

**MOR 603: Seminar in Strategic Management**  
**Marshall School of Business**  
**University of Southern California**  
**Spring 2015**  
**Thursday 12:00 – 2:50**  
**Hoffman 706**

**Nan Jia (NJ)**  
Department of Management & Organization  
Marshall School of Business  
Hoffman Hall 518  
email: nan.jia@marshall.usc.edu

**Kyle J. Mayer (KJM)**  
Department of Management & Organization  
Marshall School of Business  
Hoffman Hall 502  
email: kmayer@marshall.usc.edu

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## **Course Description**

The literature in strategic management attempts to explain the differences in the performance of organizations. This is a very high level objective and the strategy literature has many branches that explore different aspects of internal organizational design and decision making as well as the role of external factors such as industry and the institutional environment. Understanding factors that make organizations more or less successful requires an examination of different levels of analysis, from individuals (as the ultimate decision makers) to teams (or groups/divisions) to entire organizations to industries and then to countries.

The intent of this seminar is to provide an introduction to work in the field of strategic management to enable doctoral students to build upon it and publish either in the field of strategy or in related fields (marketing, accounting, economics, etc.). Many research questions examined in the field of strategy are also explored in other fields (vertical integration, the role of alliances/networks, organizational decision-making, etc.), but strategy tends to have a slightly different focus that effectively complements work in related fields.

The seminar begins by exploring the key theories that form the foundation of the field of strategy including transaction cost economics, agency theory, the resource-based view of the firm, knowledge-based views, industrial organization economics and evolutionary theories. We then move on to explore areas of strategy research in which these theories are applied, including (but

not limited to) corporate governance, entrepreneurship, global strategy, alliances, mergers & acquisitions, non-market strategy (dealing with the institutional environment), and organizational design.

Over the course of the semester, you will:

- Read and critique a selected number of articles published in the leading journals of the field carefully chosen to reflect diverse theoretical and empirical traditions;
- Evaluate strategic management questions from different theoretical perspectives;
- Constructively critique empirical research;
- Formulate novel research ideas that advance the field of strategic management;
- Develop ideas into a research paper (conceptual or empirical) that will meet the standards for inclusion in a competitive academic conference.

### **Grading:**

Participation in weekly discussions	20%
Session roles (primary and secondary)	35%
Paper	35%
Critique of classmate's paper	10%

**Student Discussants.** Most weeks, we will have three student discussants: a primary discussant and two secondary discussants. Each seminar attendee will get a chance to perform both these roles.

The job of the primary discussant is to open the seminar with a (roughly) 10 minute session opener talk and then use that to drive our discussion of the themes that emerge from considering each paper's motivations, argumentation, and implications. The best papers we read will be strong in all three dimensions and, in so doing, teach us about their topics while also teaching about the craft of doing great research. You should know, however, that not all assigned papers meet this standard equally well, by design. Make and share your own judgments about differences in importance and quality of the assigned papers, and be prepared to debate your conclusions with others!

The primary discussant should use the following guidelines in preparing for the session.

1. Time allotted: approximately 10 minutes of the session
2. Brings a handout for everyone: 2-4 pages (single-spaced, including diagrams and figures/tables)
3. No PowerPoint slides
4. No summaries of the readings
5. Diagrams or tables are helpful
6. Analytical narrative is permitted, but please keep it focused and short
7. Conclude with a set of questions that we will debate and discuss

These questions should address the overall research area and include, but not be limited to, additional research questions that need to be addressed to help move research in this area forward.

The best openers will lead to discussions that cover the papers thoroughly because we are asking hard questions about the value of the paper, whether it succeeds in conveying its main message/conclusion, and what we might do next. All this goes well beyond just figuring out what is in the papers.

In sum, good primary discussants will deliver an opener that does the following:

- Integrates the readings using an analytical framework
- Identifies and makes explicit the commonalities and differences in implicit assumptions that underlie the various readings
- Where possible, exposes theoretical gaps with suggest avenues for development beyond the readings
- Engages the other seminar participants in a discussion of the readings by taking a clear and perhaps provocative position!
- AVOID questions such as —What do you think of the authors' arguments? or — Do you agree with that point? Your job is to have a *position* on these issues.

