

ORGANIZATION & MANAGEMENT THEORY

Conference Paper Abstracts

"CONVENTION THEORY": IS THERE A FRENCH SCHOOL OF ORGANIZATIONAL INSTITUTIONALISM?

Daudigeos, Thibault; Grenoble Ecole de Management;
thibault.daudigeos@grenoble-em.com

Valiorgue, Bertrand; Clermont graduate school of management;
bertrand.valiorgue@gmail.com

This paper highlights overlap and differences between Convention Theory and New Organizational Institutionalism and thus states the strong case for profitable dialog. It shows how the former can facilitate new institutional approaches. First, convention theory rounds off the model of institutionalized action by turning the spotlight to the role of evaluation in the coordination effort. In parallel, the attention focused on the two components of the qualification process also sheds new light on the institutional dynamics issue at the heart of organizational institutionalism research since the mid-90s.

Keywords:institutionalism, worth, convention

A COGNITIVE PERSPECTIVE ON THE RELATIONSHIP BETWEEN STATUS AND UNCERTAINTY

Collet, Francois Herve; ESADE; francois.collet@esade.edu

This paper takes a cognitive perspective on the relation between status and uncertainty. It shows that the treatment of status signals is contingent on the relations that organizations entertain with their audiences. Following Podolny's initial contribution, previous studies have used bounded rationality to describe why and how organizations need status signals. This paper takes a proximate yet distinct perspective based on Bourdieu's concept of organizational habitus. It proposes that the increased emphasis layed on status in the formation of exchange relationships in uncertain environments is contingent on the organizational habitus of the parties involved. It tests the theory on a data set on alliance formation between software firms between 1996 and 2002. Consistent with the theory the results shows that service oriented organizations lay greater emphasis on status signals especially when uncertainty is high.

Keywords:Status, Audiences, Cognitive

A COMPARATIVE REVIEW OF THE RESOURCE-, CAPABILITIES-BASED AND EVOLUTIONARY THEORIES OF THE FIRM

Heimeriks, Koen; Rotterdam School of Management, Erasmus U.;
kheimeriks@rsm.nl

Felin, Teppo; Brigham Young U.; teppo.felin@byu.edu

Over the past decades, many studies have relied on resource-, capability-based and evolutionary theories of the firm. While these theories continue to receive unprecedented scholarly attention, no comparative review of these literatures exists. The purpose of this review paper is to provide a comparative analysis and mapping of these three literatures. We use a unique dataset to systematically analyze these literatures over the period of 1980-2009 and highlight over 4,500 articles in the top 20 management journals (based on 19 key words identified from the three literatures). Based on this comparative review --- of literature which directly or indirectly builds on the resource-, capability-based and evolutionary traditions --- our aims are threefold. First, we comparatively map these literatures, their key definitions and discuss progress. Second, we highlight how these theories are heavily intertwined yet also distinct, and we assess extant problems at the nexus of these literatures, specifically related to matters such as conceptual proliferation and overlap, levels of analysis, and assumptions. And third, we detail promising avenues for future research.

Keywords:comparative review, resource-based view, evolutionary theory

A DIVERSITY CAPITAL PERSPECTIVE FOR GLOBAL ORGANIZATION LEADERSHIP

Johnson, Erik A.J.; Teachers College/Columbia U.; eaj2113@columbia.edu

Nakamura, Yoshie Tomozumi; Teachers College, Columbia U.;

yt278@columbia.edu

Organizational literature discusses the leadership of firms with visibly diverse employee populations. This paper explores concepts surrounding visible and underlying people variations in networks that can impact effective organizational performance. First, a concept of diversity capital is introduced. Next, a model illustrates how diversity capital can help contribute to organizational performance. Finally, discussion includes comment on prospects for global organizational leadership.

Keywords:diversity capital, organizational leadership

A DYNAMIC PERSPECTIVE ON AMBIDEXTERITY: STRUCTURAL DIFFERENTIATION AND BOUNDARY ACTIVITIES

Raisch, Sebastian; U. of St. Gallen; Sebastian.Raisch@unisg.ch

Tushman, Michael L.; Harvard U.; mtushman@hbs.edu

This paper explores the shifting nature of differentiation and integration in organizations attempting to explore and exploit. In a longitudinal study of six new business initiatives, we find that firms engage in a dynamic process of managing contradictory boundary activities. Boundaries between differentiated units are reinforced to enable exploitation and exploration, while corporate boundary spanners integrate these processes. The locus of integration shifts from the corporate team to lower organizational levels when the new business initiative reaches economic and cognitive legitimacy. We use these insights to revise the organizational ambidexterity concept, considering the underexplored roles of time, paradox, and locus.

Keywords:ambidexterity, boundaries, organization design

A FIRM-AGENT CONTINGENCY THEORY OF FIRM BEHAVIORS IN VERTICAL INTER-FIRM RELATIONSHIPS

Tangpong, Chanchai; North Dakota State U.;
Charnchai.Tangpong@ndsu.edu
Hung, Kuo-Ting; Suffolk U.; khung@suffolk.edu
Li, Jin; North Dakota State U.; jin.li@ndsu.edu

In this paper, we proposed the Firm-Agent Contingency Theory (FACT), a general multi-level theory, that incorporate macro- and micro-level factors in examining firm behaviors in vertical inter-firm relationships (VIRs). The extant literature regarding firm behaviors in VIRs is largely guided by macro-level analytical lenses of transaction cost economics, social exchanges, and resource dependence that often overlook the importance of human agents, fundamental to micro-level analyses, in VIR dynamics. Drawing from both macro and micro theoretical perspectives, coupled with contingency theory and trait-activation principle, we developed FACT that considered firm-level and agent-level factors in tandem to explain firm behaviors in VIRs. We then empirically tested the proposed theory in two different VIR contexts, namely opportunism and contract adjustment, using experimental research methodology. Results from both experiments with different decision scenarios and subject samples validated the central proposition of FACT that firm-level factors and agent-level factors interactively influence firm behaviors in VIRs.

Keywords:Firm behaviors, Inter-firm relationships, Multi-level theory

A FIRST LOOK AT THE RELATIONSHIP BETWEEN GOVERNANCE AND THE DISCLOSURE OF STRATEGIC CONTENT

Harkins, Jason A.; U. of Maine; jason.harkins@maine.edu

I evaluate the role of strategic content disclosure (SCD) as it affects firm performance and is affected by governance characteristics. Prior literature has focused on a direct relationship between governance characteristics and performance by arguing that governance characteristics eliminate top management actions that harm shareholders. I, however, argue that governance characteristics have an effect on the content the firm chooses to disclose. In particular, I argue that SCD is predicted by the governance characteristics of the firm and that SCD predicts market performance. I find that SCD does predict market performance and that a variety of governance characteristics predict SCD.

Keywords:Disclosure, Governance, Performance

A HALF-CENTURY OF THE STUDY OF ORGANIZATIONS: EXAMINING THE CONTRIBUTION OF MARCH & SIMON'S CLASSIC

Anderson, Marc H; Iowa State U.; mha@iastate.edu

One of the seminal books in organization studies is March and Simon's Organizations. Although its overall influence is undeniable, little is known about the nature of that influence. This study examines this influence through a citation context analysis of the citations to Organizations in

three top organization studies journals. It categorizes the content citing authors draw on, finding that six categories account for nearly half of the citations. Results also show differences in the content cited over time, and that few citations challenge claims made in Organizations. Finally, it reveals the articles that have drawn on Organizations most heavily.

Keywords:Organizations, March and Simon, citation context analysis



A PEOPLED VIEW OF INSTITUTIONAL WORK: THE EMERGENCE OF COMMERCIAL MICROFINANCE IN BOLIVIA

Dorado, Silvia; U. of Rhode Island; sdorado@mail.uri.edu

This paper reports on a study of why actors engage in institutional work conducted in the empirical context of the emergence of commercial microfinance in Bolivia. Most researchers have addressed this question exploring the objective circumstances that allow actors to adopt new practices even when their intentions, actions, and rationality are conditioned by institutional scripts. In contrast, this paper asks why actors exposed to similar objective circumstances engage in different forms of institutional work. It argues that actors decide to preserve, change, or erode institutional scripts because of tensions engendered as they incarnate these scripts in their practice. It contributes to the emergent inhabited view on institutions with a conceptualization of why actors engage in institutional work that articulates that how people do things together (instead of simply what they do) crucially frames their decision making. The conceptualization offered abandons false dualities of institutional actors as either dopes or heroic entrepreneurs for actors as people. From this perspective, actors' decision making is framed by interests that do not necessarily precede but can also emerge with their acting, and it is modulated by relational dynamics (trust, reputation, social distance, and status competition) generated through a history of social interactions.

Keywords:Institutional agency, institutional change, Institutional work

A PERFECT KNOCK ON THE NUT: AESTHETIC PLAY AND BEAUTIFUL ACTION

Taylor, Steven S; Worcester Polytechnic Institute; sst@wpi.edu

To the extent that modern organizations exist in a world that is unstable, unknowable, and unpredictable, managers need tools that are not based in traditional logic and rationality, tools that are not about the science of management, but rather tools that take seriously the idea that management is an art. I argue and illustrate with an example, that inquiring into beautiful action can offer insight into management as an art -- it offers us an idea of management action as a conversation between our intellectual representations and our sensuous experience, as an art looking to make that perfect knock on the nut which cracks open the situation.

Keywords:aesthetics, beauty, action

A PERFORMANCE PERSPECTIVE OF ORGANIZATIONAL CAPABILITIES AND ROUTINES

*Bruns, Hille C.; Free U. Amsterdam; hbruns@feweb.vu.nl
Carlile, Paul R.; Boston U.; carlile@bu.edu*

This paper synthesizes the diversity of research findings and theorizing around organizational capabilities and routines. We contend that bringing these two literatures together around the question of performance generates new and productive insights. Two major debates on routines form the starting point for a reappraisal of the literature, namely whether routine performance is mindful or mindless, and whether it is stable or variable. Empirical evidence confirms all four possible modalities of routines, but these findings remain paradoxical without a better understanding of the circumstances under which each mode generates effective performance. Likewise the capabilities literature implies high performance, but the circumstances under which capabilities produce rigidity or adaptation are not specified. We propose a view of routines as a relational performance among actors that constitutes the target and source of capabilities. Capabilities determine the degree to which actors accommodate novelty in routine performance. This puts the relationship between capabilities and routines on firmer grounds and maps the terrain for future research.

Keywords: routines, performance, capabilities

A PRACTICE THEORY OF EXECUTIVE LEADERSHIP GROUPS: DYNAMIC MANAGERIAL CAPABILITIES AND THE MBT TEAM

Martin, Jeffrey A.; U. of Texas, Austin; jeffrey.martin@mcombs.utexas.edu

This study is developed from a broader research program of organization and strategy in highly dynamic markets. It draws on recent empirical studies of cross-business collaboration and dynamic managerial capabilities to present a practice theory of executive leadership groups. Incentive and demography data is presented and integrated into the finding of these recent studies to develop a practice theory of executive leadership groups. In addition, a practice theory lens is used to add additional understanding to the emerging conceptualization of dynamic managerial capabilities. Specifically, this study describes how the system of organizational relationships within executive leadership groups creates affordances and constraints in the resource actions they sense, formulate and ultimately take. Overall, this study considers inertia and adaptability to be two sides of the same coin, rather than distinct attributes of particular structures, processes, or individual agency in executive leadership groups

Keywords: top management teams, dynamic capabilities, practice theory

A PROCESS MODEL FOR ESTABLISHING RELATIONAL LEGITIMACY IN CONTEXTS OF INSTITUTIONAL COMPLEXITY

*Ueberbacher, Florian; U. of St. Gallen; florian.ueberbacher@unisg.ch
Jacobs, Claus D; U. of St. Gallen; claus.jacobs@unisg.ch*

We explore how organizations establish relational legitimacy to initiate interorganizational relationships (IOR) in contexts of institutional complexity. Institutional complexity ensues when participating organizations predicate the aspired IOR with heterogeneous institutional logics and according rules, norms, and strategies. Conceiving of relational legitimacy as a discursive

achievement, we draw on Tsoukas' (1991) conception of analogical reasoning and develop a process model for mitigating institutional complexity and establishing relational legitimacy. We demonstrate our model with an indicative longitudinal case on the 3 year formation process of a public-private partnership and subsequently discuss our study's implications for institutional theory and for research on IORs.

Keywords: institutional logics, legitimacy, interorganizational relationships



A SPATIAL ECOLOGY OF STRUCTURAL HOLES: SCIENTISTS AND COMMUNICATION AT A BIOTECHNOLOGY FIRM

Liu, Christopher C.; Harvard U.; cliu@hbs.edu

This paper focuses on the relationships between individuals, their local spatial environment, and their ability to form networks that span the internal structure of an organization. I contend that the prevailing view about spatial proximity – that high spatial density leads to greater opportunities to expand one's network – is at best incomplete and potentially misleading. Instead, I argue that an individual's spatial proximity must be considered in an ecological context – i.e., in relation to the location and expertise of proximate colleagues. Using a unique dataset of email communication patterns, fine - grained blueprints of office - locations, scientific publication records and associated keywords, as well as the formal organization chart from the research division of a biotechnology firm, I find that co - location alone is not associated with an individual's ability to assume network positions that bridge structural holes. In fact, spatial proximity to workgroup (i.e., same laboratory) members inhibits an individual's ability to form networks that reach across the organization. By contrast, proximity conditioned on the expertise overlap of nearby, non - workgroup (i.e., different laboratory) colleagues is associated with having a less constrained network (i.e., one rich in structural holes). Lastly, spatial ecological effects are as important as human capital in providing an individual with opportunities to occupy brokering positions in the network. This paper contributes to the literature on networks and the organization of innovative work by developing a theory of spatial ecology and demonstrating its connection to network structural features that have been repeatedly linked to superior performance in knowledge production contexts.

Keywords: Propinquity, Network Antecedents, Organizational Ecology

ABSORPTIVE CAPACITY AND PERFORMANCE: A CURVILINEAR RELATIONSHIP?

*Greve, Greta; RWTH Aachen U.; greve@win.rwth-aachen.de
Brettel, Malte; RWTH Aachen U.; brettel@win.rwth-aachen.de*

Although absorptive capacity (ACAP) has been a widely researched construct during the last two decades, survey-based empirical studies in this field have focused only on linear relationships. The present research addresses this gap by comparing the linear and curvilinear relationships between ACAP and performance measures. Findings indicate that linear specifications result in a good approximation, but curvilinear models are better at explaining some relationships. To address further the question of resource allocation, this study also draws on the theoretical considerations of Zahra and George (2002) to reveal the interdependencies among the four process steps of ACAP.

Keywords:Regression analysis, Absorptive capacity, Curvilinear effects

AGE-DEPENDENCE REVISITED

*Le Mens, Gael; U. Pompeu Fabra; gael.le-mens@upf.edu
Hannan, Michael T; Stanford U.; hannan_michael@qsb.stanford.edu
Polos, Laszlo; Durham Business School; laszlo.polos@gmail.com*

This paper proposes a novel theoretical framework to explain the various patterns of age-dependence in the mortality of organizations. Previous approaches had emphasized several successive periods, such as an endowment period, a period of maturity, and a period of obsolescence, each characterized by quite different dynamics of evolution of the mortality hazard. In contrast, the framework proposed here does not posit, ex ante, the existence of such distinct stages. Rather, it assumes that the nature of the relations between the key constructs used in the theory does not change over time. Despite this simplification, the model can generate the various patterns of age-dependence identified in empirical analyses. In that sense, we believe that the approach proposed here provides an alternate theoretical integration of some of the existing theories of age dependence. Furthermore, our model leads to empirical predictions that are distinct from those of prior theories.

Keywords:Organizational Failure, Ecology, Organizational Capital

AMPLIFIED INTERFACES: HOW ORGANIZATIONAL IDENTITY AFFECTS INVESTOR REACTION TO MARKET PERFORMANCE

Smith, Edward Bishop; U. of Chicago; nedsmith@uchicago.edu

Although prior work has demonstrated that economic actors who fail to conform to prevailing logics—such as the categorical structure of markets—garner less attention and perform poorly, evidence also suggests that some non-conforming actors can elicit considerable attention and thrive. In this paper, I propose a new model for better understanding when conformity and non-conformity have favorable effects on certain economic outcomes. Analyzing the association between organizational conformity, returns, and capital flows in the context of the hedge fund industry, I find that investors allocate capital more readily into non-conforming hedge funds following periods of short-term positive performance. Non-conforming funds are also less severely penalized for recent poor performance. Both effects persist despite strong steady-state normative pressures towards conformity. Deciphering this outcome and exploring what it means for theories relating to organizational identity, legitimacy, and isomorphism in markets, are the aims of this paper. Legitimacy-seeking processes are ultimately reinterpreted probabilistically according to the following simple intuition: whereas winning alone is rewarded, losing in a pack is penalized.

Keywords:Economic sociology, Categories, Identity

AN EXAMINATION OF ORGANIZATIONAL STRUCTURE AND CONTINUOUS IMPROVEMENT AND LEARNING ACROSS CULTURES

*Huang, Xiaowen; Miami U. Ohio; huangx@muohio.edu
Rode, Joseph Charles; Miami U. Ohio; rodejc@muohio.edu
Schroeder, Roger; U. of Minnesota; rschroed@umn.edu*

We examined the relationship between organizational structure and continuous improvement and learning in 266 manufacturing firms located in nine countries. Our results indicated that the relationship between organic organizational structures and continuous improvement and learning was stronger in organizations located in countries whose values supported participative leadership than in those located in countries that did not. Additionally, our results indicated that the strength of the relationship between organic organizational structures and continuous improvement and learning depended on the existence of a group organizational culture, in those organizations located in countries whose values did not support participative leadership. We discuss implications for theory and practice.

Keywords:organizational structure, continuous improvment and learning, culture

AN EXPLORATION OF MULTI-LEVEL PARADOXES IN STATE-OWNED ENTERPRISES

*Sinha, Anubha Shekhar; Indian Institute of Management, Calcutta, India;
anubhashekhar@yahoo.co.in*

Aulakh, Preet S; York U.; paulakh@schulich.yorku.ca

Ray, Sougata; Indian Institute of Management Calcutta; sougata@iimcal.ac.in

State owned enterprises (SOEs) in a number of countries have witnessed discontinuous changes in their institutional environment as erstwhile closed and protected economies were subject to a combination of domestic and internationally imposed liberalization reforms. As rules of the game changed, these organisations were forced to play by the rules of the market but their allegiance to their non-market principals remained. Strong dependence on external context also prevented a radical deinstitutionalisation in SOEs. As a result, SOEs are pursuing contradictory and mutually exclusive ends simultaneously and these ends can't be traded off for each other. They are facing paradoxes at various levels of the organisation. Paradoxes do not lend themselves to resolution through formal logics. Understanding paradoxes is the first step towards managing them. Paradoxes offer us an opportunity to advance theory. In this paper we develop a framework of multi-level paradoxes that exist in SOEs. Through disentangling these paradoxes and visualising the numerous interaction patterns between them, we see a possibility of emergence of a theoretical discourse into these paradoxes.

