational relationships, despite the relatively limited availability of formal mediation training and structured organisational practices. Communication, relationship preservation, stress reduction, creativity, innovation, and collaborative problem; solving emerged as the most highly valued dimensions of mediation. Furthermore, respondents expressed a strong willingness to integrate mediation more extensively into their organisations, suggesting significant opportunities for promoting mediation as a strategic capability within entrepreneurial ecosystems.

5. DISCUSSION

The findings of this study provide empirical support for the proposition that mediation extends beyond its traditional role as a conflict resolution mechanism and functions as a strategic capability within entrepreneurial environments. Although the majority of respondents reported limited formal training in mediation, entrepreneurs nevertheless recognised the value of mediation; related competencies such as communication, negotiation, empathy, creativity, and stress management. This observation reinforces the theoretical argument that entrepreneurs frequently rely on mediation skills in their daily activities, even when these practices are not explicitly identified as mediation.

One of the most significant findings concerns the role of communication in entrepreneurial problem; solving. Customer feedback and team discussions were identified as the principal methods used to detect organisational problems, highlighting the importance of continuous dialogue and stakeholder engagement. These findings are consistent with communication theory, which considers effective communication a fundamental prerequisite for preventing misunderstandings and resolving interpersonal conflicts. They also support the view that entrepreneurial success depends not only on technical or financial competencies but equally on behavioural competencies that facilitate collaboration and informed decision; making.

The results further reveal a substantial gap between the recognised importance of mediation and its practical implementation. Most participants indicated that they had not received formal mediation training, while many entrepreneurs reported uncertainty regarding whether mediation had ever been applied within their organisations. This finding suggests that mediation practices often occur informally through negotiation, dialogue, or collaborative problem; solving without being recognised as structured mediation processes. Consequently, entrepreneurs may already possess mediation; related competencies but lack the conceptual framework and methodological knowledge necessary to apply them systematically.

Another noteworthy finding concerns the benefits attributed to mediation. Respondents assigned particularly high importance to relationship preservation, stress reduction, innovation, creativity, confidentiality, and collaborative problem; solving. Interestingly, relational and behavioural benefits were valued more highly than direct financial savings. This observation confirms that entrepreneurs perceive mediation primarily as a mechanism for strengthening interpersonal relationships and organisational climate rather than merely reducing litigation costs. Such findings are consistent with the theoretical literature, which emphasises that mediation contributes to organisational cohesion, trust, and long; term collaboration while simultaneously fostering innovation through constructive dialogue.

The willingness expressed by most respondents to integrate mediation more extensively within their organisations further supports the strategic relevance of mediation for entrepreneurship. Although mediation remains underutilised in practice, entrepreneurs demonstrated a clear openness to adopting mediation once they become more familiar with its principles and applications. This finding suggests that awareness initiatives, professional training, and institutional support could significantly increase the use of mediation within entrepreneurial

ecosystems. Such initiatives would strengthen entrepreneurs' capacity to manage workplace conflicts proactively while fostering more resilient and collaborative organisational cultures.

From a theoretical perspective, this study contributes to the growing literature linking behavioural competencies with entrepreneurial success. Previous research has generally examined mediation as an alternative dispute resolution mechanism, whereas the present study conceptualises mediation as a broader strategic capability that supports entrepreneurial performance through enhanced communication, negotiation, leadership, creativity, and emotional regulation. By integrating perspectives from mediation, behavioural sciences, and entrepreneurship, this research broadens the understanding of how interpersonal competencies contribute to organisational effectiveness and sustainable entrepreneurial development.

The study also offers practical implications for entrepreneurial support organisations, universities, incubators, accelerators, and policymakers. Given the limited exposure of entrepreneurs to formal mediation training, integrating mediation into entrepreneurship education and business development programmes could strengthen entrepreneurs' ability to prevent and manage workplace conflicts. Developing competencies in active listening, negotiation, emotional intelligence, and collaborative problem-solving would not only improve conflict resolution but also enhance leadership effectiveness, innovation capacity, and organisational sustainability. Such initiatives may ultimately contribute to healthier entrepreneurial ecosystems capable of supporting long-term economic and social development.

Overall, the empirical evidence supports the alternative hypothesis proposed in this study by demonstrating that mediation represents far more than an instrument for resolving disputes. Rather, it constitutes a strategic entrepreneurial capability that strengthens communication, collaboration, innovation, resilience, and organisational performance. These findings reinforce the growing recognition that entrepreneurial success depends not only on financial and managerial expertise but also on behavioural competencies that enable entrepreneurs to build sustainable relationships and effectively navigate organisational complexity.

6. CONCLUSION

This study examined the role of mediation as a strategic capability in entrepreneurship and explored its contribution to conflict resolution within entrepreneurial environments. By integrating theoretical perspectives on mediation, behavioural sciences, and entrepreneurship with empirical evidence collected from entrepreneurs in Lebanon, the research demonstrates that mediation extends beyond its traditional function as an alternative dispute resolution mechanism. Rather, it represents a strategic competency that enhances communication, negotiation, creativity, leadership, and stress management, all of which are essential for entrepreneurial success.

The empirical findings indicate that entrepreneurs recognise the value of mediation despite limited formal training and relatively low levels of structured implementation. Participants acknowledged the importance of mediation in preserving professional relationships, reducing stress, encouraging innovation, improving communication, and facilitating collaborative problem-solving. Furthermore, the majority expressed a positive attitude toward integrating mediation more

extensively into their organisations, highlighting significant potential for the wider adoption of mediation within entrepreneurial ecosystems.

The study contributes to the entrepreneurship literature by positioning mediation as a strategic entrepreneurial capability rather than solely as a conflict resolution technique. This perspective broadens the understanding of entrepreneurial competencies by emphasising the importance of behavioural and relational skills alongside traditional managerial and financial competencies. The findings also provide practical implications for entrepreneurs, universities, incubators, accelerators, and entrepreneurship support organisations by demonstrating the value of integrating mediation training into entrepreneurial education and professional development programmes. Such initiatives may strengthen entrepreneurs' capacity to manage workplace conflicts proactively while fostering organisational resilience, innovation, and sustainable growth.

Despite these contributions, several limitations should be acknowledged. First, the study relied on self-reported data collected through a structured questionnaire, making the findings susceptible to common method bias and respondents' subjective perceptions. Second, the cross-sectional research design captured mediation competencies and entrepreneurial performance at a single point in time, limiting the ability to establish causal relationships or examine changes in these variables over time. Finally, although the sample size was statistically adequate, the use of a single quantitative research approach may not have fully captured the complexity of entrepreneurs' experiences and the contextual factors influencing mediation practices. Accordingly, the findings should be interpreted within the methodological scope of the study.

Future research should build upon these findings by employing longitudinal research designs to examine how mediation competencies evolve throughout the entrepreneurial journey and how they influence entrepreneurial performance over time. In addition, mixed-methods approaches combining quantitative surveys with qualitative interviews or case studies could provide a deeper understanding of the mechanisms through which mediation contributes to innovation, leadership effectiveness, organisational resilience, and business sustainability. Future studies may also investigate sector-specific differences in mediation practices and explore additional contextual variables, such as firm size, entrepreneurial experience, organisational culture, and business maturity, to further explain variations in entrepreneurial performance.

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