The secondary discussants will focus their attention on specific papers. Their responsibility is to highlight key strengths and weaknesses of each paper, theoretical as well as methodological. They should also, wherever possible, identify ways in which these weaknesses could be addressed in future research.

For each paper, you should identify at least one substantive research question that was sparked by the paper. This could be something to address a weakness in the paper or to follow up on idea that the results in the paper may generate. You can be creative here; the idea is to think about what kinds of things you would want to study if you were to do a paper targeted to the literature/scholars the author of this paper is addressing.

Depending on the number/complexity of the papers allotted to a secondary discussant, s/he can expect to spend 10+ minutes critiquing the papers. Please bring a handout summarizing observations on each paper (no more than one page per assigned paper – can be even shorter).

**Research Paper.** The goal for this assignment is that you develop a paper that you will submit to the Academy of Management conference (or the appropriate professional conference for your field). You have three options for this:

1) *Empirical Project Proposal*: abstract, theory, hypotheses, research design, and discussion of anticipated contributions. Note that this does not include any requirement for data collection or analysis—that will come later after the completion of the course. In previous years, students developed an idea of what they'll do during the semester and then work on it during the spring and over the summer.

2) *Complete Empirical Paper*: same as (1) but with data collection, analysis, and discussion of results. This is much tougher (!), so you probably only want to take this route if you already have data or know a faculty member who has data you can use (many of us do), or a strong lead on data that you can get quickly. Because of the additional burdens of data collection and analysis, we do not require you to perform all of the analyses a full paper would require. Again, that will come later.

3) *Theory Paper*: following the format of the theory papers you will see in our readings (especially papers published in the *Academy of Management Review*), this will require a clear statement of the problem; review of the prior literature; development of a new perspective, approach, theory, framework, etc. (perhaps but not necessarily including clear propositions); and conclusion with discussion of potential strategies for empirical research.

An interim version of your research paper is due on **March 3<sup>th</sup>**. We will provide feedback to you by March 10<sup>th</sup>. The final version of the paper is due at the end of the semester (date TBD).

**WEEK 1      January 14 (KJM & NJ):    Introduction to the field of strategic management**

Nag, R., D.C. Hambrick & M.J. Chen. 2007. “What is strategic management, really? Inductive derivation of a consensus definition of the field”. Strategic Management Journal, 28: 935-955.

Mahoney, J.T. & A.M. McGahan. 2007. “The field of strategic management within the evolving science of strategic organization”. Strategic Organization, 5: 79-99.

Hoskisson, R., M. Hitt, W. Wan, & D. Yiu. 1999. “Theory and research in strategic management: Swings of a pendulum.” Journal of Management, 417-456.

March, J.G., & R. I. Sutton. 1997. “Organizational performance as a dependent variable”. Organization Science, 8(6): 698-706.

**ADDITIONAL READING:**<sup>1</sup>

Rumelt, R., D. Schendel & D. Teece.1991. “Strategic management and economics”. Strategic Management Journal, 12 (Winter Special Issue): 5-29.

**WEEK 2      January 21 (NJ):    Economic theories of strategy—Industrial organization, Agency Theory, and Property Rights**

**Primary Discussant:**

**Secondary Discussant (first three papers):**

*(Industrial Organization)*

McGahan, A.M. & M.E. Porter (1997), “How much does industry matter, really?” *Strategic Management Journal* 18(Summer): 15-30

Porter M.E., “The Five Competitive Forces that Shape Strategy.” Harvard Business Review

*(Agency theory, Property rights)*

Gibbons, R. 2005. Incentives between Firms (and within). *Management Science* 51(1) 2-17.

**Secondary Discussant (second three papers):**

Jensen, M.C., W.H. Meckling. 1976. Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics* 3 305-360.

Holmstrom, B. and P. Milgrom (1991), “Multitask Principal–Agent Analyses: Incentive Contracts, Asset Ownership, and Job Design” *Journal of Law, Economics, and Organization*, 7: 24-52

Grossman, S. and O. Hart (1986), “The Costs and Benefits of Ownership: A Theory of Vertical and Lateral Integration”, *Journal of Political Economy*, 94(4), pp.691-719.