Keywords:Paradox, State Owned Enterprises, Multi-level

AN INSTITUTIONAL BASED VIEW OF CEO DISMISSAL: HOW INSTITUTIONS AFFECT CEO DISMISSAL

Li, Weiwen; Chinese U. of Hong Kong; liweiwen@baf.msmail.cuhk.edu.hk

CEO dismissal is one of the most theoretically interesting topics in strategic management. Extant perspectives on CEO dismissal could not answer the question of why there are substantial cross national variations in CEO dismissal. From an institutional perspective, this study proposes a theoretical framework that specifies how institutions influence CEO dismissal. This framework posits that institutions shape organizational characteristics which are the main antecedent of CEO

dismissal and provide board directors and senior executives with incentives to engage in behaviors consequential for CEO dismissal.

Keywords:CEO dismissal, Institutions, incentives

AN INTEGRATED APPROACH TO ORGANIZATIONAL CHANGE, POWER, AND SENSEMAKING

Aissaoui, Rachida; U. of Memphis; raissaoui@hotmail.com

Using sensemaking as a lens, we explore how power relations and organizational sensemaking types interact with change processes. We propose a model that shows how these elements interact to bring about successful change. We will show that power plays a key role in deterring and shaping change actions, and that the change-power-sensemaking trilogy has to be aligned for such actions to be successfully implemented.

Keywords:Change, Power, Sensemaking

AN INVESTIGATION BEYOND THE ALLIANCE LEVEL: THE PRESENCE OR ABSENCE OF COLLABORATION WITHIN THE FIRM

Schleimer, Stephanie Christine; Copenhagen Business School; scs.smg@cbs.dk

The importance of strategic alliances as a tool for innovation performance has evolved as a well researched phenomenon. Yet, albeit its significance, it is still not clear why some strategic alliances lead to successful innovation outcomes while others fail. This study goes beyond the alliance level and examines whether this inconsistency is related to the presence or absence of innovation-related collaborations within the firm during these alliances. The multi-dimensional nature of collaboration is captured through the intensity of (1) collaborative activity attributes and (2) relational attributes that have been most frequently attached to collaboration. Using a sample of 195 innovation-driven strategic alliances and building on arguments in the extant collaboration literature, I propose that the impact of strategic alliances on innovation performance is stronger where there is no intra-firm collaboration and weaker where there is simultaneous collaboration among functional units within the firms. The findings only partly confirm the propositions that intra-firm collaboration accounts for the value-adding nature of the alliances. Instead, they suggest that where firms only have a single functional unit engaged in a new product development, alliance success is reached foremost through collaborative activity attributes with the partnering firms. However, where firms have multiple units involved in the innovation process, which collaborate with one another, value in the alliance is gained through inter-firm relational attributes. Additional analyses suggest that during these latter collaborations, innovation-creation within the firm is gained through collaborative activity attributes among the functional units. Important theoretical and managerial implications are discussed and implications are given.

Keywords:innovation performance, collaboration, strategic alliances

ANTECEDENTS OF INDIRECT MANAGEMENT CONTROL – A RESOURCE DEPENDENCE THEORY PERSPECTIVE

Voss, Uwe; RWTH Aachen U.; voss@win.rwth-aachen.de

Management control is fundamental to all organizations. Within the control literature contingency research has developed into the dominant theme. However, only few studies investigated why managers employ indirect controls. Previous research actually addressing the question almost exclusively revolved around Ouchi's work. It characterizes indirect control as a fall-back option given managerial difficulties to formally evaluate their subordinates' performance. There are strong arguments for a more thorough investigation of the contingencies of indirect control. This study proposes that there exist certain employee characteristics that cause managerial dependence. Managers faced with dependence rely more intensely on indirect controls. Building on Resource Dependence Theory specific propositions are derived step by step. Empirical results of a survey of 378 German executives are provided. The propositions receive strong empirical support. The paper closes discussing its implications, avenues for further research and potential lessons for practitioners.

Keywords: Management Control, Resource Dependence Theory, Clan Control

APPLYING THE INSTITUTION-BASED VIEW TO THE CASE OF M&A IN CHINA. WHICH CONTEXT FACTORS MATTER?

Kemper, Sebastian; Tongji U., Shanghai; Sebastian.Kemper@whu.edu
Han, Zheng; U. of St. Gallen; zheng.han@unisg.ch

In this paper we describe the phenomenon of M&A as a managerial choice that can only be understood within its context. To be able to better generalize existing research in a first step we show the necessity to adjust existing research for contextual elements that reflect the Chinese institutional environment. This is done by showing the implicit contextual assumptions of existing research on M&A. This illustrates the limited reach of this research. In a second step we develop propositions about potential M&A research findings in the Chinese context. This analysis enables us to extract a set of contextual factors that are most relevant and serves as a preliminary answer to the question "which institutions matter". This list of context factors is valuable providing a set of additional variables that can be put under empirical scrutiny. Further on, a hierarchy of institutional components emerges, reaching from culture, education, formal- institutions to stages of economic development. Influence and potential relationships of these components are systematically explored. In conclusion we argue that the institution-based view has the potential to be expanded towards one integrated framework of strategic management beyond the existing multi-pillar strategy-tripod of institution-based view, resource-based view and industry structure analysis.

Keywords: M&A, institution-based view, China

ARRIVING AT THE STARTING LINE: THE IMPACT OF COMMUNITY AND BUSINESS LOGICS ON NEW BANKING VENTURES

Almandoz, John; Harvard U.; jalmandoz@hbs.edu

Local banks are an interesting context to study conflicting logics, since they are at the intersection of community and business logics. This study finds that founding teams of community banks with

a higher proportion of members volunteering in community boards (a proxy for the team's community logic) are more likely to succeed in starting the bank, while teams with a higher proportion of members having financial backgrounds or serving in corporate boards (proxies for a business logic) are less likely to succeed. This study explores the motivational role of those two logics on the organizing teams and their communities.

Keywords:Upper echelon, Institutional logics, Entrepreneurship

ARTIFACTS AT THE CENTRE OF ROUTINES: PERFORMING THE MATERIAL TURN IN ROUTINES THEORY

D'Adderio, Luciana; U. of Edinburgh; L.D-Adderio@ed.ac.uk

Notwithstanding the key role played by artefacts in general, and formal or “artifactual representations” of routines in particular, towards shaping routines evolution, the role of artefacts has been much neglected in the extant Routines Literature. Traditionally characterised at one extreme as prescriptions that determine the course of routines, or, at the other extreme, descriptions that are merely inconsequential, artifactual representations have been treated as opaque entities, either too solid to be avoided or worked around, or too flexible to have an effect. This paper endeavours to remedy for this crucial gap in our understanding of the influence of artefacts on routines dynamics by proposing a novel and deeper conceptualisation of their mutual relationship. In drawing from recent advances in Routines and Performativity theory, this paper contributes to advancing our understanding of routines dynamics by bringing artefacts and materiality from the periphery to the very centre of routines and Routines Theory.

Keywords:routines, artifacts, distributed agency

AUTO-ORGANIZATIONAL MEMORY: ITS MICRO- FOUNDATIONS AND EFFECTS

Bryant, Peter T.; IE Business School; peter.bryant@ie.edu

I articulate the new concept of “auto-organizational memory” which I use to distinguish an organization's memory of itself from other types of organizational memory. The core of my argument is that transactive autobiographical memory systems emerge among persons as they interact within organizations. Important features of these transactive memory systems become encoded into organizational memory, forming the micro-foundations of distinctive auto-organizational memory. I discuss how auto-organizational memory plays a fundamental role in many aspects of organizational life: social bonding and culture, identity, motivation and goal setting. I conclude by discussing the potential implications for research and practice.

Keywords:Organizational memory, Transactive memory, Micro-foundations

AVOIDING THE CONSEQUENCES OF REPEATED MISCONDUCT: STIGMA'S LICENSE AND STIGMA'S TRANSFERABILITY

Moore, Celia; London Business School; cmoore@london.edu
Stuart, H. Colleen; U. of Toronto; colleen.stuart04@rotman.utoronto.ca
Pozner, Jo-Ellen; U. of California, Berkeley; pozner@haas.berkeley.edu

Contributing to the literature on stigma and re-legitimation, this paper examines two ways organizations may dampen the penalties associated with admissions of misconduct. Using a matched sample of firms reporting earnings restatements (141 single restating firms and 141 multiple restating firms), we find (1) that the stigma associated with a first admission of misconduct licences firms to engage in additional acts of misconduct without incurring the same penalties the second time around, and (2) that firms can effectively regain legitimacy after engaging in misconduct by replacing their CEO prior to publicly announcing the misconduct, but only when the CEO is replaced with an outsider. We argue the first finding is representative of a “licensing effect of stigma,” an unexpected positive outcome from a predominantly negative labelling process. We argue that the second finding is representative of how stigma can be successfully transferred from firms to associated organizational elites. We suggest that doing so permits the firm to re-establish its legitimacy even in the face of misconduct admissions because the leadership change re-frames new admissions of misconduct in a more positive light. Both findings help us understand why corporate misconduct may be so persistent and intractable.

Keywords: misconduct, stigma, restatements

BALANCING ACTS: PARADOXES OF LEGITIMACY AND PUBLIC SERVICE IN HYBRID ORGANIZING

Jay, Jason Jesurum; Massachusetts Institute of Technology; jjay@mit.edu

Entrepreneurs from business, government, and civil society are increasingly pursuing hybrid organizing that combines institutional logics. Unintended consequences either stymie progress or lead hybrids to drift toward a single logic. Past studies emphasize co-opting by private interests and market logics. This paper presents an alternative case of a cross-sectoral collaboration gradually redefining itself as a traditional non-profit. Two mechanisms explain this outcome, the paradoxes of legitimacy and of public service. Creative balancing acts are possible when hybrids' exchange partners are hybrids themselves, or actors in the hybrid exhibit behavioral complexity and cultivate trusting exchange relationships that transcend public/private distinctions.

Keywords: natural environment, cross-sectoral collaboration, institutional logics

BALANCING INTER-LEVEL OR INTRA-LEVEL? ALIGNMENT PATTERNS FOR ORGANIZATIONAL AMBIDEXTERITY

Hotz, Florian; U. of St. Gallen; hotz@sunrise.ch
Ferlic, Flora; U. of St. Gallen; flora.ferlic@unisg.ch

This paper focuses on the internal dimension of aligning for ambidexterity and its effects on firm performance. Applying a longitudinal research design on 79 firms in the European insurance industry over an 11-year period, we find different patterns of organizational alignment, which lead to ambidextrous learning behavior. The specific balancing patterns' distinct performance effects depend on further contingency variables. Additionally, we found that organizations, which balance for ambidextrous alignment, tend to be more dynamic in aligning with changing internal and

external demands than their one-sided competitors. The study expands existing research by analyzing organizational alignment activities that encompass multiple organizational levels. The comparable performance effects of differing alignment patterns are in line with the concept of equifinality, which implies establishing similar competitive advantages through different strategic and organizational means, depending on different boundary conditions. Ambidextrous organizations' strong tendency towards extensive use of alignment activities further provides a promising starting point for future research ventures.

Keywords:Configurations, Ambidexterity, Internal Fit

BALANCING KNOWLEDGE GENERATION & PROTECTION THROUGH LEARNING-NETWORK STRUCTURE AND KNOWLEDGE DEPTH

*Kalish, Yuval; Tel Aviv U.; yuvalk@post.tau.ac.il
Oliver, Amalya L; Hebrew U.; amalyao@cc.huji.ac.il*

While interorganizational collaboration among firms and universities in biotechnology has been the subject of rigorous research in the past two decades, the ways in which organizational actors balance the tension between knowledge generation and protection has attracted little empirical attention. The current study proposes and tests a theoretical framework that suggests that organizational actors utilize network structure while controlling the depth of information they share with others to balance the risks and opportunities of interorganizational learning relationships. We argue that different types of knowledge exchanges will exhibit different dominant structural features. We utilize the structural concepts of triadic closure and structural holes as they apply to single and multiple relationships, and drawing on network data of various interorganizational learning ties between members of a biotechnology consortium, analyzed with univariate and multivariate exponential random graph (ERG) models, we provide evidence that largely support our theoretical framework. Results indicate that given the incomplete governance mechanisms in consortia, participants tend to utilize the benefits associated with different univariate and multivariate network structures while controlling the depth of learning relationship to assist them with their learning objectives.

Keywords:interorganizational learning, networks, biotechnology

BEHAVIORAL ANTECEDENTS OF COMPETITIVE ADVANTAGE: ALIGNING PREDICTION AND CONTROL

*Billinger, Stephan; U. of Southern Denmark; sbi@sam.sdu.dk
Gibb, Jenny; U. of Waikato; jennyg@waikato.ac.nz*

Using longitudinal data from a single case study firm for the period of 1986 to 2009, we identify how prediction and control, as managerial capabilities, shape the way a firm positions itself and manages its external environment. We identify prediction i.e. the firm's ability to foresee the development of its external environment, as largely relying on control, i.e., its ability to influence the behavior of its external environment. We find that firms develop a distinct capability that allows them to align both prediction and control, and we argue that this alignment capability has important, competitive implications. We identify this process of capability aggregation as an essential behavioral antecedent necessary for the creation of competitive advantage. We thereby introduce a link between resource-based theorizing and the behavioral theory of the firm.

Keywords:Competitive Advantage, Prediction & Control, RBV

BETWEEN A ROCK AND A HARD PLACE: THE PERSISTENCE OF CONTESTED LEGITIMACY IN CONTEMPORARY HR

Sandholtz, Kurt; Stanford U.; kws@stanford.edu

Legitimacy is a central concept in the social sciences, usually associated with institutional success. This paper explores a counterexample: contemporary HR. The paper asks, "How can a social entity be ubiquitous in the organizational world, yet remain contested and the object of criticism?" An assessment of the sequence of institutional logics to which HR has attached itself over the years sheds light on the persistence of contested legitimacy. Analysis of the history of the HR occupation indicates three ways in which institutional logics interact with occupational identities such that contested legitimacy becomes institutionalized: through the clutter of accumulated practices, the confusion of misaligned logics, and the contradiction between underlying societal tensions.

Keywords:Human resources, institutional theory, legitimacy

BETWEEN SELF-ORGANIZING AND ACCELERATING NETWORKS: UNTANGLING STRATEGIC NETWORKS COGNITIVE DYNAMICS

Levanti, Gabriella; U. of Palermo; levanti@economia.unipa.it

Cuccia, Luigi; U. of Palermo; luigi.cuccia@gmail.com

La Commare, Umberto; U. of Palermo; ulacomma@dtpm.unipa.it

This paper aims to detect the crucial determinants and processes that shape the emergence and evolution of interfirm network cognitive morphology. We pinpoint three relatively distinct but coexistent levels which define the fundamental structure of the network: the microsystemic (or the single firm) level; the mesosystemic (or the groups of firms within the network) level; and the macrosystemic (or the overarching network) level. Then, we integrate the complex system perspective (Morin, 1977; Prigogine & Stengers, 1984; Anderson, 1999) applied to networks with studies regarding theoretical models that elucidate network structuring and dynamics cultivated in the new "science of networks" (Barabási, 2002; Watts, 2003) in such a way to typify the mesosystemic level as an accelerating network and the macrosystemic level as a self-organizing network. Finally, we represent multilevel network cognitive dynamics by means of a three-level cognitive shape that we term 'network cognitive domain' and dissect the correspondent multilevel governance scope of the network cognitive sub-domains.

Keywords:network multilevel governance, network cognitive dynamics, cognitive domain

BEYOND IMPROV COMEDY: ADVISOR NETWORK AND FIRM EFFECTS ON ORGANIZATIONAL IMPROVISATION

Gong, Yan; U. of California, Irvine; gongy@merage.uci.edu

Terlaak, Ann; U. of Wisconsin, Madison; aterlaak@bus.wisc.edu

We develop and test a theory of the effect of organizational memory on firm improvisation upon surprise events. We differentiate between a firm's internal and external memory and theorize that different dimensions of each memory distinctly affect whether a firm improvises in the face of an unexpected event. In particular, we argue that the amount and dispersion of practices and routines stored in a firm's internal memory foster improvisational responses. A firm's external memory as represented by its advisor network, in contrast, inhibits such responses. We further theorize that a firm's internal memory negatively moderates the effects of its external memory. We test these ideas using a sample of 181 surprise events identified from 1,725 pages of interview transcripts and informant self-rating reports. Findings support that firm internal memory and external memory differentially affect firm improvisation. Our study contributes by going beyond the general notion that memory affects improvisation, providing instead a more nuanced account of how different types and dimensions of firm memory affect improvisation in the context of surprise events.

Keywords:Improvisation, Organizational Memory, Surprise

BEYOND THE MYTH OF BOARD INDEPENDENCE

*Capezio, Alessandra; Australia National U.; alessandra.capezio@anu.edu.au
Shields, John L; U. of Sydney; j.shields@econ.usyd.edu.au*

Along with current codes of corporate governance best practice, virtually all major governance theories, including Agency Theory and Managerial Power Theory, see board structural 'independence' as a crucial mechanism by which a firm's dispersed and distal owners can better monitor, control and align the behaviour of hired executives. Having an independent-dominated board, and particularly a compensation committee dominated by non-executives, is proffered as a means both to avoid board 'capture' and to facilitate more diligent monitoring and greater pay-performance sensitivity in executive contracts. On the basis of Australian and other evidence, however, we suggest that this shared faith in board structural independence as a remedy for the 'agency problem' and 'pay-performance decoupling' is misplaced. Instead, we propose a new departure for theory, research and policy development in this area; one that goes beyond the bounds of both economic rationality and structural determinism and explores the social-cognitive aspects of board advice-seeking, sense-making and decision-making in this domain.

Keywords:executive compensation, company boards, director independence

BUILDING REPUTATION FOR TECHNOLOGY STARTUPS

Petkova, Antoaneta; San Francisco State U.; apetkova@sfsu.edu

Extant research points to the benefits of having reputation early in a firm's life while at the same time identifying numerous challenges that technology startups face in building their initial reputation. Yet, there has been little conceptual or empirical work focusing on the processes that lead to the accumulation of initial reputation by technology startups, the variations among startups in their reputation building strategies, or the effectiveness of such strategies under different conditions. To fill in this void in reputation research, this paper presents a conceptual framework for understanding the initial reputation accumulation for technology startups as a bi-product of two inter-related uncertainty-reduction processes that lead to resolving the technical uncertainty regarding the startup's ability to develop and commercialize intended technological innovations and the market uncertainty related to the future market acceptance of its products and technologies. Founders' prior startup experience is identified as major driver of variations among technology startups in their uncertainty reduction and reputation building effort. The contingent effectiveness of such efforts is also analyzed.

Keywords:reputation, startup, uncertainty

BUREAUCRATIC PERSISTENCE PATHS: THE ROLE OF EMBEDDED AGENCY

Osadchiy, Sergey E.; Rotterdam School of Management, Erasmus U.;
[*sosadchiy@rsm.nl*](mailto:sosadchiy@rsm.nl)

In the context of today's post-industrial economy, corporate bureaucracy is widely condemned as obsolete, while radically different post-bureaucratic forms have long been expected to replace it. Yet many organizations today continue to be governed by bureaucratic principles. The present paper presents an actor-centered perspective on bureaucratic survival and persistence. Drawing on the conceptual resources of recent neo-institutional work on embedded agency, while also moving beyond the more deterministic versions of legitimacy-based explanations of form persistence, I outline a conceptual framework for explaining the different ways in which bureaucracy persists.