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<sup>1</sup> All papers listed under ADDITIONAL READINGS in this syllabus will not be discussed in class but are ones you might want to check out if you have interest in these topic areas.

#### ADDITIONAL READING:

Gibbons, Robert. 2005. Four Formal(izable) Theories of the Firm? *Journal of Economic Behavior and Organization*, 58(2): 2005.

Bolton, Patrick, and David S. Scharfstein. 1998. "Corporate Finance, the Theory of the Firm, and Organizations." *Journal of Economic Perspectives*, 12(4): 95-114.

Holmstrom, Bengt, and John Roberts. 1998. "The Boundaries of the Firm Revisited." *Journal of Economic Perspectives*, 12(4): 73-94.

Caves, R.E. & M.E. Porter. 1977. "From entry barriers to mobility barriers". Quarterly Journal of Economics.

Fama, Eugene, and Michael Jensen. "Agency Problems and Residual Claims." Journal of Law and Economic, 26 (1983), 327-349

Alchian, A. & H. Demsetz (1972), "Production, information costs, and economic organization," *American Economic Review* 62(December): 777-795.

Holmstrom, B. and P. Milgrom (1994), "The firm as an incentive system," *American Economic Review* 84(4): 972-991.

Cremer, J. (1995), "Arm's Length Relationships", *Quarterly Journal of Economics*, 110, pp. 275-96.

Holmstrom, B. and P. Milgrom (1998), "The Boundaries of the Firm Revisited", *Journal of Economic Perspectives*, 12(4), pp. 73-94.

Hart, O. (1994), *Firms, Contract and Financial Structure*, Oxford, UK: Clarendon Press. Introduction and Chapters 1-3.

Hart, O. and J. Moore (1990), "Property Rights and the Nature of the Firm", *Journal of Political Economy*, 98(6), pp.1119-1158.

(Read more on agency theory online:

<http://www.referenceforbusiness.com/encyclopedia/A-Ar/Agency-Theory.html>)

#### WEEK 3      January 28 (NJ):      Transaction cost economics

##### Primary Discussant:

##### Secondary Discussant (first three papers):

(Basics)

Williamson, O.E. 1979. "Transaction Cost Economics: The Governance of Contractual Relations". *Journal of Law and Economics*, 22 (October): 233-261.

Williamson, O.E. 1991. "Comparative Economic Organization: The Analysis of Discrete Structural Alternatives". *Administrative Science Quarterly*, 36: 269-296.

Williamson, O.E. 1999. "Strategy Research: Governance and Competence Perspectives". *Strategic Management Journal*, 20: 1087-1108.

##### Secondary Discussant (last four papers):

(Controversy & Empirical Assessment)

Ghoshal, S. & P. Moran. 1996. "Bad for practice: A critique of the transaction cost theory". *Academy of Management Review*. 21: 13-47

Williamson, O.E. 1996. "Economic organization: The case for candor". *Academy of*

Management Review, 21: 48-57

Ghoshal, S. & P. Moran. 1996. "Theories of economic organization: The case for realism and balance". Academy of Management Review, 21: 58-72

Macher, J.T. & B.D. Richman 2008. "Transaction cost economics: An assessment of research in the social sciences". Business & Politics, 10 (1): Article 1.

**ADDITIONAL READINGS:**

Mayer, K.J. & J.A. Nickerson. 2005. "Antecedents and Performance Consequences of Contracting for Knowledge Workers: Evidence from Information Technology Services". Organization Science, 16: 225-242.

**WEEK 4 February ? (KJM): Resource-based view of strategy SESSION TO BE RESCHEDULED EARLIER IN THE WEEK**

**Primary Discussant:**

**Secondary Discussant (first three papers):**

*(Foundations)*

Wernerfelt, B., 1984. "A resource-based view of the firm." Strategic Management Journal, 171-180.

Dierickx, I. & Cool, K. 1989. "Asset stock accumulation and sustainability of competitive advantage". Management Science, 35(12): 1504-1511.