Keywords:bureaucracy, institutional persistence, agency

CAN FIRM SIZE AND FIRM AGE MODERATE THE MOMENTUM IMPACT ON STRATEGIC DIMENSIONS OF PERSISTENCE?

Tien, Chengli; National Taiwan Normal U.; [*cltien168@gmail.com*](mailto:cltien168@gmail.com)
Chiu, Hong-Jen Charles; National Taiwan U.;
[*hongjen@management.ntu.edu.tw*](mailto:hongjen@management.ntu.edu.tw)

This study extends research on issues relating to organizational behaviors and the influences of structural inertia to clarify the relationship between the momentum effect and firm size and firm age as moderators. This study offers models predominantly based on evolutionary and inertia theories, and tests hypotheses using data from 122 companies in the high-technology sectors in the U.S. Results indicate that how firms respond to their prior behaviors may involve organizational learning and unlearning, as the momentum effect does not persist in some strategic dimensions (e.g., financial leverage). Contrary to conventional wisdom, firm size can only significantly moderate momentum on the dimension of PE newness, while firm age can moderate momentum on the dimensions of non-production overheads and advertising intensity. The findings provide researchers and business practitioners with evidence as to how firms respond to their prior behaviors and how much firm size and firm age matter from a multi-dimensional perspective.

Keywords:routines, organizational inertia, evolutionary theory

CATEGORICAL CONTRAST AND AUDIENCE RESPONSE: ENTREPRENEURIAL ENTRY INTO A NEW ORGANIZATION CATEGORY

Xu, Hongwei; INSEAD; [*hongwei.xu@insead.edu*](mailto:hongwei.xu@insead.edu)
Zhao, Litao; National U. of Singapore; [*eaizlt@nus.edu.sg*](mailto:eaizlt@nus.edu.sg)

Organization theorists have studied the appeal of organizational categories for about a decade. Most analyses focused on a focal category's individual purity or hybridity, and found that mass audiences and gate keepers tend to devalue organizations with hybrid identities. But a focal category's appeal is shaped not only by individual purity or hybridity but also by its overall contrast to alter categories in a common identity space. In this paper, we study how categorical contrast shapes categorical appeal, and argue that the appeal effects of a focal category's contrast to alter categories depend on the evolutionary stage at which a focal category is being evaluated. Specifically, when the legitimation process dominates, the stronger a focal new category contrasts to existing legitimate categories, the less likely audiences would endorse the focal category. In contrast, when legitimate categories are being evaluated based on intrinsic appeal, the stronger a focal legitimate category contrasts to existing legitimate categories, the more likely audiences would endorse the focal category. Empirically, we examine how organizational categorical contrast shapes the entry of potential entrepreneurs into the emerging private sector in transitional China. The findings lend support to our arguments.

Keywords:organizational category, categorical contrast, entrepreneurship

CEO HUMILITY: PROSPECTS FOR STUDYING AN UNDEREXPLORED POSITIVE CEO CHARACTERISTIC

Ou, Amy Y.; Arizona State U.; yi.ou@asu.edu

Besides those attention-grabbing CEOs who are narcissistic, hubristic or overconfident, the humble ones have received much less attention. A thorough understanding of humble CEOs advances our knowledge about strategic leadership by providing a more comprehensive picture of the CEO population and unraveling the organizational processes linking CEOs and firm outcomes. I build on work in psychology to develop a self-concept based construct of CEO humility; proposed some of its key implications for strategic choices, leadership behaviors, top management team dynamics, organizational climate and middle manager outcomes; and outline its future research directions in advancing positive organizational scholarship.

Keywords:Positive organizational scholarship, CEO characteristic, Humility

CEO SUCCESSION, SENIOR EXECUTIVE CHANGES, AND SOCIAL RELATIONSHIP TIES: THE CASE OF CEO/CFO TURNOVER (WITHDRAWN)

*Zander, Kevin; WHU – Otto Beisheim School of Management, Vallendar;
Kevin.Zander@whu.edu*

*Büttner, Volker; WHU – Otto Beisheim School of Management, Vallendar;
volker.buettner@whu.edu*

*Schäffer, Utz; WHU – Otto Beisheim School of Management, Vallendar;
utz.schaeffer@whu.edu*

This study suggests that different patterns of senior executive departure may influence organizational implications of CEO successions. Considering the relevance of a CEO's social ties into the organization, we investigate associations between CEO succession and subsequent top executive turnover at the example of the CFO, as this top executive role is frequently characterized by a strong team relationship to the CEO and a high level of structural embeddedness within organizations. We propose that an outside CEO's lack of social ties into

the organization compared to an inside successor results in higher incentives to avert talented CFOs from voluntarily leaving the organization to assume external career opportunities¹ in order to sustain and access their intra-organizational social ties² and to be more active in dismissing less qualified, hostile incumbent CFOs³ in order to remove infiltrating social ties into the organization that would jeopardize the development of the CEO's own intrafirm social network. Our empirical findings on a unique dataset including detailed information on 139 CEO and CFO turnovers support these propositions. They reveal both that outside CEO successions are associated with lower levels of CFO departures for external opportunities and that the nomination of outside CEO successors in dismissal contexts yields higher levels of forced CFO departures compared to inside CEO successions. We also find that CFOs leaving for external opportunities in situations of poor firm performance adversely affect the performance implications of outside CEO succession. Our study accentuates that considering different patterns in senior executive turnover may help to resolve inconclusive findings in extant research on organizational implications of CEO successions.

Keywords:Senior Executive Changes, Social relationship ties, CEO succession



CEO SURVIVAL AND INDUSTRY DISCRETION: AN APPLICATION OF AGENCY AND JOB MATCHING THEORIES

*Cordeiro, James J; State U. of New York, Brockport; jcordeir@brockport.edu
Shaw, Tara Shankar; State U. of New York, Brockport; tashaw@brockport.edu*

We draw on job matching theory and agency theory to develop hypotheses about the differential survival rates of CEOs in high versus low-discretion industry environments (i.e. where managers have more or less latitude in their strategic and operational decisions and choices). Consistent with our predictions, we find that CEO tenures are significantly shorter in high-discretion industries. We also find that the impact of industry-adjusted firm one- year lagged stock return performance on turnover is reinforced in high-discretion industries consistent with our theory that considering industry discretion can reduce board attribution errors when attributing firm performance to the CEO. Our findings are based on a sample of all Standard & Poor 500 CEOs over the 2004-2008 post-SOX period. Our methods go beyond the limited logit regressions traditionally employed in CEO turnover research to incorporate more relevant survival analysis techniques including competing risk models.

Keywords:Industry Discretion, Job Match Theory, Job Match Theory, CEO survival, Industry Discretion, CEO survival

CHANCE, NECESSITÉ, ET NAÏVETÉ: INGREDIENTS TO CREATE A NEW ORGANIZATIONAL FORM

*Powell, Walter W; Stanford U.; woodyp@stanford.edu
Sandholtz, Kurt; Stanford U.; kws@stanford.edu*

We examine the genesis of organizational forms, as well as their potential to catalyze fundamental changes in the institutional milieu that gave them birth. Our setting is the commercialization of bioscience breakthroughs in the 1970s and early 1980s, which spawned an entirely new science-based organizational form: the dedicated biotech firm (DBF). Using historical analysis of archival data, and oral histories supplemented by interviews with DBF founders, we construct the “lash up” process that melded elements from three separate domains – academic

science, commercial healthcare, and new-venture finance – into an interactively stable pattern. Our findings modify received wisdom on organizational genesis in two important ways. First, although we accept social novelty as the reassembly of pre-existing elements, we argue that it matters greatly whether such reassembly results from recombination (the rearrangement of recognizable elements within an institutional domain) or transposition (the introduction and incorporation of foreign elements from previously separate institutional domains). Second, our analysis points to an unexplored paradox in organization theory: that commercial viability and institutional influence may in some cases be inversely correlated. Among the pioneering DBFs were two distinct variants: a handful of businesses founded through recombinatory mechanisms, and a group of firms launched by “trespassers,” scientists who naively transposed academic practices and values into a commercial setting. Perhaps predictably, the former proved a more robust business model. Yet the latter – an odd, uncomfortable intermingling of science and finance – was disruptive enough to produce fresh action, with far-reaching consequences for both the academy and industry.

Keywords:organizational genesis, biotech, recombination

CLANNISHNESS, GOSSIP AND THE PARADOX OF IMITATION: HEDGE FUND SOCIALITY AND INVESTMENT RETURNS

Choi, Joon Nak; Stanford U.; jnchoi@stanford.edu

This study shows that hedge fund managers (“managers”) engage in social behaviors affecting their investment performance. An emerging “new financial sociology” has shown that the social interactions of finance professionals are critical to the functioning of financial markets. This study provides a quantitative dimension to this emerging literature, using hierarchical linear models to demonstrate that “clannishness”, “gossip” and “paradoxical imitation” each impact hedge fund investment returns. Elite managers belong highly-cohesive mentorship-based lineages (i.e. “clans”). As a few individuals belong to multiple lineages, these clans are loosely linked. This study finds that highly-central managers within this elite gain a small but significant investment advantage, perhaps because they know what the various clans are doing. “Gossip” is also important as managers trade information with their former co-workers. This study finds that managers who have high closeness centrality within these “gossip” networks manage risks better. “Imitation” paradoxically harms the imitators. Many hedge fund managers copy elite managers’ investment patterns. A large academic literature suggests that imitation is rational and beneficial. However, this study finds that imitators harm themselves, possibly because they follow trends instead of leading them. By investing into a bubble, they risk exiting these investments too late. Most interestingly, this study finds that hedge fund managers behave differently during economic crises than they do under normal conditions. Facing high uncertainty, they fall back upon their social networks, and engage in greater imitation. This insight opens a wedge for the sociological study of financial crises--and the manias and panics involved.

Keywords:social networks, hedge funds, sociology of finance

COMBINING DIFFERENT LOGICS IN ORGANIZATIONS: A STUDY OF INSTITUTIONAL CHANGE AND STRATEGIC RENEWAL

Dalpiaz, Elena; Bocconi U.; elena.dalpiaz@unibocconi.it
Rindova, Violina; U. of Texas, Austin; violina.rindova@mcombs.utexas.edu
Ravasi, Davide; Bocconi U.; davide.ravasi@unibocconi.it

We examine how the recombination of norms and beliefs of different logics enables institutional change at the level of organization, focusing on the longitudinal process through which one organization recombined logics of two different fields and changed institutionalized practices, structures and goals. We identify the activities that make the process unfold, and how they develop and interact recursively. The first activity is the formulation of an hybridizing intent that parameterizes the recombination of logics through three mechanisms. It drives recursively the other activities of the search for a coordinated position in multiples fields, which brings multiple outcomes, and is modified by theorization.

Keywords: institutional logic, institutional change, organizational change

 **COMMUNICATION AS CONSTITUTIVE OF TERRORIST ORGANIZATIONS**

Schoeneborn, Dennis; U. of Zurich; dennis.schoeneborn@iou.uzh.ch
Scherer, Andreas Georg; U. of Zurich; andreas.scherer@iou.uzh.ch

This paper deals with the question how today's globalized forms of terrorism can be understood in their organizational dimension. Starting from the estimation that existing concepts (e.g., hierarchy, network, or social movement) are limited in comprehending these new forms of terrorist organizing, we propose an alternative perspective on organizations as being more adequate: the communication-as-constitutive of organizations perspective (CCO; Ashcraft, Kuhn & Cooren, 2009; Putnam & Nicotera, 2009). Based on the CCO perspective, terrorist organizations can be conceptualized as essentially consisting of communicative events which necessitate to become interconnected over time. Keeping in mind this rather ephemeral notion of organizations, CCO points our attention to the constitutive conditions which allow for the emergence and stabilization of terrorist organizing. We finally derive suggestions on how to destabilize the continuous reproduction of terrorist organizing practices.

Keywords: terrorism, organizational communication, CCO

COMMUNITY ECOLOGY: A GENERAL MODEL OF RECIPROCAL LEGITIMACY BETWEEN TWO ORGANIZATIONAL POPULATIONS.

Pitsakis, Konstantinos; Tilburg U.; k.pitsakis@uvt.nl
Souitaris, Vangelis; City U. London; v.souitaris@city.ac.uk

Drawing from empirical contexts of mutualism and symbiosis among populations of organizations (e.g. corporate entrepreneurship units and the organizations they create), we build theory on the legitimation process among populations. We advance previous work in the community ecology literature by bringing in the concept of reciprocity in social exchanges to argue that reciprocal cooperative transactions help organizational populations gain legitimacy early in their life cycles. Propositions on the exact antecedents (power balance, communication capabilities and technological capabilities) of reciprocal transactions are formulated. These elements lead to a reciprocal legitimation of interacting organizational populations. We finally develop propositions

on the consequences (network sustainability, protection from competition, population growth) of reciprocal legitimacy.

Keywords:community ecology, reciprocity, legitimacy

COMPARATIVE HETEROGENEITY IN HOMOGENIZING SOCIAL LANDSCAPES

Malter, Daniel; U. of Maryland, College Park; daniel@umd.edu

Social convergence processes are central to diverse research streams such as moral and cultural geography, homophily, institutional theory, population ecology, and consumer theory. Using simulations, this paper analyzes heterogeneity in homogenizing social landscapes over time. Three fundamental assumptions are made. First, social landscapes possess initial structure. Second, psychological or coercive forces cause the subpopulation that supports one point in the social landscape to abandon its “point of view” and to flock to positions that receives more support than their own. Third, due to bounded rationality, emotional, cultural-cognitive, economic, or other barriers, subpopulations flock only in a limited local neighborhood. The results of the simulation show that the social landscapes that are most heterogeneous at the beginning are generally least heterogeneous at the end when the flocking process converges. Landscapes in which more positions are supported in the early stages agglomerate to fewer, more global peaks of support in broader homogenization processes. The results alert that judgment about the comparative heterogeneity in homogenizing social landscapes crucially depends on the point in time at which heterogeneity is evaluated. Interestingly, landscapes with an intermediate rather than a small number of initial peaks are most heterogeneous at the beginning and least heterogeneous at the end of the convergence process.

Keywords:homogenization processes, Social heterogeneity, social landscapes

COMPETITION-MOTIVATED SUSTAINABILITY

Kemper, Jan; RWTH Aachen U.; kemper@win.rwth-aachen.de

Brettel, Malte; RWTH Aachen U.; brettel@win.rwth-aachen.de

Despite corporate social responsibility (CSR) having become a key strategy for firms to advance on a sustainable path, the impact of CSR on firm performance remains poorly understood. Thus, in a large empirical study across several industries and countries, we examined CSR as moderator of the marketing capabilities-firm performance relationship. Our study follows prior research calling for an inclusion of competitive intensity as a boundary condition to this moderation. It sheds light on the interplay between sustainability and marketing by showing that vigorously competing firms should use CSR as a major lever for increasing the impact of marketing on performance.

Keywords:Sustainability, Corporate Social Responsibility, Marketing Capabilities

COMPETITOR RECRUITMENT: A THEORETICAL ANALYSIS OF AN EMERGING STRATEGIC HUMAN RESOURCE PRACTICE

*Horn, Sarah; Maastricht U.; S.Horn@maastrichtuniversity.nl
Van Offen, Woody; RSM Erasmus U.; wolffen@rsm.nl
Heijltjes, Marielle; Maastricht U.; m.heijltjes@maastrichtuniversity.nl*

This paper presents a theoretical approach to the phenomenon of competitor recruitment (CR) being defined as the strategic human resource practice of identifying, transferring and deploying one or more human resources bound to a rival firm to obtain or retain a human capital advantage. We argue that the value gained from a human resource hired through CR is determined by the recruit's human capital benefit and complementarities created once internalized minus any hidden and explicit costs of recruiting the employee. We identify conditions that determine the final value to be captured by a hiring firm through competitor recruitment by putting on the lenses of the resource-based, strategic factor market as well as property rights theory. This comprehensive resource-based analysis serves as the basis for a conceptual model illustrating how value can be captured through competitor recruitment.

Keywords: Labor Mobility, Strategic Poaching, Resource-Based Approach

CONFORMITY PRESSURE, COMPATIBILITY AND THE DIFFUSION OF SUSTAINABILITY REPORT

Byun, Heejung; Seoul National U.; byunmisr@gmail.com

This study investigates the diffusion channels through which conformity pressure for the adoption of an innovation is exerted and elaborates the adoption-decision process focusing on the role of compatibility of an innovation. This study advances existing literature by combining insight from perspectives on the diffusion of innovations and from strategic responses to institutional pressure argument, and provides evidences on the interactions between macro-organizational factors and the microprocess of the firm's adoption-decision. Using an event-history data on the diffusion of sustainability report among Korean listed firms during the period 2003-2009, I find support for the following predictions: (1) Normative, coercive, mimetic institutional pressure exerted through interlocking directorates connecting prior and potential adopters, government ownership, and the proportion of adopters in the same industry, respectively, increase the likelihood of the adoption of sustainability report. (2) An innovation can be perceived as a substitute as well as a complement to existing practices contingent on the sources of conformity pressure which affect the cognitive adoption-decision process linking compatibility and the adoption of the innovation. These findings highlight the importance of studying the two simultaneous processes of macro diffusion process and micro adoption-decision process in the field of diffusion of innovations.

Keywords: Diffusion of innovations, Compatibility, Sustainability reporting

CONSERVATION, CONTESTATION AND CONSTRUCTION: IDENTITY AND TRADITION IN NETWORK CONTEXTS

*Hibbert, Paul; Strathclyde U.; paul.hibbert@gsb.strath.ac.uk
McInnes, Peter; U. of Strathclyde; peter@gsb.strath.ac.uk*

This paper explores, through participant-observation research in three collaborative networks, the role of tradition in identity construction. The research supports a characterization of the relationship between tradition and identity, involving processes of conservation, contestation and construction. In the process of conservation, tradition-rooted identity aspects are 'carried' into particular contexts, usually rather passively. In contrast, through the process of contestation,

privileged identity constructs are advanced through deliberate oppression or self-suppression of less-favored constructs. These two processes overlap with and inform the process of construction, through which the invention, re-interpretation or continued assumption of aspects of identity is achieved in a particular context.