Peteraf, M.A., 1993. "The cornerstones of competitive advantage: A resource-based view". Strategic Management Journal, 179-191.

Barney, J. 1991. "Firm resources and sustained competitive advantage". Journal of Management, 17: 99-120.

**Secondary Discussant (last four papers): David**

*(Challenges)*

Priem & Butler. 2001. "Is the Resource-based "View" a Useful Perspective for Strategic Management Research?" Academy of Management Review, 26: 22-40.

Barney 2001. "Is the Resource-based "View" a Useful Perspective for Strategic Management Research? Yes." Academy of Management Review, 26: 41-56. (Response to Priem & Butler)

Priem & Butler. 2001. "Tautology in the Resource-Based View and the Implications of Externally Determined Resource Value: Further Comments" Academy of Management Review, 26: 57-66. (Rebuttal to Barney's response)

**WEEK 5 February 11 (KJM): Knowledge-based view/Dynamic capabilities**

**Primary Discussant:**

**Secondary Discussant (first three papers):**

Teece, D., A. Shuen & G. Pisano. 1997. "Dynamic capabilities and strategic management". Strategic Management Journal, 18: 509-533.

Eisenhardt, K.M. & J.A. Martin. 2000. "Dynamic capabilities: What are they?" Strategic Management Journal, 21(10-11): 1105-1121.

Teece, David J. 2007. "Explicating dynamic capabilities: the nature and microfoundations of (sustainable) enterprise performance". Strategic Management Journal, Dec 2007, Vol. 28 Issue 13, p1319-1350.

### **Secondary Discussant (last four papers):**

Grant, R.M. "Toward a Knowledge-Based Theory of the Firm," Strategic Management Journal (17), Winter Special Issue, 1996, pp. 109-122.

Kogut, B. & U. Zander. 1992. "Knowledge of the firm, combinative capabilities, and the replication of technology". Organization Science, 7: 502-518.

*(Integrating capability and governance perspectives)*

Mayer, K.J. & R. Salomon. 2006. "Capabilities, Contractual Hazard and Governance: Integrating Resource-Based and Transaction Cost Perspectives". Academy of Management Journal, 49: 942-959.

Argyres, N. & Zenger. T. 2012. "Capabilities, Transaction Costs and Firm Boundaries." Organization Science, 23: 1643-1667.

### ADDITIONAL READINGS:

Liesbeskind, J. 1996. "Knowledge, Strategy and the Theory of the Firm". Strategic Management Journal, 17: 93-107.

Foss, N. J. "More Critical Comments on Knowledge-Based Theories of the Firm", Organization Science, (7:5), 1996, pp. 519-523.

## **WEEK 6 February 18 (NJ): Economics of Organization**

**\*Guest speaker: Yanhui Wu (Marshall FBE)**

### **Primary Discussant:**

### **Secondary Discussant (first two papers):**

*(Facts)*

Rajan, Raghuram G. and Julie Wulf. "The Flattening Firm: From Panel Data On The Changing Nature Of Corporate Hierarchies," Review of Economics and Statistics, 2006, v88 (4,Nov), 759-773.

*(Incentive View of Organizational Structure)*

Aghion, Philippe and Jean Tirole, 1997, "Formal and Real Authority in Organizations." Journal of Political Economy, 105(1), pp1-29

Wu, Yanhui. "Authority, Incentives and Performance: Evidence from a Chinese Newspaper Online Appendix." Forthcoming, Review of Economics and Statistics

### **Secondary Discussant (latter three papers):**



*(Coordination View of Organizational Structure)*

Garicano, Luis and Yanhui Wu, 2012, "Knowledge, Communication, and Organizational Capabilities." *Organization Science*, 2012:23(5), 78(2), pp. 1382-97

Garicano, Luis and Esteban Rossi-Hansberg, 2015, "Knowledge-Based Hierarchies: Using Organizations to Understand the Economy." *Annu. Rev. Econ.* 2015. 7:1–30

Bloom, Nicholas, Luis Garicano, Raffaella Sadun, John Van Reenen, 2014, "The Distinct Effects of Information Technology and Communication Technology on Firm Organization," *Management Science* 60(12): 2859-2885