Keywords:Identity, Tradition, Networks

CONSUMPTION OF CULTURAL PRODUCTS: BUZZ AS A SOCIAL INFLUENCE MECHANISM

Uzzi, Brian; Northwestern U.; uzzi@nwu.edu

Soderstrom, Sara B.; Northwestern U.; soderstrom@kellogg.northwestern.edu

Fowler, James; U. of California, San Diego; jhfowler@ucsd.edu

Diermeier, Daniel; Northwestern U.; d-diermeier@kellogg.northwestern.edu

The effects of buzz on adoption in pre- and post release stages of adoption are distinct from other previously studied constructs. We integrate seed levels, interpersonal thresholds, and network structure into our model, and control for a wide range of covariates empirically and through simulations. Developing a framework that conceptualizes buzz as a social signal that has both strong and weak forms, we find that buzz has significant economic and social effects on adoption net of other economic and psychological factors, that effect sizes vary over the phases of pre- and post-adoption, and that only weak forms of buzz are associated with tipping point dynamics. Our context is the consumption of Hollywood movies. Hollywood possesses the main features of megahit industries – rapid innovations, frequent releases, and skewed levels of adoption. Empirically, our tests are based on unique, non- public data collected on this industry. Our sample includes the adoption dynamics for over 180,000 diverse and randomly sampled Americans in regard to 338 Hollywood movies released between March 1999 and August 2001.

Keywords:buzz, social influence, adoption

CONTACT: THE GENERATION AND EXTINCTION OF FORMS THROUGH COMMUNITY INTERACTION ACROSS SPACE

Klein, Kenji; U. of California, Irvine; kklein05@merage.uci.edu

This paper takes a community ecology approach to understanding the impact that globalization has on the extinction and generation of organizational forms. Ecological work addressing spatial concerns has largely focused on how population dynamics unfold within a particular space. It has largely ignored questions more relevant to the process of globalization—how ecological processes unfold when populations and communities of organizations interact across geographical space. I argue that addressing the interactions of organizational communities across geographic space allows organizational ecology to answer questions at the core of the ecological endeavor—what accounts for the generation and extinction of organizational forms. Drawing on models of quantum speciation and biological invasions in biology, I propose that contact between organizational communities that have developed in relative isolation generates the conditions for both the extinction of existing organizational forms under some circumstances and the generation of new forms under others. I derive proposition about which condition are conducive to form extinction, existing form perpetuation, and new form generation. The argument is illustrated with examples from the experiences of Japan and China in transferring Western

organizational patterns. Implications are discussed, including the role of community structure in determining MNC autonomy from host-country institutional pressure, the tradeoff between potential benefits from preserving unique local organizational communities as sources of valuable future organizational form innovations versus the cost of preserving inefficient local forms at the expense of short-term profit maximization.

Keywords:Community Ecology, New Forms, Globalization

CONTROL AND COORDINATION IN PROFESSIONAL SERVICE FIRMS: MOVING TOWARDS THE GLOBAL NETWORK NODEL?

Boussebaa, Mehdi; U. of Bath; m.boussebaa@bath.ac.uk

A growing body of research drawing on institutional theory has challenged the idea of the integrated global network, arguing instead that multinational enterprises are, in practice, still hierarchically controlled and reducible to their home- and host-country institutional contexts. However, this research has overlooked professional service firms (PSFs) despite the fact that these organizations are diffuse power structures with weak central control. In this article, I redress this imbalance, drawing on interviews in four multinational PSFs. I show that global client demand has forced PSFs to develop client management processes that cannot simply be reduced to home/host institutional contexts. However, I also show that 'global' clients must themselves be contextualized and understood as the clients of a small set of 'core' actors within firms. In addition, I demonstrate that these actors' efforts to serve their clients across national borders are undermined by significant inter-unit conflicts over profit sharing and resource allocation. These findings have important implications for our understanding of globalizing PSFs and multinationals more generally.

Keywords:Multinationals, Professional service firms, Institutional theory

CREATING A LOCAL WINE INDUSTRY: THE ROLES OF TRANSLATION AND THEORIZING

*Voronov, Maxim; Brock U.; mvoronov@brocku.ca
De Clercq, Dirk; Brock U.; ddeclercq@brocku.ca
Hinings, C.R. Bob; U. of Alberta; chinings@ualberta.ca*

We seek to provide novel insights into the role of meaning in institutional work by offering a fine-grained analysis of actors' translation of institutions from the transnational to a local context. Drawing from a qualitative study of the Ontario wine industry, we examine how actors operating in an emerging field draw from and selectively apply multiple templates available in the transnational field to the local field. We further argue that the micro-level translation work, collectively, constitutes field-level theorizations of the local field.

Keywords:institutions, translation, theorization

CULTURAL CHANGE FOLLOWING M&A - A CLOSER, GROUNDED LOOK

*Teerikangas, Satu Päivi; Aalto U.; satu.teerikangas@tkk.fi
Irrmann, Olivier; HEC Montreal; olivier.irrmann@hec.ca*

This paper explores cultural change following cross-border acquisitions. The findings are based on a large-scale qualitative interview-based study of a total of eight acquisitions made by European multinational firms. The findings show that cultural change occurs through three mechanisms in the post-acquisition era: through (1) induced post-acquisition structural changes, (2) interactions, and (3) efforts to induce the parent firm's official values into the target organization. In contrast to a lot of research seeing cultural change as taking place in parallel to integration, the present findings highlight the systemic nature of post-deal cultural change: it takes place within the acquisition process itself, being the outcome of a successful integration process. The extent to which the buying firm has aligned its structures and practiced organizational culture with its advertised value base will reflect the degree to which cultural change in the acquired firm will represent the parent firm's practiced or its advertised organizational culture. As a result, regardless of whether the buying firm seeks cultural change or not, some degree of cultural change takes place if the two firms interact and if post-deal structural changes are induced. The findings further show that post-acquisition cultural change in the acquired firm takes place at the levels of organizational and national cultures.

Keywords:M&A, Cultural change, Integration

CULTURAL EMBEDDEDNESS OF ENTREPRENEURIAL SELF-EFFICACY AND INTENTIONS: A CROSS-NATIONAL COMPARISON

*Klyver, Kim; U. of Southern Denmark; kkl@sam.sdu.dk
Thornton, Patricia H; Duke U.; thornton@duke.edu*

With increased attention to entrepreneurship world-wide, one of the debates is how universal entrepreneurship is across national boundaries and whether similar policy strategies are useful across national boundaries. This debate highlights a core tension in theories that emphasize variation in individual traits versus theories that privilege variation in the institutional environment. We combine cognitive theory on self-efficacy with institutional theory on cultural legitimacy to argue that self-efficacy's association with an individual's intention to start a business depends on how institutionalized and legitimized entrepreneurship is in a country. Findings from a random sample survey of 51 countries indicate a universal positive association between self-efficacy and entrepreneurial intention, but also suggest a loose coupling effect in that this association is significantly weaker in societies where entrepreneurship as a vocational choice is culturally legitimate. Implications for entrepreneurship policy and institutional theory are discussed.

Keywords:entrepreneurial self-efficacy, Entrepreneurial Intention, Institutional Theory

DARE TO BUILD TRUST IN TIMES OF DISTRUST: FINDINGS FROM BANKING, HEALTHCARE AND RETAILING INDUSTRIES

*Talton, Rachel Y.; Case Western Reserve U.; ryd2@case.edu
Singh, Jagdip; Case Western Reserve U.; jxs16@po.cwru.edu
Berente, Nicholas; U. of Michigan; berente@umich.edu*

Stoked in part by corporate failures from Enron to Lehman Brothers, consumers are increasingly skeptical of the motivations of industry sectors ranging from banking to health care. Do organizations dare build trust in times of distrust? Does it pay? Using institutional perspectives of trust production, we examine consumer perceptions of firm-level trust under varying institutional contexts, and the influence of firm-level trust on consumer loyalty in distrust- versus trust-dominated environments. We find that although firms produce less trust in distrust-dominated environments, firms that successfully build trust in distrust environments show a 50% increase in consumer loyalty relative to trust environments.

Keywords:Trust, Institutional Theory, Distrust

DETERMINANTS OF OWNERSHIP CONCENTRATION

*Richter, Ansgar; European Business School; ansgar.richter@ebs.edu
Weiss, Christian; European Business School; christian.weiss@ebs.edu*

We analyze the relative importance of firm-, industry-, and country- level factors as determinants of the level of ownership concentration of firms. Building particularly on the work of Demsetz & Lehn (1985), Thomsen & Pedersen (1999; 1997, 1998), and La Porta et al.(1998, 1999), we develop hypotheses and test them on a sample of 900 firms from nine countries, using hierarchical mixed models. Our models explain up to 32% of the variance in the ownership concentration of firms. The results show that the firm- and the country-level influence ownership concentration significantly, whereas industry-level factors play an almost negligible role in this respect. Specifically, we find that the institutional context in which companies operate has a surprisingly large effect on the level of ownership concentration. Our results should spark further multi-level research on the relationship between environmental factors on the country level and the allocation of ownership rights in firms.

Keywords:Ownership Concentration, Determinants, Corporate Governance

DEVELOPING A CHINESE PRAGMATIC LEADERSHIP THEORY

*Zhang, Haina; U. of Otago; Haina.Zhang@otago.ac.nz
Cone, Malcolm Henry; U. of Otago; malcolm.cone@otago.ac.nz
Everett, Andre M.; U. of Otago; Andre.Everett@otago.ac.nz
Elkin, Graham Ronald; U. of Otago; Graham.Elkin@otago.ac.nz*

We inductively establish a new theory of pragmatic leadership by challenging the instrumental understanding of existing pragmatic leadership in the management literature, replacing it with a new model fashioned from a synthesis of Chinese and American pragmatic philosophy. Chinese pragmatic leadership is based on a correlative thinking rather than logical thinking that characterizes the perspective followed by most studies in management literature. Based on findings from case studies in eight Chinese organizations, we propose that Chinese pragmatic leadership deploys a behavioral repertoire rather than a particular behavioral style, as such it involves dynamic that integrates various leadership approaches.

Keywords:ORGANIZATION & MANAGEMENT THEORY (OMT), ORGANIZATIONAL BEHAVIOR (OB)

DIFFERENT KNOWLEDGE SHARING BEHAVIORS, DIFFERENT MOTIVATIONAL FOUNDATIONS?

Reinholt, Mia; CBS; mr.smg@cbs.dk

Do different types of behaviors related to knowledge sharing differ in their motivational foundations? The study investigates what motivational foundations underlie employees' knowledge acquisition and sending, how knowledge acquisition and sending in turn affect employees' creative work performance, and what role motivation plays in the realization of creative performance enhancement. Three different types of motivation are linked to the three behavioral aspects, namely intrinsic, reciprocity, and external motivation. 8 hypotheses are tested on the basis of a sample of 241 employees from two consulting firms. The findings reveal that different motivational foundations support different types of knowledge sharing related behaviors.

Keywords: knowledge sharing, motivation



DILETTANTE OR RENAISSANCE MAN? HOW THE SEQUENCE OF CATEGORY MEMBERSHIP AFFECTS CREDIBILITY

Leung, Ming D.; U. of California, Berkeley; mdleung@stanford.edu

Researchers propose that social mechanisms of categorization lead actors who straddle multiple categories to suffer a disadvantage. But is this discount due to what a candidate has done or how they did it? I propose that a candidate's past historic sequence of category membership acts as a cue to potential evaluators. Candidates who have cumulatively moved between categories separated by stronger boundaries (more cognitively distant) will be disadvantaged. This is because when audiences attempt to apply a narrative to a candidate, those with past job sequences that span more cognitively distant categories will be perceived as a dilettante. Those with more regimented paths, who move between more cognitively proximate jobs, will be inferred as being more deliberate and conscientious. Job sequences traversing greater distance lead a candidate to look erratic. I find support for this theory in an online market for freelancing services by showing that those freelancers who have sequences of employment between more cognitively distant job categories are less likely to garner subsequent work. This holds net of alternative explanations, such as inherent skill, breadth, or relatedness of past experiences. I also show support for this by matching bidders with identical work backgrounds, who only vary in the order in which they accumulated their experiences. Even among this conservative dataset, I demonstrate that bidders who have moved between more distant job categories are chosen less often.

Keywords: markets, categories, job sequences

DISSIDENT PROXY CONTESTS IN CANADA

Bates, Kimberly A.; Trent U.; kimberlybates@trentu.ca
Hennessy, Dean A.; Tilburg U.; hennessy@uvt.nl

We identify dissident proxy initiatives as legitimization contests: attempts by institutional entrepreneurs to impose practices on corporations. We also evaluate the characteristics of firms that make them more vulnerable to such challenges. We develop and test our hypotheses within the Canadian context.

Keywords: corporate governance, institutional theory, dissident proxies

DIVERSIFICATION, RESOURCE CONCENTRATION AND BUSINESS GROUP PERFORMANCE: EVIDENCE FROM TAIWAN

*Chen, Chien-Nan; National Dong Hwa U.; cn_chen@mail.ndhu.edu.tw
Chu, Wenyi; National Taiwan U.; wenyichu@management.ntu.edu.tw*

This study examines the impact of resource configuration on the performance of business groups. The resource configuration of a business group is composed of diversification and resource concentration, the former indicates the product/markets portfolio while the latter illustrates the degree of the resource dispersed among different affiliates with industry groups. Based on data collected from 1,538 companies affiliated with 105 Taiwanese business groups during 2002-2005, this study finds that resource concentration positively influences group performance. Business groups that are larger, more diversified, and have more affiliates would most likely outperform other business groups in an emerging economy.

Keywords: resource configuration, performance, business group

DIVERSITY OF MANAGEMENT LABELS ON ORGANIZATIONAL WEBSITES: A REFLECTION OF MULTIPLE EXPECTATIONS?

*Wruk, Dominika; U. of Mannheim; wruk@ifm.uni-mannheim.de
Scheiber, Florian; U. of Mannheim; scheiber@ifm.uni-mannheim.de
Oberg, Achim; Mannheim U.; oberg@ifm.uni-mannheim.de
Woywode, Michael; Mannheim U.; woywode@ifm.uni-mannheim.de*

How do organizations symbolically address varying demands from heterogeneous environments in their self-representations on the Internet? To answer this question, we investigate organizational self-representations of the 500 largest companies in Germany. Thereby, we explore whether organizations reflect heterogeneous expectations by using management labels – such as Shareholder Value Management, Just-in-Time or Corporate Social Responsibility – which represent concepts and norms that indicate an adequate management of the specific demands and address expectations of different stakeholder groups. By assessing the variety of management labels on organizations' websites we intend to gain a measure for the degree to which these organizations reflect various expectations originating from their environments. According to arguments from neo institutional theory, our results thereby indicate that certain organizational characteristics (such as size and listing on the stock market) and surrounding characteristics (such as industry) are strong predictors for the variety of expectations organizations reflect within their self-presentation.

Keywords: Institutional Theory, Management Concepts, Self-Representation

DO BOARD FAULTLINES AFFECT FIRM PERFORMANCE? EMPIRICAL EVIDENCE OF UK BOARDS FROM 1999-2008

*Pye, Annie; U. of Exeter; annie.pye@exeter.ac.uk
Kaczmarek, Szymon; U. of Exeter; S.P.Kaczmarek@exeter.ac.uk
Kimino, Satomi; U. of Exeter; s.kimino@exeter.ac.uk*

As the most senior organizational decision making group, the board of directors holds the keys to corporate performance. This study explores the concept of faultlines in the boards of the FTSE 350 UK stock-exchange listed companies across the years 1999-2008. The impact of faultlines based on social category and job-related attributes is assessed separately and also in combination with each other. Faultline impact is also examined as a combined effect of its strength and distance dimension. The results show that faultlines have a strong negative impact on firm performance. The effects of both social category and job-related faultlines are relatively instant, strong and durable: however, the impact of social category faultlines tends to fade away after the period equal to the average board tenure, whereas the effects of the job-related faultline are found not to lose salience even after 7 or 8 years. We do not detect the efficient cross-categorisation of sub-group boundaries along social category dimensions through job-related characteristics or vice versa. However, board busyness is an important moderating board contingency variable which exacerbates the impact of combined social category and job-related faultlines on firm performance. These findings have relevance both for theory about and practice of developing effective boards.

Keywords: faultlines, board diversity, board directors

DODGING THE BULLET: SYMBOLIC AND SUBSTANTIAL RESPONSE TO SCANDAL IN CONTESTED INDUSTRIES

*Durand, Rodolphe; HEC Paris; durand@hec.fr
Vergne, Jean-Philippe; HEC Paris; Jean-Philippe.VERGNE@mailhec.net*

Research on corporate scandal is scant and has essentially focused on the discursive tactics employed by the various parties involved in scandal. By drawing on the categorization and stigmatization literatures, this paper argues that corporate response to scandal can go beyond discourse to include the manipulation of core symbols and substantial elements of the firm's resource base. We propose a theory of corporate response to scandal that explicates the mechanisms of peer detachment and recategorization to predict firm-level response. The paper's hypotheses are tested in the global arms industry - a contested industry where scandal is considered as part of the business, and which is thus well suited to test our ideas. Results highlight ownership type and third party vocality as two important factors that moderate how scandal intensity affects corporate response. This research contributes to the literatures on scandal, categories, and contested industries.

Keywords: scandal, contested industry, corporate response

DOES ATTAINMENT DISCREPANCY AFFECT AN ORGANIZATION'S FUTURE PERFORMANCE? THE UEFA CHAMPIONS LEAGUE

*Lassalle, Frédéric; Aix-Marseille U.; lassallefred@hotmail.com
Meschi, Pierre-Xavier; IAE Aix-en-Provence & SKEMA Business School; pierre-xavier.meschi@iae-aix.com
Metais, Emmanuel; EDHEC; emmanuel.metais@edhec.edu*

The attainment discrepancy model posits that organizations adapt their learning patterns in relation to the gap between their performance and their aspirations. However, there has been little empirical investigation of the efficiency of these adaptations, although theory leads to contradictory interpretations. Building on the behavioral theory of the firm and prospect theory, we hypothesize a positive impact of attainment discrepancy on subsequent performance. We examine our idea using the context of the European Football (UEFA) Champions League (1994-2008). Findings indicate that future performance increases for football clubs performing above aspirations and decreases for clubs performing below aspirations, while historical aspirations and social aspirations appear to play distinctive roles. On the theoretical level, our results confirm the predictions of the BTOF, showing that attainment discrepancy variations generate learning patterns that do not have the same performance outcomes. On the managerial level, our research suggests that inappropriate objectives might hamper an organization's future performance.

Keywords:Aspiration, Performance, Football (Soccer)

DOES EMBEDDEDNESS REDUCE NON-CONFORMITY AND DIFFERENTIATION?

*Edman, Jesper; Stockholm School of Economics; jesper.edman@hhs.se
Ahmadjian, Christina L; Hitotsubashi U.; cahmadjian@ics.hit-u.ac.jp*

While strategic management scholars and institutional theorists regularly debate the merits of organizational differentiation vs conformity and embeddedness, few studies have sought to empirically investigate how these seemingly opposing forces impact each other. Drawing on both qualitative and quantitative data, we contribute to closing this research gap by exploring how post-entry embeddedness impacted non-conformity and survival among de-novo and de-alio entrants in the Japanese microbrewery industry. Our findings indicate that post-entry embeddedness has contrasting effects, reducing overly non-conformist strategies among de-novo entrants, but enhancing non-conformity among de-alio entrants. These results indicate how institutions can serve as enablers of strategic action, rather than constraints, through their dissemination of standards, norms and industry practices.