**ADDITIONAL READINGS:**

Gibbons, Robert S., "Four Formal(izable) Theories of the Firm?" *Journal of Economic Behavior & Organization*

Gibbons, R. and J. Roberts, 2012, "Handbook of Organizational Economics" Princeton University Press, Chapters 1-4

Garicano, Luis. 2000. "Hierarchies and the Organization of Knowledge in Production." *Journal of Political Economy* 108: 874-904

Maskin, Eric, Yingyi Qian, and Chenggang Xu. 2000. "Incentives, Information, and Organizational Form." *Review of Economic Studies* 67: 359-78

Forbes, Silke and Lederman, Mara. "Adaptation and Vertical Integration in the Airline Industry", *American Economic Review*, 99(5): 1831–49

Gibbons, R. "Why Organizations Are Such a Mess (and What an Economist Might Do About It)" Section 1, unpublished

**WEEK 7      February 25 (NJ):      Strategy in an International Context**

**Primary Discussant:**

**Secondary Discussant (first three papers):**

Khanna, T. & Krishna Palepu, "The Future of Business Groups in Emerging Markets: Long-Run Evidence from Chile," *The Academy of Management Journal* 43(3) 2000, 268-285.

Jia N, Shi J, Wang Y. 2013. Coinsurance Within Business Groups: Evidence from Related Party Transactions in an Emerging Market. *Management Science* 59(10): 2295–2313

Siegel, Jordan I., Amir N. Licht, and Shalom H. Schwartz. "Egalitarianism, Cultural Distance, and Foreign Direct Investment: A New Approach." *Organization Science* 23, no. 5 (September–October 2012).

**Secondary Discussant (last two papers):**

Oxley, J. E. 1999. Institutional environment and the mechanisms of governance: The impact of intellectual property protection on the structure of inter-firm alliances. *Journal of Economic Behavior and Organization*, 38 (3).

Henisz, W. J. 2000. The Institutional Environment for Multinational Investment. *Journal of Law, Economics & Organization*, 16(2): 334-364.

## **WEEK 8     March 3 (Shon Hiatt): Entrepreneurship**

### **Primary Discussant:**

### **Secondary Discussant (first three papers):**

*(Overview of the field)*

Shane, S., S. Venkataraman. 2000. The Promise of Entrepreneurship As a Field of Research. *Academy of Management Review* **25**(1) 217.

*(Institutions and entrepreneurship)*

Hiatt, S.R., W.D. Sine, P.S. Tolbert. 2009. From Pabst to Pepsi: The deinstitutionalization of social practices and the creation of entrepreneurial opportunities. *Administrative Science Quarterly* **54** 635-667.

*(New Venture Formation)*

Ruef, M., H.E. Aldrich, N.M. Carter. 2003. The structure of founding teams: Homophily, strong ties and isolation among US entrepreneurs. *American Sociological Review* **68**(2) 195-222.

### **Secondary Discussant (last three papers):**

*(New Venture Resource Attainment)*

Hallen, B.L. 2008. The causes and consequences of the initial network positions of new organizations: From whom do entrepreneurs receive investments? *Administrative Science Quarterly* **53** 685-718.

*(New Venture Planning & International Entrepreneurship)*

Hiatt, S.R., W.D. Sine. 2014. Clear and present danger: Planning and new venture survival amid political and civil violence. *Strategic Management Journal* **35** 773-785.

*(New Venture Performance)*

Jimeno, J., T.B. Folta, A.C. Cooper, C.Y. Woo. 1997. Survival of the Fittest? Entrepreneurial Human Capital and the Persistence of Underperforming Firms. *Administrative Science Quarterly* **42**(4) 750-783.

## **WEEK 9     March 10 (KJM): Alliances/Vertical Integration**

### **Primary Discussant:**

### **Secondary Discussant (first three papers):**

Dyer, Jeffrey & Harbir Singh. 1998. "The Relational View: Cooperative Strategy And Sources Of Interorganizational Competitive Advantage". *Academy of Management Review*, 23: 660-679

Gulati, R. 1995. "Does familiarity breed trust? The implications of repeated ties for contractual choice in alliances". *Academy of Management Journal*, 38: 85-112.