Keywords:Non-conformity, Embeddedness, Entrepreneurs

DUAL PATHS TO PROFESSIONAL SERVICE FIRM PERFORMANCE

*Lander, Michel; RSM Erasmus U.; mlander@rsm.nl
Heugens, Pursey; RSM Erasmus U.; pheugens@rsm.nl
Van Oosterhout, Hans; RSM Erasmus U.; joosterhout@rsm.nl*

Current views on the drivers of professional service firm (PSF) performance are largely grounded in a view of those firms as adhering to the organizational template of the professional partnership (P2). This template emphasizes human capital and organizational reputation as essential determinants of PSF performance. Over the past two decades, however, PSFs have increasingly engaged in face-changing strategies like alliances, internationalization, and mergers and acquisitions, thereby moving in the direction of the alternate organizational template of the managed professional business (MPB). In addition to testing the classic P2 path to PSF performance, we therefore also test a novel MPB performance path, which highlights the key role of organizational governance and strategic planning in securing the performance of contemporary

PSFs. Empirically, our study is based on a survey amongst all lawyers admitted to the Dutch bar, and reports new data on the performance drivers of 523 law firms provided by 1489 independent raters.

Keywords:PSF, Performance

DYNAMIC CAPACITY: A RECONCEPTUALIZATION OF DYNAMIC CAPABILITIES

*Guettel, Wolfgang H.; Johannes Kepler U. Linz; wolfgang.guettel@jku.at
Konlechner, Stefan W.; Johannes Kepler U. Linz; stefan.konlechner@jku.at*

The dynamic capabilities approach aims to explain the adaptation of a firm's resource and capability base in rapidly changing environments. However, despite two decades of research, the concept remains rather amorphous in regard to definitions, conceptualizations, and operationalizations in empirical research. Furthermore, exclusive focus on routinized activities has led to an incomplete picture of adaptation processes. In particular, in high-velocity markets, organizational adaptation relies on ad-hoc change governed by rule regimes that determine the firm's trajectory. In this paper, we introduce the concept of dynamic capacity as the firm's ability to integrate routinized and ad-hoc adaptation. Drawing on the micro-processes of sensing, seizing, and reconfiguration, we explain how the density of a firm's rule regime regulates the pace of change. Consequently, the dynamic capacity facilitates a differentiation between different modes of adaptation and, therefore, pushes the envelope of the dynamic capabilities approach.

Keywords:Microfoundation, Adaptation, Dynamic Capabilities

EASE OF ASSET TRANSACTION AND ORGANIZATIONAL STRUCTURE IN THE AIRLINE INDUSTRY

Hadwick, Robin Julian; U. of Hawaii at Manoa; hadwick@hawaii.edu

One of the enduring mysteries in the field of international business lies in understanding why MNE's enter relationships with other firms. In a recent paper, Jean-Francois Hennart (2009) took a fresh theoretical look at this matter, and determined that previous attempts to understand this had focused too heavily on the MNE at the expense of the local partner, labeling these earlier theories as MNE-centric. In this paper, I have taken the underpinnings of Hennart's (2009) theory and created a framework for an empirical test of his ideas using partnerships formed in the airline industry. While not all of the examples used involve foreign direct investment, they all include differential roles for the two airlines involved (initiator and target), and therefore are theoretically similar to the concept proposed by Hennart. The success of the pilot study presented here adds support to Hennart's (2009) theory, and supports moving forward with a larger study.

Keywords:airline, asset transaction, organizational structure

ECOLOGICAL INTERDEPENDENCIES AMONG POPULATIONS OF ORGANIZATIONS

Järvinen, Joonas M.J.; Helsinki U. of Technology; joonas.jarvinen@tkk.fi

Although the importance of studying population interdependencies in a community context is widely acknowledged, there is very little research with an explicit focus on the population interactions. Moreover, the existing research in the area has been somewhat unstructured and has not taken into consideration the potential complexity present in interactions. To address the gaps found in earlier research, in this paper we introduce a new theoretical framework for analyzing interactions among organizational populations. Our main argument is that in order to understand interdependencies among organizational populations, it is essential to consider population niche as a multidimensional construct and that the 'total' or aggregate ecological interaction among two organizational populations is a function of all the sub-interdependencies between all possible niche dimensions.

Keywords:Community ecology, Organizational populations, Population interdependencies

ECONOMIC TRANSACTIONS AS SOCIAL INTERACTION: THE COSTS OF EMBARRASSMENT

Goldfarb, Avi; U. of Toronto; AGoldfarb@Rotman.Utoronto.Ca

Samila, Sampsa; Brock U.; sampsa.samila@brocku.ca

Silverman, Brian S.; U. of Toronto; silverman@rotman.utoronto.ca

While it is well appreciated in sociology that economic transactions are often embedded in ongoing social relations, it is less well appreciated that economic transactions themselves often contain a social interaction. Since these social interactions do not take place in a vacuum, but are instead filled with possibly conflicting role expectations, one can expect that the nature of the interactions is likely to have an impact on which economic transactions take place and how. We specifically focus on embarrassment, the consequence of having project conflicting definitions of oneself. We claim that mispronouncing the name of a product is embarrassing and demonstrate that when retail sales shift from behind-the-counter service to self-service, sales of difficult-to-pronounce goods increase more than sales of products. We exploit a field experiment done by the Swedish alcohol retail monopoly Systembolaget as our empirical setting. Hence, we conclude that the possibility of embarrassment can have real consequences in terms of economic outcomes.

Keywords:interactions, embeddedness, transactions

EFFECT OF INSTITUTIONAL LEGACY ON OWNERSHIP- PERFORMANCE LINKAGES

Mukherjee, Indrajit; Indian Institute of Management, Calcutta;

mindrajit@rediffmail.com

Khatua, Apalak; I.I.M. Calcutta; apalakkhatua@gmail.com

This study examines how the level of control of different types of promoters: government, domestic and foreign influence the growth and profitability of firms; and how the legacies of the owners' past objectives and affiliation to business groups moderate the current relationship between ownership structure and performance in the context of changing institutional environment. Using a multi-industry cross-sectional sample of 6508 firms, we found firm performance varies with owners' objectives. This study illustrates the legacy of the owners' past governance objectives carried through the organizational routines, have a significant moderating effect on the ownership structure-firm performance linkages. The study extends theory of corporate governance by combining organizational imprinting theory and concept of

organizational routines with agency theory and adding the perspectives of internal institutions and inertia.

Keywords:: Corporate Governance, Legacy, Ownership-Performance Link

EFFECTIVE NONMARKET STRATEGIES: A MODEL OF POLITICAL CAPABILITIES

*Schwark, Bastian W.; Ecole Polytechnique Fédérale de Lausanne;
bastian.schwark@epfl.ch*

This paper contributes to the growing literature of firms' nonmarket strategies. Instead of proposing generic strategies that address the nonmarket environment of a firm we argue that there is, deduced from the resource-based view, a set of political capabilities, static as well as dynamic, which is the principal determinant in the effectiveness of nonmarket strategies. We propose a model that differentiates political capabilities according to their source of effectiveness, either targeting organizational adaptation internal to the firm or the policy-maker external to the firm. In a second dimension, political capabilities can be classified according to its purpose of evaluation or execution. We argue that the effectiveness of nonmarket strategies that target to create a sustainable competitive advantage for the firm, depend on the development of interlinked set of political capabilities. We conclude with research recommendations on the empirics of political capabilities to further precise the determinants on effective nonmarket strategies.

Keywords:dynamic capabilities, resource-based view, nonmarket strategies

EMERGING STANDARDS MARKETS: MULTIPLICITY OF SUSTAINABILITY STANDARDS IN THE GLOBAL COFFEE INDUSTRY

*Reinecke, Juliane; U. of Cambridge; jtur2@cam.ac.uk
Manning, Stephan; U. of Massachusetts Boston; stephan.manning@umb.edu
von Hagen, Oliver; UNDP; ollivonhagen@gmx.de*

Why do multiple standards co-exist to regulate sustainable development in global production networks? This paper investigates how the emergence of new normative frames in the coffee industry has led to the creation of a market for sustainability standards. We particularly focus on the dynamics between social movement driven standards and industry standards for sustainability and its consequences for institutional change in the coffee industry. While the notion of isomorphism implies that pressures for conformity eventually lead to the dominance of a standards regime, our findings suggest that niche standards and mainstream standards co-exist as they compete and constitute each other mutually through processes of reciprocal positioning. We argue that this creates a standards market, where rivaling rule-setters position and legitimize themselves in distinction to each other but also align themselves partially through criteria of sustainability, certification systems and other means leading to what we call quasi-consolidation. Our analysis contributes to a greater understanding of global industry regulation and transnational institution building.

Keywords:Standardization, Institutional Change, Transnational Governance

ENACTING EMBEDDEDNESS: HOW MANAGERIAL INTERPRETATIONS INFLUENCE ADVICE NETWORK FORMATION

*Bridwell-Mitchell, Ebony N.; Brown U.; e_bridwell-mitchell@brown.edu
Lant, Theresa K; Pace U.; tlant@pace.edu*

It has become increasingly important to understand how managers' embeddedness in social networks has consequences for strategic decision making. Given this, it is also important to understand how managers become embedded in particular networks. The research herein addresses this question by examining the formation of managerial advice networks. Specifically, the work takes a cognitive perspective on social networks and strategic decision making to explore how managers' interpretations of organizational issues determine which contacts are solicited for advice. The results from a set of hierarchical linear models suggest that managers who interpret issues through a strategic frame solicit contacts perceived to be accessible, expert, and resource endowed. Managers who interpret issues through a political frame solicit contacts perceived to be trusted and influential. Given the apparent effects of managerial cognition on the composition of advice networks, we refer to the broader phenomenon as network enactment and discuss its implications for future research.

Keywords: Network Formation, Issue Framing, Managerial Cognition

ENACTING THE ALLIANCE: TOWARDS A ROLE-BASED THEORY OF ALLIANCE IMPLEMENTATION

*Noorderhaven, Niels G.; Tilburg U.; n.g.noorderhaven@uvvt.nl
Peeters, Thijs; Tilburg U.; t.j.g.peeters@uvvt.nl
van den Elst, John; Tilburg U.; J.vdnElst@uvvt.nl*

Alliance research has tended to neglect the roles of individual managers and employees. However, firms are no unitary actors but complex social systems comprising individuals whose mindsets and interests influence an alliance. Building on organizational role theory we distinguish between three types of role enactment; in-role behavior, extra-role behavior, and perfunctory role behavior. We use a detailed case study of an alliance between two high-tech firms. Our study suggests that individual role enactment influences alliance implementation in important ways, and we formulate some theoretical conjectures regarding the antecedents and consequences of in-role, extra-role, and perfunctory role behaviors in interfirm alliances.

Keywords: Alliance, Role-theory

ENDOGENOUS ROUTINE CHANGE AND LEARNING

*Bogenrieder, Irma; Rotterdam School of Management, Erasmus U.;
ibogenrieder@rsm.nl*

In this paper endogenous change in organizational routines and the effect on changes of the routine is explored. Routines are defined as recurrent interaction patterns distributed among multiple actors. Endogenous change in a routine starts with behavioral variation by an actor when performing a routine. This represents an agency view of routines which is already well established in the literature. The agency view is taken up in this paper and further developed. The mechanism how individual variation in behavior effects the interaction pattern in the routine is

analyzed in more depth. It is proposed that changes in resources, roles and/or rules on the side of an individual actor have an effect on adjacent actors in the routine. Depending on the scope and scale of the effect parts of the routine or the routine pattern might change. Hypothesis are developed for conceptualizing routine change.

Keywords: routine change, agency, Learning

ENGAGEMENT AND APPEAL IN MARKET NICHE: AIRLINES ON SINGAPOREAN ROUTES, 1990-2008

*Wu, Jie; U. of Macau; JieWu@umac.mo
Kuilman, Jeroen; Tilburg U.; J.G.Kuilman@uvt.nl*

In this study, we formulated and tested a theory about how the engagement of organizations in market niches leads them to generate appeal for their products or service offerings. Specifically, we explored the impact of two types of engagement, namely the frequency of engagement and the capacity of engagement, and studied their respective relationship with actual appeal under conditions of environmental variation. Hypotheses were tested in the context of airline routes from and to Singapore, from 1990 to 2008. Our findings point to the contingent value of the two types of engagement in terms of generating actual appeal--- the effectiveness of these two engagement strategies depends on the pattern of environmental change.

Keywords: niche theory, environmental change, Organizational ecology

ESTABLISHING LEGITIMACY AS A NETWORK HUB TO ORCHESTRATE INNOVATION NETWORKS

Rouse, Elizabeth D.; Boston College; rousee@bc.edu

Scholars have focused on the role of networks in innovation, the network formation process, and network governance. I utilize these literatures to define the key characteristics of network hubs which orchestrate innovation networks. Using a legitimacy framework, I explore how organizational type determines an organizations' ability to achieve legitimacy as a network hub. I consider for-profit, government, and nonprofit organizations in my analysis. I suggest that certain types of organizations may be able to lead and manage network innovation by soliciting members through legitimacy building in order to achieve specific innovative outputs.

Keywords: Innovation Network, Network Hub, Legitimacy

ETHICAL ADJUSTMENT OF LIMINAL EXPATRIATES: AN INTEGRATIVE MODEL

*Guimaraes-Costa, Nuno; U. Nova de Lisboa; nguimaraes_costa@fe.unl.pt
Cunha, Miguel Pina; U. Nova de Lisboa; mpc@fe.unl.pt*

Business ethics research has been focused on prescribing ethical behavior or on exploring the effects of ethical misconduct, with little concern for effectiveness or the constraints imposed by local norms. On the other hand, expatriates' adjustment research has centered its focus on effectiveness, regardless of ethical limits. Given the examples of corporate failures in international ventures and the gap in the literature, we propose a model of ethical adjustment in which

adjustment and ethical concerns are combined. We base our arguments in the liminal condition of expatriates and in their capacity to readjust their coping strategies until a desired outcome is achieved.

Keywords:expatriate, ethics, liminality

EVOLUTION OF A GLOBAL CLUSTER THROUGH NETWORK TIES: EVIDENCE FROM BANGALORE IT CLUSTER

*Karna, Amit; European Business School; Amit.Karna@ebs.edu
Sonderegger, Petra; Indian Institute of Management, Bangalore;
petras@gmail.com*

Täube, Florian A.; European Business School; florian.taeube@ebs-siie.de

Organization of geographic clusters plays an increasingly significant role due to the presence of MNCs and globally oriented SMEs in the same location. This has been seen to be particularly true for knowledge-intensive industries, where organization of resources – people and technology – has been a primary driver for firm performance. These global clusters draw on local and non-local networks to effectively access knowledge that can help them perform (and innovate). We undertake a longitudinal case study of the global IT cluster in Bangalore (India) to explore the effect of network ties on its evolution. We find that that the role of local and non-local ties is contingent on the stage of cluster evolution, and that Diaspora networks have been found to be moderating each of these effects.

Keywords:Clusters, Network ties, Indian IT industry

EVOLUTION OF ROUTINES: EVIDENCE FROM INFORMATION TECHNOLOGY PORTFOLIO MANAGEMENT

*Karhade, Prasanna; Hong Kong U. of Science and Technology;
karhade@ust.hk*

Shaw, Michael; U. of Illinois, Urbana-Champaign; mjshaw@uiuc.edu

*Subramanyam, Ramanath; U. of Illinois, Urbana-Champaign;
rsubrama@illinois.edu*

Building on the logic of appropriateness, we propose an endogenous explanation for the evolution of routines. Using an organizational routine as the unit of analysis; we propose their characteristics that are likely to explain the generation, deletion, retention and adaptation of routines over time. We validate our propositions in a unique empirical setting using a three-stage methodology which combines deductive and inductive principles. We find that the appropriateness of routines is a key characteristic guiding their evolution over time. Our research has implications for research on (1) organizational routines, (2) organizational learning, and (3) dynamic capabilities.

Keywords:Evolution of Routines, Logic of Appropriateness, Inductive Learning



EXAMINING EFFECTS OF SOCIAL INFLUENCE ON EXTERNAL KNOWLEDGE SHARING

*Boh, Wai Fong; Nanyang Technological U.; awfboh@ntu.edu.sg
Wong, Sze-Sze; Nanyang Technological U.; aszewong@ntu.edu.sg*

Integrating social influence theories with the theory of reasoned action, we examine how the knowledge sharing behavior of two key referents – one's unit manager and unit co-workers – influence the perceived norms, attitudes and behaviors related to knowledge sharing outside of one's work unit. Two surveys, a managerial survey and an employee survey, were conducted to test our research model. This study advances research on knowledge sharing by demonstrating that individuals' perceived norms, attitudes, and behaviors relating to external knowledge sharing are shaped by the behaviors of important referents.

Keywords: Knowledge Sharing, Social Influence Theory, Theory of Reasoned Action

EXCHANGE CHARACTERISTICS, INTERORGANIZATIONAL TRUST AND SME PERFORMANCE

*Gaur, Ajai S; Rutgers U.; ajai@business.rutgers.edu
Gaur, Sanjaya S.; AUT Faculty of Business, Auckland U. of Technology;
sgaur@aut.ac.nz
Mukherjee, Debmalya; U. of Akron; dmukher@uakron.edu
Schmid, Florian; -; florianschmid@de.rolandberger.com*

We investigate the effect of exchange partner top management team (TMT) competence, focal firm knowledge intensity, and uncertainty on interorganizational trust and subsequent performance of SMEs, using an integration of the upper echelons literature with the transaction cost literature. We propose that partner TMT competence and production process knowledge intensity will have a positive relationship while uncertainty will have a negative relationship with interorganizational trust, in an exchange relationship. Further, we propose the positive relationship between trust and SME performance to be contingent on the level of uncertainty faced by the focal firm. Empirical evidence, based on the survey data of 854 firms mostly supports our arguments.

Keywords: trust, top management team, SMEs

EXPLORATION THROUGH RECOMBINATION OF ORGANIZATIONS

Luo, Xiaoqu; Fordham U.; xluo@fordham.edu

Emphasizing firm's nature as organization, this paper argues that an M&A is essentially a recombination of established organizations, which not only pools resources, but also integrates two sets of different organizational infrastructures underlying resources. This process of recombining different organizational infrastructures inevitably introduces confusions to the organizational core and disrupts the original adaptation process that is characterized by increasing tendency for exploitation rather than exploration. As a consequence, the new organization will be more likely to engage into explorative activities when compared to other

organizations of same size and age that have been growing organically. Using panel data on California retail banks over a century, this paper finds strong evidence to support the argument. Clarifying a mechanism through which organizational inertia can be reduced and exploration can emerge, this study can potentially close a gap between organizational learning perspective and ecological perspective, and also help to explain why empirical results regarding resource benefits from M&A could be mixed.

Keywords: exploration, merger/acquisition, growth

FORGET IT! EXPLORING THE ROLE OF ORGANIZATIONAL UNLEARNING IN POST-ACQUISITION INTEGRATION

*Wolf, Carola; U. of St. Gallen; carola.wolf@unisg.ch
Kunisch, Sven; U. of St. Gallen; sven.kunisch@unisg.ch*

This conceptual paper aims at exploring the role of organizational unlearning in post-acquisition integration. While M&A are frequently pursued for learning and knowledge acquisition motives, they often fall short of delivering on the initial promises due to failures in post-acquisition integration. Previous research unfolded that post-acquisition performance depends on the organizational fit between two organizations. Yet, we know relatively little about how the integration of the acquired firm has to be managed in order to overcome problems of organizational fit. Therefore, we investigate the role of organizational unlearning in reconciling organizational misfit in post-acquisition integration. Our arguments suggest that especially in cases of fundamental differences in belief systems organizational unlearning fosters post-acquisition performance and knowledge transfer.

Keywords: Organizational Unlearning, Organizational Knowledge, Mergers & Acquisitions

FORGETTING CURVES: THE OLDER WE ARE, THE BETTER WE WERE.

*Lopez, Luis; INCAE; luis.lopez@incae.edu
Martin de Holan, Pablo; IE and INCAE; pmdeh@ie.edu*

In this paper, we explore the idea that organizational knowledge can be lost through human capital decay. We study this form of organizational forgetting using an in-depth case study, to find support for the idea that productivity may decline even in the presence of continued output accumulation. Our findings complement and contradict prior research on learning curves that either assumes or finds that productivity always increases with cumulative firm output. We explain knowledge decay by tracking the changes in the characteristics of the resources where experience resides, in this case, modifications in the human resources assigned to a task.

Keywords: organizational learning, organizational forgetting, knowledge management

FRAME ADOPTION AND ADAPTATION AROUND ONLINE TECHNOLOGIES

Irwin, Jennifer G.; U. of Oregon; jirwin3@uoregon.edu

Online technologies have changed how we interact with the world, including how we do business. A significant portion of new technologies being developed are online, yet we have little research examining how these technologies, which have no physical manifestation and thus cannot be shaped or owned, are adopted. Using the lens of frames, I examine how online technologies were adopted within the organizational field of American public libraries from 1992-2006. I examine such technologies as web sites, ebooks, and virtual reality and discover an iterative process of multiple frames that differentiates online technology adoption from earlier research on physical technologies.

Keywords:technology adoption, framing, social construction

FROM CONTEXT TO AGENT: THE ROLE OF ORGANIZATIONS IN INTERPROFESSIONAL COMPETITION

Galperin, Roman V.; MIT Sloan; galperin@mit.edu

This paper considers the role of organizations in the division of labor among professions. Drawing on Abbott's (1988) theoretical model of interprofessional jurisdictional competition, this paper analyzes a case of a jurisdictional disruption between nurse practitioners and physicians that occurred when nurse practitioners began to practice within a new organizational form of retail health clinics. Using archival and interview data, this paper shows that retailer organizations operating the clinics, instead of being venues or resources for the competition of professions, as the existing theory would predict, have inserted themselves into the system of professions as active agents. The organizations assigned jurisdictions to the competing professions in such a way that allowed the organizations to extract economic rents from the jurisdiction over tasks. The implications for the theory of professions are discussed.

Keywords:health care, professions and occupations, new organizational forms

FROM ENTREPRENEUR TO ORGANIZATION: THE CARL ZEISS CASE

Becker, Markus C.; U. of Southern Denmark; mab@sam.sdu.dk

Entrepreneurs found organizations and shape them. Yet, how do individual entrepreneurs shape organizations? We know little about the process in which entrepreneurs shape organizations as they are founded and grow. Despite much research on organizational imprinting, e.g., we have little knowledge of how the imprinting process works. Drawing on archival material spanning its 160-year history, this article traces how two entrepreneurs have shaped the Carl Zeiss firm, a German manufacturer of optical instruments. One particularly important way how the individual entrepreneurs shaped this organization was by replicating their individual habits concerning how to solve tasks of the organization, and by setting selection criteria for holding positions in the firm.

Keywords:Behavioral Theory of the Firm, variation, selection, retention, routines / habits

FROM INTERACTIONS TO EXCHANGES: PRIOR RELATIONSHIPS AND RECRUITMENT PERFORMANCE IN EXECUTIVE SEARCH

Coh, Marko; London Business School; mcoh.phd2006@london.edu

I study how prior relationships between job candidates and an executive search firm affect candidates' progress through the hiring pipeline. I use a unique longitudinal pre-hire dataset of search assignments that a global executive search firm conducted between January 2005 and May 2009. It is an accepted premise in the social networks literature that strong ties facilitate exchanges due to mutual trust or mutual obligations that arise in the relationships characterized by frequent interactions. This literature generally only looks at the exchanges that materialized. I consider all proposed exchanges between connected actors, both the materialized and the unmaterialized. I measure interactions and exchanges separately, and explore the mechanisms through which prior interactions generate exchanges in the context of executive search. I find that in addition to the degree of relational embeddedness between candidates and the search firm, the degree of cognitive embeddedness affects candidates' progress through the hiring pipeline. Specifically, the best candidates who have had a prior candidate relationship with the search firm are less likely to reject a job interview at the search firm, than are the best candidates who have only had a prior client relationship with the search firm. Candidates who often respond positively to the search firm invitations for an interview experience client penalty. Clients are more likely to remove from the hiring process candidates who have been candidates in several prior search firm assignments. I discuss the implications of these results for research on social networks and strategic human resource management.

Keywords: Social networks, Recruitment, Brokerage

FROM REPUTATION IN ONE AUDIENCE TO REPUTATION IN AN ORGANIZATIONAL FIELD

Boutinot, Amelie; UMR GAEL INRA U.; amelieboutinot@gmail.com

This article examines the mechanisms by which a reputation is built not only in one audience but in an organizational field. Specifically, I suggest that reputation is established within an organizational field by combining several types of reputations coming from several audiences of this field. By comparing already reputed architects' professional trajectories, this study identifies several types of activities that impacted three different audiences. The results show that reputation is established through two mechanisms: (1) accumulation and (2) conversion of activities. Contributions to the neo-institutional view of reputation are suggested.

Keywords: Reputation, Audience, Organizational Field

FROM SKEW DISTRIBUTIONS TO POWER-LAW SCIENCE

Andriani, Pierpaolo; Durham Business School;

pierpaolo.andriani@durham.ac.uk

McKelvey, Bill; U. of California, Los Angeles; mckelvey@anderson.ucla.edu

While normal distributions and related current quantitative methods are still relevant for organizational research, the growing ubiquity of power laws signifies that Pareto distributions, fractals, and underlying scale-free theories are increasingly pervasive and valid characterizations of organizational dynamics. We show that power laws are pervasive in the organizational world and present fifteen scale-free theories that apply to organizations. We argue that Power-law Science (PLS) constitutes the branch of complexity science that deals with phenomena characterized by high degree of heterogeneity and distributed interdependence leading to

extreme variance. We claim that PLS represents a necessary, legitimate and more general paradigm than the ones that have so far dominated the social sciences. We show how the Paretian approach manages to make sense of entire classes of phenomena that are difficult or impossible to explain via Gaussian such as extreme events proliferation of small niches, limits to knowledge, and so on. Despite the fact that PLS is nearly a century old, the applications of PLS to Organization Science are very few and sparse. In this paper we start framing the content and boundary of a new field in Organization Science.

Keywords: power law, organization science, extreme events

FROM SYMBOLISM TO SUBSTANCE: A PROCESS MODEL OF INSTITUTIONAL CHANGE

Block, Emily S.; U. of Notre Dame; eblock1@nd.edu

The purpose of this paper is to explore the incommensurate pressures facing organizations – those encouraging symbolic compliance and decoupling and those promoting evolution and change. I seek to understand the process through which symbolic action transforms into more substantive adoption within organizational boundaries. Using a case study of the US forest products industry's main industry association's response to emergent environmental challenges, I trace the varied symbolic and substantive response to the emergent environmental movement through the development and evolution of self-regulation in this industry. My findings suggest that symbolism may be a stage that an organization may progress through on its way to more substantive change and argues for a stage model with built-in feedback mechanisms may characterize the way that organizations adopt and internalize institutionalized practices, where symbolic adoption may be an end for some organizations but simply a step for other organizations.

Keywords: Institutional change, symbolism, self-regulation

FROM THE BOUNTY TO THE BOARDROOM: EMPLOYEE NARRATIVES OF ORGANIZATIONAL MUTINY

Merryman, Amanda; Harvard U.; amerryman@hbs.edu

This paper considers the process of organizational mutiny—how subordinate members of an organization collectively mobilize against a leader in an attempt to remove her from power. Earlier work on social movements and organizations has focused primarily on inter-organizational processes, while interest in collective behavior at the intra-organizational level is relatively more recent (Zald 2008). Based on participant interviews and archival materials from two recent cases of mutiny in professional organizations, I examine the personal narratives that employees construct about these organizational upheavals. I also consider the personal and organizational risks of participating in mutiny, and how employees' assessment of those risks impacts their decision-making. These accounts reveal that employees experience distinct stages in their commitment to internal protest participation, and they rely on different coping strategies and tactics depending on their level of commitment. Furthermore, employees' assessments of the potential risks evolve as their commitment to mutiny deepens. This study contributes to our empirical understanding of how social movement processes unfold inside organizations. The findings are also likely to be helpful to practitioners seeking better ways to gauge and manage internal dissatisfaction in their organizations, and to minimize the costly damage that inevitably results from such organizational crises.

Keywords:organizational mutiny, social movements and organizations, qualitative research

GEARING UP FOR KAIZEN: ORGANIZATIONAL AND KNOWLEDGE MANAGEMENT ENABLERS

Magnier-Watanabe, Remy; U. of Tsukuba; magnier-watanabe.gt@u.tsukuba.ac.jp

In an economy where firms compete for limited resources, focusing internally to boost efficiency and reduce waste is critical. In particular, the Kaizen philosophy of continuous improvement in small sustainable increments has spread in the manufacturing industry with mixed results. However, the knowledge management requirements of Kaizen have not yet been formalized for practitioners to easily check the necessary pre-conditions of their organization. Using a case-study approach building on previous in-depth research of New United Motor Manufacturing Inc. (NUMMI) in Fremont, California, this study assesses the organizational and knowledge requirements of Kaizen. The results show that the success of NUMMI may reside less in Toyota's production system than in the alignment of Kaizen and the organizational characteristics that support suitable knowledge management practices.

Keywords:Knowledge Management, Continuous Improvement, Organization

GOING (MORE) PUBLIC: OWNERSHIP REFORM AMONG CHINESE FIRMS

*Haveman, Heather; U. of California, Berkeley; haveman@berkeley.edu
Wang, Yongxiang; Columbia Business School; ywang05@gsb.columbia.edu*

In a fundamental and long-awaited reform, Chinese publicly-traded firms began to convert non-tradable shares, which constituted two-thirds of total shares outstanding and which were held largely by state bureaus, into shares that could trade on domestic exchanges. To facilitate this reform, tradable shareholders were compensated, usually with stock grants from non-tradable shareholders. State regulators impelled ownership reform but did not dictate the price of reform – the amount of compensation paid to tradable shareholders. Instead, compensation was negotiated between the two groups of owners. Non-tradable shareholders preferred to offer less compensation, tradable shareholders preferred to receive more compensation, and company executives, who brokered these deals, wanted the reform succeed at almost any price. When owners were better able to monitor company executives and other agents, compensation was set closer to owners' preferences. Net of conflicts between shareholders and their agents, imitation of other firms strongly affected compensation. Our analysis contributes to research on China's economic transition by modelling the outcome of this complex and critical multi-party negotiation. It also enriches institutional research on field-level change and isomorphism by concretely incorporating the power and interests of all parties – regulators, owners, and owners' agents.

Keywords:institutional theory, agency theory, organizational change

HANGING TOGETHER, TOGETHER HUNG? THE ROLE OF RELATIONSHIP TIES IN THE CONTEXT OF CFO DISMISSALS

Büttner, Volker; WHU – Otto Beisheim School of Management, Vallendar;
volker.buettner@whu.edu

Hilger, Stefan; European Business School; stefan.hilger@ebs.edu
Richter, Ansgar; European Business School; ansgar.richter@ebs.edu
Schäffer, Utz; WHU – Otto Beisheim School of Management, Vallendar;
utz.schaeffer@whu.edu

Zander, Kevin; WHU – Otto Beisheim School of Management, Vallendar;
Kevin.Zander@whu.edu

Is it good or bad for senior executives to have close relationship ties with the CEO? This paper investigates the role and importance of those ties in the particular context of CFO dismissals. Building on the top management team and governance literatures, we use data on 121 CFO turnover events in the largest German stock-market quoted companies between 1999 and 2006 and make three contributions: First, we show that poor firm performance and CEO dismissal both independently increase the likelihood of CFO dismissal. Strong relationship ties with the dismissed CEO increase it even further. Second, a CEO dismissal reduces the chances of the incumbent CFO being promoted into the vacant CEO position, which is also an indicator for the disadvantages of close relationship ties with the CEO. Third, our results underline the prominent role of CFOs alongside CEOs on management boards and suggest a more detailed consideration of CFOs in further research.

Keywords: Relationship ties, Top management teams, Top executive dismissals

HIGH AND LOW STATUS GROUPS ACTIVATE DIFFERENT NETWORK STRUCTURES UNDER JOB THREAT

Smith, Edward Bishop; U. of Chicago; nedsmith@uchicago.edu
Menon, Tanya; U. of Chicago; tmenon@gsb.uchicago.edu
Thompson, Leigh; Northwestern U.; leighthompson@kellogg.nwu.edu

We develop a dynamic constructivist model of network activation and show that, when faced with job threat, people at different status levels spontaneously activate different subsections of their networks. Using a multi-method approach (General Social Survey data and a laboratory experiment), we find that individuals with low status tend to “double down” in times of job threat (i.e., activate smaller and tighter local networks), whereas individuals with high status show an opposite trend (i.e., activating larger and less dense networks). We integrate traditional network theories with cognitive psychology, suggesting that the activation of social networks is a pre-condition to mobilizing them. A key implication of this argument is that doubling down in response to threat might reduce low status groups’ access to new information, harming their chances of finding subsequent employment and exacerbating social inequality.

Keywords: Social networks, Cognition, Status

HOW DEALS FLOW: TOWARD A COMPREHENSIVE PROCESS MODEL OF MERGERS AND ACQUISITIONS

Galpin, Timothy; U. of Dallas; tgalpin@gsm.udallas.edu
Whittington, J. Lee; U. of Dallas; jlee@gsm.udallas.edu

A comprehensive M&A model is presented that can be used by researchers and practitioners alike to address M&As from a multi-level, multi-stage, and multi-disciplinary perspective. The framework is developed by drawing from research on M&As across various disciplines. Empiricists can use the model to frame their research in the broader context of M&A transactions from beginning to end. Moreover, numerous research studies have identified what needs to occur during M&As to achieve success, but many firms do not seem to know how to do it. Therefore, guidelines for practicing managers seeking to apply best practices are also provided.

Keywords:mergers, acquisitions, process

HOW ENTREPRENEURIAL ORIENTATION AFFECTS KNOWLEDGE CREATION? A CONFIGURATIONAL APPROACH

*Wang, Gang; Xi'an Jiaotong U.; jwuyou@foxmail.com
Yang, Fei; Xi'an Jiaotong U.; yangfei123@mail.xjtu.edu.cn
Wang, Juan; Henan Normal U.; law545@sohu.com*

This study advances research on entrepreneurship and knowledge management by examining how the configuration of a firm's business ties and its external environment shapes the relationship between entrepreneurial orientation (EO) and organizational knowledge creation. Findings from a sample of 270 Chinese firms indicate that a configurational approach (three-way interactions) that aligns EO, business ties, and environmental turbulence has greater explaining power to organizational knowledge creation than a contingency model (two-way interactions) and/or a main-effect-only model. Organizational knowledge creation benefits most from EO at both high levels of business ties and environmental turbulence, while benefits least at both low levels of business ties and environmental turbulence. Overall, these findings contribute to a better understanding of when EO enhances organizational knowledge creation.

Keywords:entrepreneurial orientation, configurational approach, organizational knowledge creation

HOW FAIRNESS MATTERS? PATH ANALYSIS OF JUSTICE IN CHANNEL COOPERATION

*Luo, Yadong; U. of Miami; yadong@miami.edu
Liu, Yi; Xi'an Jiaotong U.; liyuyi@mail.xjtu.edu.cn
Zhao, Yang; Xi'an Jiaotong U.; mark.zhaoyang@qq.com
Huang, Ying; U. of Arizona; huang2@email.arizona.edu*

This study presents a path analysis exploring how four types of macro-level justice (distributive, procedural, interactive, and informational) influence joint performance in buyer-supplier partnerships. Underpinned by the loose coupling theory, we build a mediating framework in which justice is proposed to improve channel performance through bolstered dyadic links in knowledge sharing, relationship investment, and continuous commitment. Our survey of 216 paired manufacturers (suppliers) and distributors (buyers) channel partnerships in China generally supports this argument, leading to a conclusion that justice is not a direct determinant of channel performance but a critical conduit that nourishes mid-range cooperative behaviors, which in turn promote channel success. The findings have some strong theoretical and managerial implications to channel research.

Keywords:Justice, Buyer-supplier relationship, Emerging market

HOW FOREIGN FIRM DENSITY IMPACTS LOCAL FIRMS: EVIDENCE FROM CHINA

Xu, Dean; *China Europe International Business School*; dxu@business.hku.hk
Lu, Zhenyan; *Peking U.*; lvzhenyan@gsm.pku.edu.cn

We investigate whether foreign entrants will bring a spillover or competition effect on local firms in emerging markets. We hold that foreign firms will initially benefit local firms symbiotically, but such an effect will gradually be replaced by a negative, crowding-out effect. Empirical results based on a longitudinal large-sample database in China show that increased density of foreign entrants first lowers, and then raises, the exit rates of local firms, as predicted by population ecology theory.

Keywords:None

HOW INSTITUTIONAL LOGICS INFLUENCE COGNITIVE ORIENTATION: THE CASE OF FOCUSED FIRMS, 1984- 1997

Jeong, Young-Chul; *U. of Illinois, Urbana-Champaign*; yjeong6@illinois.edu
Love, E. Geoffrey; *U. of Illinois, Urbana-Champaign*; glove@illinois.edu

This study examines how institutional logics influence actors' cognitive orientations. It does so by examining the relationship between a firm's level of diversification and approval ratings of the firm by security analysts and peer-industry executives during the period 1984-1997. The ascendant investor capitalism logic framed American firms as over-diversified. Consequently, lower levels of diversification are expected to lead to higher approval ratings. The relationship between diversification and approval ratings is also proposed vary with three theoretically-relevant contingencies: it will be stronger for securities analysts than for executives, consistent with executives being more likely to draw multiple institutional logics; it will be stronger for historically low-performing firms, consistent with failure-induced attention processes; and, it will be vary in strength across the study period. Support is found for these propositions, and implications for research on institutional logics are discussed.