Mayer, K.J. & N. Argyres. 2004. "Learning to Contract: Evidence from the Personal Computer Industry". Organization Science, 15: 394-410.

**Secondary Discussant (last three papers):**

Mowery, D.C., J.E. Oxley & B.S. Silverman (1996), "Strategic Alliances and Interfirm Knowledge Transfer," Strategic Management Journal, 17(Winter), pp. 77-91.

Kale, P., J. Dyer & H. Singh. 2002. "Alliance capability, stock market response and long-term alliance success". Strategic Management Journal, 23: 747-767.

Sampson, R. 2007. "R&D alliances and firm performance. The impact of technological diversity and alliance organization on innovation". Academy of Management Journal, 50: 364-386.

ADDITIONAL READING:

Wang, Y. & N. Rajagopalan. Forthcoming. "Alliance capabilities: review and research agenda." Journal of Management

----- (SPRING BREAK)-----

**WEEK 10    March 24 (KJM):    Mergers & Acquisitions, Diversification**

**Primary Discussant:**

**Secondary Discussant (first three papers):**

Graebner, M.E. 2009. "Caveat Venditor: Trust Asymmetries in Acquisitions of Entrepreneurial Firms". Academy of Management Journal, 52, 435-472.

Haleblian, J., Devers, C., McNamara, G., Carpenter, M., & R. Davison. 2009. Taking stock of what we know about mergers and acquisitions: A review and research agenda. Journal of Management. 35: 469-502

Villalonga, B. & A.M. McGahan. 2005. "The choice among acquisitions, alliances, and divestitures." Strategic Management Journal, 1183-1208.

**Secondary Discussant (first three papers):**

Rumelt, R.P., 1982. "Diversification strategy and profitability". Strategic Management Journal, 359-369.

Silverman, B.S. (1999), "Technological Resources and the Direction of Corporate Diversification: Toward an Integration of the Resource-Based View and Transaction Cost Economics," Management Science, 45(8), pp. 1109-1124.

Diestre, Luis & N. Rajagopalan. 2010. "An environmental perspective on diversification: The effects of chemical relatedness and regulatory sanctions". Academy of Management Journal.

ADDITIONAL READING:

Villalonga, Belen. "Diversification Discount or Premium? New Evidence from the Business Information Tracking Series." Art. 1. Journal of Finance 59, no. 2 (April 2004): 475-502.

McNamara, Gerry, Jerayr Haleblian & Bernadine Dykes. 2008. "The performance implications of participating in an acquisition wave: Early mover advantages, bandwagon effects, and the moderating influence of industry characteristics and acquirer tactics". Academy of Management Journal, 51, 113-130.

**WEEK 11    March 31 (Lori Yue):            Corporate governance: Institutional and Structural Perspectives**

**Primary Discussant:**

**Secondary Discussant (first two papers):**

Fligstein, N. 1987. The Intraorganizational Power Struggle: Rise of Finance Personnel to Top Leadership in Large Corporations, 1919-1979. *American Sociological Review* 52 44-58.

Zorn, D.M. 2004. Here a chief, there a chief: The rise of the CFO in the American firm. *American Sociological Review* 65(3) 345-364.

**Secondary Discussant (last three papers):**

Davis, Gerald F. and Henrich R. Greve. 1997. "Corporate elite networks and governance changes in the 1980s." *American Journal of Sociology* 103:1-37

Marquis, Christopher, Gerald F. Davis, and Mary Ann Glynn. 2013. "Golfing Alone? Corporations, Elites and Nonprofit Growth in 100 American Communities." *Organization Science* 24:39-57.

Yue, Lori Qingyuan (2016) "[The Great and the Small: The Impact of Collective Action on the Evolution of Interlock Networks after the Panic of 1907](#)," *American Sociological Review*.

**ADDITIONAL READING:**

Mizruchi, M. S. 1996. "What do interlocks do? An analysis, critique, and assessment of research on interlocking directorates." *Annual Review of Sociology* 22:271-298.

Mizruchi, Mark S., Linda Brewster Stearns, and Christopher Marquis. 2006. "The conditional nature of embeddedness: A study of borrowing by large U.S. firms, 1973-1994." *American Sociological Review* 71:310-333.