Keywords:diversification, cognitive orientation, institutional logic

HOW TO CONTROL CREATIVE WORK: THE ROLE OF INTRINSIC MOTIVATION AND TASK PROGRAMMABILITY

Grabner, Isabella; *WU Vienna*; isabella.grabner@wu.ac.at
Speckbacher, Gerhard; *WU Vienna*; gerhard.speckbacher@wu.ac.at

For many organizations, creativity - that is, the development of novel, potentially useful ideas - is a critical long-term success factor. When creativity is a major source of an organization's competitive advantage, managers need to establish a work environment that fosters creativity. This paper analyzes how the creativity dependency of an organization impacts managers'

choices of organizational control mechanisms. Building on theory from creativity research and research on organizational control mechanisms, we propose a model that links the creativity dependency of an organization with two main influencing factors of organizational control mechanisms: high importance of intrinsic motivation and low programmability of tasks, that is, a lack of knowledge about the relationship between employee behavior and the achieved outcomes. Using survey data from 458 firms in the German-speaking countries, we test our theoretical model and provide evidence on how the perceived creativity dependency of organizations influences the choice of organizational control mechanisms.

Keywords:creativity, organizational control mechanisms

HUMAN CAPITAL AND SOCIAL CAPITAL: UNDERSTANDING THE CONCEPTS AND THEIR INTERLINKAGES

Sharma, Deepali; Indian Institute of Management, Bangalore;
deepalis05@gmail.com

Human capital and social capital have attracted intrigued research scholars in sociology, political science, economics, and organizational theory in search for answers to a range of questions being confronted in their own fields. This paper attempts to understand the nuances of both the forms of capital, draw conceptual similarities and differences and interlinkages to help research scholars in finding research gaps to push theoretical frontiers. Creation of Human capital leads to formation of social capital and vice versa, and they both have been found to lead to improved individual, organizational performance. A model representing these interlinkages build in the paper can be used by management and public policy practitioners to develop conducive environments and policies to facilitate their enrichment.

Keywords:Human capital, Social Capital, interlinkages between human and social capital

IDENTITY FOCUS AND IDENTITY COHERENCE IN THE HONG KONG FILM INDUSTRY, 1970-1997

Tang, Yi; Hong Kong Polytechnic U.; msytang@polyu.edu.hk
Wezel, Filippo Carlo; U. of Lugano; wezelf@usi.ch

Building on recent developments concerning social categories and identities in market contexts, this study extends our knowledge about the mechanisms and the circumstances under which spanning categories penalizes the social actor|s offering. The findings, obtained from a large sample of Hong Kong multi-genre movies during the period 1970-1997, suggest that whether spanning categories brings social penalties (i.e., decrease film performance) depends on the level of coherence exhibited by the categories involved. When straddling involves coherent categories, market audiences do not react negatively and allow the social actor to benefit from the synergies stemming from multi-category membership. Conversely, multi-category membership appears penalized in presence of a limited coherence. By reconciling the seeming-divergent findings on category spanning, this research contributes to the burgeoning research on social identities.

Keywords:social identities, identity coherence, multi-category membership

IDENTITY HYBRIDIZATION: PRESERVING THE HISTORICAL CORE AND DEVELOPING AN INTERNATIONAL IDENTITY

Kodeih, Farah; ESSEC Business School; farah.kodeih@gmail.com

What happens to an organization's identity when the organization no longer operates in a single, well known, environment and has, instead, to adapt to a more plural, and less familiar, environment? The aim of this research is to understand how organizational identities are hybridized in the transition from monolithic to pluralistic institutional environments, where multiple and often contending institutional logics have come to coexist. It is based on a study of French business schools, known as Grandes Ecoles, which have come under pressure to adapt to the growing internationalization of business education and adopt its dominant standards. These schools continue to value their individual historical identity, which still forms the basis of their national legitimacy, while trying to redefine themselves as international business schools. The research method relies on longitudinal, qualitative case studies. This approach enables me to trace how the identities of four schools, chosen for maximum variance, have gone through distinctive hybridization processes in response to the demands of their national and international environments.

Keywords: Environmental pluralism, Multiple-identities, Comparative history

IDEOLOGICALLY-EMBEDDED IDENTITIES AND AUDIENCE ATTENTION: BRITISH POLITICAL PARTIES, 1945-2005

Karthikeyan, Soorjith Illickal; U. of Lugano;
soorjith.illickal.karthikeyan@usi.ch

The present article explores how organizations seek audience attention through engaging on identity claims related to various social domains and how the expectations formed therefrom constrain their conduct. Using the data obtained from the political manifestos of the three major British political parties during the period 1945-2005, we argue that (i) audience attention at a social position occurs through substantial and repeated engagements on identity claims, and (ii) the total audience attention of each party declined proportionally to the number of ideologically inconsistent social positions on which identity claims were made. The analyses reported provide evidence that the competition for media attention – an essential resource in this setting - was systematically influenced by the matching of the party's claims with ideological expectations.

Keywords: Audience, Identity, Ideology

IMPACT OF DYADIC COLLABORATION AND ORGANIZATIONAL SUPPORT ON DYADIC CREATIVITY

Fliaster, Alexander; U. Bundeswehr, Munich; alexander.fliaster@unibw.de
Schloderer, Florian; INSEAD; florian.schloderer@insead.edu

While the past research on creativity in the workplace was focused on personal attributes of creative people, contemporary studies pay more attention to contextual influences on individual creativity, such as organizational work environment. In addition, social network studies explore

the impact of dyadic ties and network structures on individual creativity. Our paper extends these perspectives focusing on the creativity of dyads, that is, two individuals who are connected by a network tie, collaborate on knowledge sharing and creation, and are embedded in a specific organizational environment. We hypothesize that the dyadic creativity is affected first by the intensity of collaboration between dyadic partners and second by relational and organizational factors that determine intra- and extra-dyadic support for creativity. We test our hypotheses empirically collecting network panel data at a medium-sized electronic company.

Keywords:creativity, social networks, perceived organizational support

IMPROVING ORGANIZATION PERFORMANCE: A SIMULATION STUDY COMBINING EXPLOITATION AND EXPLORATION

Choi, Taehyon; U. of Southern California; taehyonc@usc.edu

This study investigates the performance of exploitation and exploration strategies to organizational prosperity, given environmental conditions that vary in density and turbulence. This study employs an agent-based computational simulation in which organizations that adopt different learning strategies (exploitation, exploration, ambidexterity, or punctuated equilibrium) compete under virtual environments with different density and turbulence. Results indicated that hybrid strategies of ambidexterity and punctuated equilibrium performed better than either exploitation or exploration alone. When population density was high, investing in exploitation was more beneficial than investing in exploration. When the environment became turbulent, exploitation was inferior to exploration.

Keywords:exploration, exploitation, learning

IN SEARCH OF DYADIC CREATIVITY IN SCHOLARLY OUTCOMES

Park, Namgyoo Kenny; Seoul National U.; npark@snu.ac.kr

Kim, Hyojung; Seoul National U.; hesterkim@gmail.com

Kim, Jinsung; Samsung Economic Research Institute; pourbar@naver.com

Suh, Junghyun; Seoul National U.; jhyun.suh@gmail.com

Choi, Yoonhee; Seoul National U.; cecilechoi@gmail.com

While previous studies clearly recognized the critical influence of outside interactions on creativity, the creativity at the dyad/inter-personal level has not received sufficient academic attention over the last decade. Thus, we endeavor to investigate how various aspects of the dyad/inter-personal collaboration affect the creativity of their collaborative outcomes in terms of content, characteristics, and context of collaborations. To investigate the above questions, we analyzed 215 joint research papers that were published in the top eight management journals during 1998-2007. Empirical findings show that at the dyad level, diverse knowledge backgrounds of collaborating scholars had a positive impact on the creativity of their publications while collaborating researchers with overlapped knowledge base produced less creative papers. We also found that previous experience of collaboration had an inverted U-shaped relationship with the creativity of joint research. However, unlike our predictions, outside ties have a negative association with the dependent variable. Finally, empirical analyses indicated that the physical distance between collaborators has an inverted U-shaped association with the creativity of their

joint research. Our study clearly provides complementary findings for the creativity literature in both the theoretical and managerial perspective.

Keywords: Creativity, Collaboration at the dyad level, Academic Research

IN THE EYES OF THE BEHOLDER: STOCK ANALYSTS' FOLLOWING OF FAMILY FIRMS IN TAIWAN

Jeong, Young-Chul; U. of Illinois, Urbana-Champaign; yjeong6@illinois.edu
Luo, Xiaowei; INSEAD; Xiaowei.LUO@insead.edu

This study aims to provide insight into how multiple forms of logics shape a key organizational decision. We examine how logics rooted in two different sectors – the professional logic at the global level and corporate governance at the national level – influence analysts' following family-dominated firms in Taiwan during the period 1996- 2005. The general implications for institutional logic approach of financial market behavior, the study of security analysts, and the cross-national governance literature are discussed.

Keywords: Institutional logic, cross-national governance, analyst following

INCREASING INNOVATION PROPOSAL SCREENING PERFORMANCE USING TRANSACTIVE MEMORY SYSTEMS: A FIELD STUDY

Hammedi, Wafa; U. of Liege; w.hammedi@ulg.ac.be
Van Riel, Allard C.R.; Radboud U. Nijmegen; a.vanriel@fm.ru.nl
Sasovova, Zuzana; VU U. Amsterdam; zsasovova@feweb.vu.nl

In this study, we investigate the effects of a Transactive Memory System (TMS) on new product proposal screening performance. We aim to identify factors influencing the extent to which screening committees use the specialized and heterogeneous knowledge embodied in individual team members. Based on data about 136 screening teams, we test a theoretical model using structural equation modeling. The results show important effects of coordination, mutual trust and expertise on the effectiveness and efficiency of screening decision-making. In addition, coordination mediates the relationships between committee members' expertise and trust on the one hand, and screening decision-making performance on the other. We show that in a screening context the TMS is a function of an open organizational climate (characterized by fairness, innovativeness and cohesiveness) and that a transformational leadership style plays an important role in the effective implementation of a TMS.

Keywords: transactive memory system, innovation, team decision making

INDEPENDENT VS. MAINSTREAM: EVALUATIVE CRITERIA, INSTITUTIONAL LOGICS, AND SEARCH BEHAVIOR

Kim, Tohyun; U. of Hawaii; tohyun@hawaii.edu
Rhee, Mooweon; U. of Hawaii; mooweon@hawaii.edu

Social actors' positions within a social system affect their decisions to balance between exploitation of old certainties and exploration of new possibilities by providing both constraints and opportunities. While social positions are collectively determined by constituents along multiple evaluative criteria, each of those criteria has differential relative importance under different institutional logics. Therefore, social actors' relative positions along each evaluative criterion have divergent effects on their search behavior in different contexts. In this paper, we argue that lower positions in a primary evaluative criterion are likely to trigger problemistic search, while higher positions in an ancillary evaluative criterion lead to slack search. We develop and examine our hypotheses in the context of the U.S. feature film industry where film directors in the independent sector and the mainstream sector show contrasting patterns of search behavior – genre exploration and boundary crossing between the sectors. Implications to literature on search behavior, reputation, and institutional logics are discussed.

Keywords: search behavior, institutional logics, evaluative criteria

INDIVIDUAL LEARNING AND IMITATION IN THE CONTEXT OF THREE ARCHETYPAL FORMS OF CENTRALIZATION

*Butler, John C.; U. of Texas, Austin; butlerjc@mcombs.utexas.edu
Grahovac, Jovan; U. of Illinois, Urbana-Champaign; grahovac@illinois.edu*

We use simulation and stylized representations of three archetypal levels of centralization to investigate the relative abilities of the respective organizational forms to recognize their environment. We find that teams, in which decisions are made according to the majority vote, are the most successful when the recognition task is relatively easy, that is, the ability of individual members to observe the environment is relatively high compared to the environment's dynamism and complexity. Markets in which all agents act independently succeed when the recognition task is difficult and the agents can easily imitate each other. Hierarchies in which agents in the upper echelons impose their views on the entire organization excel when there is heterogeneity in the agents' individual learning abilities, the task is difficult, and imitation among the agents moderate. The analysis also has implications for the relationship between centralization and the notions of exploitation and exploration in March's influential work.

Keywords: organizational knowledge, centralization, capability

INDUSTRY CYCLES VS. ATTENTION CYCLES: THE EFFECTS OF SHIFTING PUBLIC ATTENTION

Gotsopoulos, Aleksios; Boston U.; agotsopo@bu.edu

In the majority of industries, organizational density has been found to follow a common pattern: A slow start is followed by a rapid ascend to a peak, which then gives its place to an often equally abrupt, precipitous decline. Analyzing this dominant pattern, existing literature across disciplines has focused predominantly on economic explanations: abnormal economic returns increase entry until a new industry's carrying capacity is saturated. Subsequently, intensifying competition leads to concentration and lower levels of density. Nevertheless, similar patterns can be created by socially driven diffusion of adoption and abandonment of new organizational models, having little to do with the availability of economic resources. Using data on Greek stock brokerage firms, I explore alternative, economic and social, explanations. As my results suggest, social motives can be more important than the availability of economic resources in driving entrepreneurial action. Bringing sociology into the analysis of industry life cycles can thus contribute significantly to a richer and more nuanced understanding of industry evolution.

Keywords:None

INFORMAL NETWORKS AND EXIT: “UNHEALTHY” SUPPORT NETWORKS AS INFLUENCERS ON DECISIONS TO LEAVE

Merluzzi, Jennifer M.; U. of Chicago; jhitler1@chicagobooth.edu

Investigating social networks around employees who cite interpersonal conflict at work, I use data from two different organizations to propose a novel approach for how informal relationships influence decisions to leave a firm. Segregating individuals who speak negatively about difficult co-workers, I uncover a perverse support structure, where negative speakers activate cohesive support networks, populated with less connected, less tenured employees, most susceptible of influence. The result is the emergence of an “unhealthy” support structure, where employees voicing complaints as a way to figure out decisions to exit, tainting new employees at a critical point of organizational attachment. This paper informs social network and career literature by highlighting an unexplored and unsuspected influencer of organizational turnover decisions – social support networks.

Keywords:Networks, Careers, Turnover

INNOVATION, ORGANIZATIONAL AMBIDEXTERITY AND COGNITIVE SCHEMA

Ingram, Amy; U. of Cincinnati; ingramae@mail.uc.edu

Lewis, Marianne W.; U. of Cincinnati; marianne.lewis@uc.edu

Andriopoulos, Konstantinos; Brunel U.; costas.andriopoulos@brunel.ac.uk

Gotsi, Manto; Brunel U.; manto.gotsi@brunel.ac.uk

High performance and even long-run organizational survival demands both exploration and exploitation, competing forms of innovation that require disparate mindsets, practices and structures. Ambidexterity is often proposed as the solution, but understanding of this organizational ability remains limited and examples scarce. Most studies examine related strategies, structures and practices, yet note the importance of a shared, underlying mindset. In response, this qualitative study seeks to open the black box of cognitive schemata. More specifically, we ask, within ambidextrous organizations, how do actors frame innovation tensions? Further, (how) do such schemata vary across disciplines and hierarchical levels?

Keywords:Innovation, Ambidexterity, Cognition

INSTITUTIONAL BEACONS AS PATHS TO COGNITIVE LEGITIMACY: YALE, IPOS, AND THE RISE OF VENTURE CAPITAL

McDonald, Rory Morgan; Stanford U.; rorymcdonald@gmail.com

Hallen, Benjamin L.; U. of Maryland, College Park; bhallen@rhsmith.umd.edu

Cox, Emily; Stanford U.; emilycox@stanford.edu

Entrepreneurial activity within a sector often depends on the sector's cognitive legitimacy, or the shared perception that an organizational form is appropriate. The emergence of cognitive legitimacy is traditionally explained as emerging slowly from the increased prevalence of an organizational form. Building on insights from cognitive social psychology, we suggest institutional beacons as an alternative path by which this type of legitimacy can rapidly arise. We argue that a single, salient demonstration of perceived success is often sufficient to facilitate legitimacy. We test and find support for this logic in a study of the foundings of venture capital firms, and explore the influence of both successful, single venture capital investments and the Yale endowment. Our findings and theory offer insight into the micro-foundations of institutional theory and suggest a refined model of the emergence dynamics by which sectors become cognitively legitimate.

Keywords:institutions, entrepreneurship, cognitive legitimacy

INSTITUTIONAL CAPABILITIES AND ENTREPRENEURSHIP: THE DEVELOPMENT OF US COMPETITIVE LOCAL TELEPHONY

Neuman, Eric J.; U. of Illinois, Urbana-Champaign; ejn@illinois.edu

This study examines the role of institutions in the development of a new sector in local telephone service, competitive local exchange carriers (CLECs), following U.S. federal deregulation in 1996. I extend theory about the relationship between institutions and entrepreneurship by focusing on infrastructures that were in place prior to the event that generated the entrepreneurial opportunities (here, deregulation). Results show that founding rates of CLECs were higher in states that had previously adopted regulatory programs consistent with the ideology of competition. I argue that these pre-deregulation actions provided states with institutional capabilities that helped them implement the federal policy and attract entrepreneurs. Results also show that the relationship between institutional capabilities and entrepreneurship was stronger in states with Democrat-controlled regulatory agencies or Democratic governors. This latter finding was unanticipated given the Republican Party's reputation as a proponent of free market solutions and the fact that Republicans more strongly backed federal deregulation. Together these findings suggest a more nuanced way in which multi-level institutions influence entrepreneurship and a call for more research on the effect of political environments on entrepreneurship.

Keywords:entrepreneurship, institution theory, deregulation

INSTITUTIONAL LOGICS AND STATUS: STRATEGIC PATENTING IN THE LEGAL SERVICE SECTOR

*Grodal, Stine; Boston U.; grodal@bu.edu
Thoma, Grid; Department of Computer Science and Mathematics - U. of
Camerino; grid05@gmail.com*

Institutional logics shape organizations' actions. However, in situations where logics conflict we know little about the conditions that make firms' act in accordance with one logic rather than the other. We introduce a novel typology of logics by differentiating between profession specific and general logics and examine how a firm's status affects its tendency to choose between these two logics. First, we show that status is a strong predictor of following a general logic. However, the effect of status wanes as firms gain more experience within their profession. Second, we show that high status firms are more likely to abide by multiple logics simultaneously. Third we show

that exposure to strong logics outside of the profession increases a firm's tendency to abide by a general logic. Theoretically we add to theory about how social systems and symbolic systems interact and the role of institutional logics in shaping firms' behavior. We end by discussing the implications of our research for theories of cumulative innovation.

Keywords:status, law firms, institutional logics

INSTITUTIONALIZATION OF TIME MEASURE AND CIRCULATION OF POWER

*Naccache, Philippe; Grenoble Ecole de Management;
philippe.naccache@yahoo.fr*

This paper tackles the issue of subunit power. We address this question through the lens of time measure. We argue that a subunit's struggle to gain power takes place through the attempt to institutionalize its own time measure. More precisely, a subunit looking for power within an organization has to infuse its own cultural frames through time measurement in order to put it 'beyond discussion and debate'. Our research suggests that this aim can be achieved through management control tools.