Yue, Lori Qingyuan (2015). [Community Constraints on the Efficacy of Elite Mobilization: The Issues of Currency Substitutes during the Panic of 1907](#). *American Journal of Sociology*, 120 (6): 1690-1735.

**WEEK 12 April 7 (Nandini Rajagopalan) Corporate Governance: Boards of Directors and Top Management Teams**

**Primary Discussant:**

**Secondary Discussant (first three papers):**

- Davis, G.F. 1991. "Agents without principles? The spread of the poison pill through the intercorporate network". Administrative Science Quarterly, 36, 583-613.
- Fama, E.F. & M.C. Jensen. 1983. "Separation of ownership and control". Journal of Law & Economics, 26: 301-325.
- Forbes, D.P. & F.J. Milliken. 1999. "Cognition and corporate governance: Understanding boards of directors as strategic decision making groups". Academy of Management Review, 24 (3), 489-505.

**Secondary Discussant (last three papers):**

- Hillman, A.J. & T. Dalziel. 2003. "Boards of directors and firm performance: Integrating agency and resource dependence perspectives". Academy of Management Review, 28(3), 383-396.
- McDonald, M., P. Khanna, & J.D. Westphal. 2008. "Getting them to think outside the circle: Corporate governance, CEOs' external advice networks, and firm performance". Academy of Management Journal, 51(3), 453-475.
- Diestre, L., N. Rajagopalan, & S. Dutta. 2014. "Acquiring and utilizing directors' experience: an empirical study of new market entry in the pharmaceutical industry" (A shorter version of this paper is titled "Constraints in acquiring and utilizing directors' experience: An empirical study of new-market entry in the pharmaceutical industry" and forthcoming at the Strategic Management Journal)

**ADDITIONAL READING ON CORPORATE GOVERNANCE:**

- Carpenter, M.A., M.A. Geletkanycz & W.G. Sanders. 2004. "The Upper Echelons Revisited: Antecedents, Elements, and Consequences of Top Management Team Composition". Journal of Management, 60(6): 749-778.
- Hambrick, D.C. & P. Mason. 1984. "Upper echelons: The organization as a reflection of its top managers". Academy of Management Review, 9, 193-206.
- Smith, K.G., K.A. Smith, J.D. Olian, H.P. Sims Jr., D.P. O'Bannon & J.A. Scully. 1994. "Top management team demography and process: The role of social integration and communication". Administrative Science Quarterly, 39(3), 412-438.
- Ocasio, W. 1999. "Institutionalized action and corporate governance: The reliance on rules of CEO succession". Administrative Science Quarterly, 44(2), 384-416.
- Chatterjee, A. & D.C. Hambrick. 2007. "It is all about me: Narcissistic CEOs and their effects on company strategy and performance". Administrative Science Quarterly, 52: 351-386.

**WEEK 13 April 14 (KJM): Cognition and strategy: A behavior view**

### **Primary Discussant:**

#### **Secondary Discussant (first three papers):**

- Barr, Pamela S., John L. Stimpert, and Anne S. Huff. "Cognitive change, strategic action, and organizational renewal." *Strategic management journal* 13.S1 (1992): 15-36.
- Porac, Joseph F., Howard Thomas, and Charles Baden-Fuller. "Competitive groups as cognitive communities: The case of scottish knitwear manufacturers\*." *Journal of Management studies* 26.4 (1989): 397-416.
- Martins, Luis L., Violina P. Rindova, and Bruce E. Greenbaum. "Unlocking the hidden value of concepts: a cognitive approach to business model innovation." *Strategic Entrepreneurship Journal* 9.1 (2015): 99-117.

#### **Secondary Discussant (last two papers):**

- Kaplan, Sarah. "Framing contests: Strategy making under uncertainty." *Organization Science* 19.5 (2008): 729-752.
- Weber, Libby, and Kyle J. Mayer. "Designing effective contracts: Exploring the influence of framing and expectations." *Academy of Management Review* 36.1 (2011): 53-75.
- Weber, Libby, and Kyle Mayer. "Transaction cost economics and the cognitive perspective: Investigating the sources and governance of interpretive uncertainty." *Academy of Management Review* 39.3 (2014): 344-363.
- Zardkoohi, Asghar, and Bierman, Leonard. "Transaction Cost Economics and the Cognitive Perspective: Investigating the Sources and Governance of Interpretive Uncertainty--A Comment." *Academy of Management Review* (2015): 466-470.
- Mayer, Kyle, and Libby Weber. "Transaction Cost Economics and the Cognitive Perspective: Investigating the Sources and Governance of Interpretive Uncertainty--A Response." *Academy of Management Review* (2015): 470-473.

**WEEK 14    April 21 (Frank Nagle):    In pursuit of competitive advantage: Technology and innovation**

**(READINGS FOR THIS WEEK ARE TENTATIVE AND LIKELY TO CHANGE)  
(DATE OF THIS SESSION WILL CHANGE TO M/W)**

### **Primary Discussant:**

#### **Secondary Discussant (first three papers):**

- Griliches, Zvi (1998) "The search for R&D spillovers" (Chapter 11) in *R&D and Productivity: The Econometric Evidence*, University of Chicago Press, pp. 251-268.
- Stokes, D. E. (1997) "Pasteurs's Quadrant: Basic Science and Technological Innovation" (Chapters 1 and 3), *Brookings Institution Press*, Washington D.C. pp. 1-89.
- Furman, Jeff and Stern, Scott (2011) "Climbing atop the shoulders of giants: The impact of institutions on cumulative research", *American Economic Review*, 101(5), pp. 1933-1963

#### **Secondary Discussant (last three papers):**

Singh, J., Fleming, L. (2010) "Lone inventors as sources of technological breakthroughs: Myth or reality?" *Management Science*, 56(1), pp. 41-56.

Audretsch, David B., Feldman, Maryann P. (1996) "R&D spillovers and the geography of innovation and production", *American Economic Review*, 86(3), pp. 630-640

Azoulay, Pierre, Joshua Graff Zivin, Jialan Wang (2010) "Superstar Extinction", *Quarterly Journal of Economics*, 125 (2), pp. 549-589

**WEEK 15    April 28 (KJM & NJ):    Final presentations**

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## ADDITIONAL READINGS ON STRATEGIC MANAGEMENT TOPICS

### **Innovation/Competitive Dynamics**

Smith, K.G., Ferrier, W.J., & Ndofor, H. "Competitive Dynamics Research: Critique and Future Directions," in *Handbook of Strategic Management*, M. A. Hitt, R. E. Freeman and Jeffrey S. Harrison (eds.), Blackwell Publishers, Malden, MA, 2001, pp. 315-361.

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Zhu, F. & Iansiti, M. "Entry into Platform-Based Markets." *Strategic Management Journal*. Forthcoming.

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### **Strategic decision process**

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Burgelman, R.A. 1983. "A process model of internal corporate venturing in the diversified major firm". Administrative Science Quarterly, 28(2), 223-244.

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### **Strategic Change & Adaptation**

Cattani, G. 2005. "Preadaptation, firm heterogeneity, and technological performance: A study of the evolution of fiber optics, 1970-1995". Organization Science, 16, 563-580.

Hannan, M.T. & J. Freeman. 1984. "Structural inertia and organizational change". American Sociological Review, 49, 149-164.

Haveman, H.A. 1992. "Between a rock and a hard place: Organizational change and performance under conditions of fundamental environmental transformation". Administrative Science Quarterly, 37(1), 48-75.

Gioia, D.A. & J.B. Thomas. 1996. "Identity, image, and issue interpretation: Sensemaking during strategic change in academia". Administrative Science Quarterly, 41(3), 370-403.

Rajagopalan, N. & G.M. Spreitzer. 1997. "Toward a theory of strategic change: A multi-lens perspective and integrative framework". Academy of Management Review, 22(1), 48-79.

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### **Organizational learning and behavioral theory of the firm**

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Walsh, J.P. 1995. "Managerial and organizational cognition: Notes from a trip down memory lane". Organization Science, 6(3), 280-321.

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