Keywords:ethnography, power, institution

INTEGRATING ACQUISITIONS IN MULTIDISCIPLINARY FIRMS: LOGICS, TENSIONS AND BOUNDARY MECHANISMS

Chreim, Samia; U. of Ottawa; chreim@telfer.uottawa.ca

What conflicts and boundary mechanisms emerge when a multidisciplinary firm acquires and integrates professional services firms which subscribe to institutional logics that differ from its own? This paper reports on an empirical study of integration of an architectural firm and an industrial engineering firm in a multidisciplinary corporation. Differences in the professional models followed by the acquiring and acquired firms were manifested in the areas of culture, identity and image, strategy and financial logic creating tensions in the integration of the acquisitions. Despite similar challenges experienced by the two acquired firms, they followed very different trajectories in terms of maintaining or losing professional integrity. The differences are explained in part by the types of boundary mechanisms that were manifested in the firms and by whether or not members of the acquired firms engaged in boundary work. The boundary maintaining/dissolving mechanisms involved social cohesion/fragmentation, resource-based capabilities/resource atrophy and structural frames. Implications for theory and practice are addressed.

Keywords:Boundary mechanisms, Institutional Logics, Professional services firms

INTELLECTUAL CAPITAL CONFIGURATIONS AND VALUE CREATION: A CONCEPTUAL MODEL OF HR SHARED SERVICES

*Meijerink, Jeroen; U. of Twente; j.g.meijerink@utwente.nl
Bondarouk, Tanya; U. Twente, The Netherlands; t.bondarouk@utwente.nl*

The ways by which intellectual capital (IC) drives value creation is often limitedly understood, particularly in the case of Human Resource Shared Services (HRSS), as its components – human, organizational and social capital – are treated as independent and separate constructs. In this paper, a configuration approach to intellectual capital is adopted in order to develop a conceptual framework that provides an in-depth understanding of the ways in which intellectual capital creates value for HRSS end-users. We argue that the interrelationships among human, organisational and social capital form value-creating IC configurations which value creation capability is contingent upon the type of HR services offered. Through this, we contribute by explaining how intellectual capital drives value creation, and how HRSS may make use of their human, organisational and social capital to create value for their end-users.

Keywords: human resource shared services, intellectual capital, value creation

INTER-ORGANIZATIONAL NETWORK STUDIES - A LITERATURE REVIEW OF METHODOLOGY

*Bergenholtz, Carsten; Aarhus U.; cabe@asb.dk
Waldstrøm, Christian; Aarhus U.; cwa@asb.dk*

The study of inter-organizational networks has received increasing attention over the past decades, and previous research has shown great potential for explaining various aspects related to the antecedents, roles and outcomes of inter-organizational networks. However, the now vast body of network-based research suffers from a number of conceptual and methodological gaps which render some of the studies incompatible and hinder a greater understanding and coherence of network studies. This paper consists of a large-scale systematic literature review of the last 12 years' research on inter-organizational networks, with a focus on the methodological aspects. The findings of this paper is that few of the previous studies have used the full methodological (and thus theoretical) scope of the available data, primarily applying classic statistical analysis of aggregated data instead of using the interdependent nature of the field to apply methods from the field of Social Network Analysis (SNA). A number of findings show that the most cited papers and those appearing in top-ranked journals are more prone to using SNA than traditional, non-structural statistical methods or qualitative studies. It is our conclusion, that the field of inter-organizational research can gain greatly from the adoption of a more rigorous use of network analysis, allowing the insights, terminologies and analytic methods to reframe some of the questions pertinent to the literature on inter-organizational networks.

Keywords: Inter-organizational networks, literature review, methodology

INTERDEPENDENCE ACROSS NETWORKS: BIOTECHNOLOGY INNOVATION THROUGH SCIENTIFIC AND ALLIANCE NETWORKS

Gozubuyuk, Remzi; IE Business School; Remzi.Gozubuyuk@ie.edu

While research has often associated firm innovation with network position, little prior research has investigated the empirical reality of the simultaneous embeddedness of firms in multiple networks, and even less has examined the outcomes of the interdependence of firms' positions across networks. We argue that interdependence in embeddedness across networks enhances firm

innovation. We test our theory with data on a sample of 1666 US biotechnology firms between the years 1990 and 2002, using two interorganizational networks – the scientific coauthorship network and the alliance network – and analyze our results using negative binomial regression with random effects on panel data. Our findings are supportive of our hypotheses suggesting the importance of going beyond embeddedness in a single interorganizational network to examine interdependence of firms' positions across networks in order to more fully understand the drivers of innovation and of organizational outcomes generally.

Keywords:innovation, interorganizational networks, network theory



INTERDEPENDENCE, INFORMATION PROCESSING, ORGANIZATION DESIGN: AN EPISTEMIC PERSPECTIVE

*Puranam, Phanish; London Business School; ppuranam@london.edu
Goetting, Marlo; London Business School; mgoetting.phd2007@london.edu
Knudsen, Thorbjorn; U. of Southern Denmark; tok@sam.sdu.dk*

We develop a novel analytical framework to study epistemic dependence: “who needs to know what about whom” as a basis for understanding information processing requirements in organizations, and the resulting implications for organization design. The framework we develop helps to describe and compare the nature of the underlying coordination problems generated by different patterns of interdependence, and the resulting knowledge requirements for the design and implementation of appropriate organizational structures. The framework offers a formal language that may prove useful for parsimoniously integrating what we know, as well as for building new theory.

Keywords:organization design, interdependence, epistemic dependence, information processing, coordination

INTERESTS, SOCIAL WORLDS, AND CAPITAL: STRUCTURE IN A CHAMBER OF COMMERCE

*Crawford, Brett; Copenhagen Business School; bc.cbp@cbs.dk
Branch, John; U. of Michigan; jdbranch@bus.umich.edu*

This paper explores the process of re-shaping interests, leading to structure within a chamber of commerce. Specifically, we aimed to explore which directors' interests were at play and how those diverse interests were re-shaped through informal deliberations. Our research design takes a qualitative approach, detailing the field, including directors' social world membership, social capital, and cultural capital. Illustrated through three cases, we suggest that directors with high social capital and high cultural capital are able to re-shape the interests of their peers by presenting powerful narratives.

Keywords:interests, social worlds, capital

INTRODUCTION OF 3G SERVICES IN INDIA: LOOKING THROUGH THE INSTITUTIONAL GLASS

Sharma, Deepali; *Indian Institute of Management, Bangalore;*
deepalis05@gmail.com
Ojha, Abhoy Kumar; *Indian Institute of Management, Bangalore;*
aojha@iimb.ernet.in

The paper attempts to explain why despite adverse economic rationales Mobile Network Operators are keen to adopt third generation of mobile technologies in India. Behaviour of the organizations can be better understood by complementing efficiency perspective with institutional theories as organizations appear to be influenced by the institutional pressures, either a.) coercive pressures from regulators to adopt 3G technology and introduce 3G services; or b) mimetic pressures from the competitors to model themselves around them in order to gain legitimacy and succeed or c) normative pressures from the professional associations and business partners. The organizations conform to these pressures to gain legitimacy and access to resources.

Keywords: institutional theory, 3G technology adoption in India, coercive, mimetic and normative pressures

IS TEAMWORK THE RIGHT WAY TO GO? EXPLORING TEAMWORK PROCESSES IN TEAM-BASED KNOWLEDGE WORK

Erhardt, Niclas; *U. of Maine;* niclas.erhardt@maine.edu

Teams are a central mechanism to mobilize knowledge. Yet, how knowledge is mobilized in types of teams is still not clear. By adopting a case-based approach using a total of 88 interviews from four project teams operating in different companies in Sweden and in the US, I explore key knowledge processes in team-based knowledge work (TBKW). A framework of four types of TBKW is delineated: standardized, modular, integrative and collaborative which are distinguished by the structure of the problem and knowledge composition with the team. Theoretical and practical implications are addressed and future research directions are discussed.

Keywords: ill-structured problems, knowledge composition, Team-based knowledge work

KEEPING UP APPEARANCES: THE USE OF CSR INITIATIVES TO PALLIATE AN IMAGE THREAT

Morris, Mary-Hunter; *Northwestern U.;* mary-morris@kellogg.northwestern.edu
King, Brayden G; *Northwestern U.;* b-king@kellogg.northwestern.edu

An image threat occurs when an organization's audiences or reference publics are given reason to doubt its reliability or claimed conformity to socially acceptable behaviors, norms and values. We examine organizational responses to image threats created by social movement boycotts. Consumer boycotts, while ostensibly trying to cause a decline in a firm's sales revenue and force them to change a policy or practice, have a pronounced negative impact on their targets' public images. Boycotts may elicit increased efforts by the firm to engage in positive impression management and to reinforce positive audience perceptions. We argue that firms frequently use corporate responsibility initiatives as part of their "image repertoire" when dealing with the threat of boycotts. CSR initiatives are especially likely to be used by firms that have built their reputation

around being a "virtuous company." We draw on social movement theory, a social actor conceptualization of organizations, and institutional theory to examine the conditions in which firms will respond to boycotts with increased levels of CSR. We use a data set of boycotts that were reported in major national newspapers from 1990 to 2005.

Keywords: identity and image, social movements, corporate social responsibility

KNOWLEDGE INTEGRATION IN PRACTICE: FROM INDIVIDUAL IDEAS TO COLLECTIVE NEW DISHES IN HAUTE CUISINE

Bouty, Isabelle; U. Paris Ouest Nanterre UFR SEGMI; isabelle.bouty@u-paris10.fr

Gomez, Marie-Leandre; ESSEC Business School; gomez@essec.fr

Based on a dynamic, social and practical understanding of knowledge as "knowing", this paper analyzes knowledge integration as a combination in organizations. We empirically examine knowing integration in the creation of new dishes in elite restaurants with two in-depth case studies. We contribute to a better understanding of integration as combination by highlighting three constituting phenomena: comprehending, interpreting, explicating. We also contribute to practice-based studies of organizations by bridging micro internal phenomena with macro aspect of the organization.

Keywords: knowledge integration, practice, haute cuisine

KNOWLEDGE RECOMBINATION IN NEW PRODUCT DEVELOPMENT: BOUNDARY TYPES AND COMBINATIVE CAPABILITIES

Zimmermann, Alexander; U. of St. Gallen; alexander.zimmermann@unisg.ch

Researchers have repeatedly emphasized the importance of knowledge recombination for firms' new product development efforts. While prior studies identify combinative capabilities to integrate knowledge across organizational domains, the role of different types of boundaries between these domains remains largely unexplored. Drawing upon an inductive study of six modular innovation work units, we find that three different types of intra-firm boundaries evolve during knowledge creation that each pose specific challenges for knowledge integration in new product development and are related to distinct combinative capabilities. We also derive a sequence for developing multiple combinative capabilities to guide the knowledge integration process.

Keywords: Knowledge Recombination, Combinative Capabilities, Intra-firm Boundaries

KNOWLEDGE-BASED THEORY: RELATIONSHIP BETWEEN INTERNATIONALIZATION AND TOP EXECUTIVE'S JOB PROSPECT

Zakaria, Rimi; Florida International U.; rimi_zakaria@yahoo.com

This study examines the repercussions of knowledge-based theory of the firm by underscoring the appropriability, portability, and transferability aspects of tacit knowledge that is attributable to top-level organizational members, particularly considering the phenomenon of executive migration. Acknowledging that firms appropriate rent from the managerial human capital, i.e., knowledge, skills, abilities, and experience of their corporate elites, this paper argues that the level of a firm's internationalization is an essential determinant of their bargaining capacity with regards to their future employment. More specifically, the issue of interest is whether the knowledge gained from internationalization positively contributes to an executive's job prospect in terms of size and performance of the new firm, complexity of the position, level of compensation on the new job, and time taken to find reemployment. Results analyzed from a sample of 356 top executives, who migrated from one U.S. multinational to another within the period of 1999 to 2007, generally support this perspective that knowledge gained from internationalization relates to executives' negotiation power with regards to future employment prospect. Considering the theoretical, empirical, and managerial implications of the current study, the directions for further research are discussed.

Keywords: Knowledge-based Theory, Internationalization, Managerial Human Capital

KNOWLEDGE-CONCEPTUALIZATION: A DYNAMIC MODEL OF THE ORGANIZATIONAL KNOWLEDGE CREATION'S FRONT-END

Akbar, Hammad; U. of East Anglia; hammad.akbar@uea.ac.uk

Despite the availability of several organizational knowledge creation models, our understanding of how new knowledge dynamically emerges in organizations is nebulous. Critical to this emergence is the front-end, across which new knowledge is conceptualized, but which thus far remains hidden in the existing knowledge creation models. I develop a front-end model by focusing on how new knowledge is conceptualized in organizations. I first use a case study to develop the model, followed by its validation with nine other qualitatively studied projects. Informed by the front-end literature, I identify five knowledge-conceptualization stages, which I distinctively pattern, based on their mutual interactions, to examine how new knowledge evolves along these stages. The model I develop shows that new knowledge is conceptualized through diverging-converging dynamic interactions. My contribution is to model the organizational knowledge creation's otherwise hidden front-end, and articulate how new knowledge dynamically evolves across this process.

Keywords: dynamic interactions, front-end, Organizational knowledge creation

LANGUAGE AND THE EVOLUTION OF NEW ACADEMIC FIELDS: THE CASE OF ORGANIZATION STUDIES

Cummings, Thomas G.; U. of Southern California;

tcummings@marshall.usc.edu

Cummings, Chailin; California State U. Long Beach; cummin2@csulb.edu

Our study proposes that to succeed in science, a new academic field's knowledge is subject to two fundamental selection pressures, the need for scientific rationality and the need for novelty. In particular, we offer a linguistic account of how these selection pressures produce distinct communication patterns and trajectories. We propose that two types of language for communicating knowledge, concept-based language and image-based language, contribute to a

new field's knowledge being seen as scientifically rational and novel by relevant scholars. We develop specific hypotheses linking language to the selection pressures operating in new academic fields and test them using historical data from organization studies, which evolved into a legitimate academic field over the last half of the twentieth century. Our findings largely support the hypotheses and add credence to the active role that language plays in legitimizing scientific knowledge and contributing to a new field's evolution.

Keywords:academic field, academic field, organization studies



LEADER OF THE PACK: NETWORK POSITION AND INFORMATION LEADERSHIP AMONG SECURITY ANALYSTS

*Fleischer, Anne; U. of Toronto; Anne.Fleischer@rotman.utoronto.ca
Baum, Joel A.C.; U. of Toronto; baum@rotman.utoronto.ca*

We advance understanding of network effects by examining an outcome more directly related to network information benefits that requires both information access and control. In particular, we study how the positions of stocks within the coverage network of sell-side security analysts influence analysts' ability to exert leadership in the provision of information on the stocks they follow. Information leadership is an important feature of information circulation in financial markets that materially influences how value is determined. Our analysis of analysts' earnings forecasts for publicly traded US firms from 1994 to 2000 provides evidence of both the role of the analysts' coverage network and its interaction with the attributes of analysts and their brokerage firms. A counter-intuitive finding is that analysts possessing favourable personal and brokerage firm attributes assert greater information leadership on stocks occupying constrained network positions. Our focus on information control and diffusion (in addition to access) thus points to conditions under which constraint, rather than structural holes, produces conditions conducive to information advantages.

Keywords:networks, securities, network constraint

LEADING FOLLOWERS: MOBILIZING STRATEGIES AND NETWORK CENTRALITY IN SHAREHOLDER ACTIVISM

Lee, Jegoo; U. of South Florida; jegoolee@usf.edu

This research investigates the framing strategies of leading actors who effectively mobilize and are followed by supporters in the shareholder activism. Specifically, it examines how some social investors' strategies of framing their goals effectively appeal potential following investors. Both social network theory and social movement perspectives help examine this issue. The social network literature indicates that social relationships to many constituents with whom a focal actor is working together result in the prestige based on the network centrality. In social movement theory, the ability of an agent or a group of agents to bring about change depends upon effective framing and mobilizing strategies. Integrating these two frameworks, the present study hypothesizes that active shareholders' framing of reciprocal relations, target identification, and issue choice strategies determine their likelihood of becoming leading actors among others. Empirical analysis draws upon a dataset of shareholder resolutions from 2002 to 2007 confirms that shareholder activists utilizing proposed social movement strategies enjoy central positions in the activist shareholder networks. This research suggests a theoretical insight on the theories of social networks, social movements, and shareholder activism.

Keywords:Social Investor, Social Networks, Social Movement



LEARNING IN CRISIS: RECONCEPTUALISING ORGANIZATIONAL LEARNING AND CRISIS MANAGEMENT

*Antonacopoulou, Elena P.; U. of Liverpool;
e.antonacopoulou@liverpool.ac.uk
Sheaffer, Zachary; Ariel U. Centre; zacharys@ariel.ac.il*

This paper introduces the concept of Learning in Crisis (LiC) and presents a fresh perspective in the Organizational Learning debate about the ways in which learning is conceptualised, and the way learning is associated with organizational failure and crisis. The analysis integrates perspectives from the existing Organizational Learning and Crisis Management literatures and presents a conceptualization of LiC as a mode of learning that embraces experimentation and practising. This orientation is particularly timely considering the significance of learning in turbulent times. LiC provides a new basis for understanding the relationship between learning and crisis and reveals a range of additional questions that could inform both scholarship and business practice in Crisis Management and Organizational Learning.

Keywords:organizational learning, crisis management, , learning from failure

LEARNING IN ORGANIZATIONS, MARKETS, AND HYBRIDS - SOME OBSERVATIONS

*Martignoni, Dirk; Swiss Federal Institute of Technology Zurich, ETH;
dirk.martignoni@gmail.com*

The relative performance of markets and organizations is a long- standing topic in organization research. Using an agent-based simulation model, we investigate the learning dynamics of these polar cases for governance modes and hybrid organizational forms and find that their relative performance is determined by the relative importance of three types of learning-based transaction costs: The cost of underexploration, the cost of ignoring payoff independencies, and the cost of confounding experiences. We restore the intuitive result that organizations perform better in complex settings, although due to different reasons than commonly assumed in static models

Keywords:Agent-based model;, Learning, Incentives

LEGITIMACY THROUGH STORIES: THE ROLE OF NARRATIVES IN LEGITIMIZING MERGERS AND ACQUISITIONS

*Roundy, Philip T.; U. of Texas, Austin;
philip.roundy@phd.mcombs.utexas.edu*

One determinant of merger and acquisition (M&A) success is the extent that an organization's employees commit to the combination. However, for employees to commit they must perceive M&A activity as legitimate. This paper uses narrative theory to examine the role of communication in legitimizing mergers and acquisitions. Specifically, the author examines the influence of

organizational narratives on the legitimacy employees grant to their organization's M&A activity. It is argued that as the narrativity of organizational communication increases, the cognitive legitimacy of M&A activity increases. In addition, the author identifies a potential moderator of this relationship: employees' perceived uncertainty. It is argued that the greater employees' uncertainty about a merger or acquisition the more influence organizational narratives have on the cognitive legitimacy of M&A activity.

Keywords: Narratives, Organizational Communication, Mergers and Acquisitions

LEVERAGING EXTERNAL SOCIAL CAPITAL TO DEVELOP DYNAMIC CAPABILITIES

*Josserand, Emmanuel; HEC U. of Geneva; Emmanuel.Josserand@unige.ch
Villeseche, Florence; HEC U. of Geneva; Florence.Villeseche@unige.ch*

The social capital literature informs us that network ties give access to resources while the strategic literature argues that resources and competencies must be renewed through the development of dynamic capabilities so as to sustain competitive advantage. Focusing on resource access outside of the firm, we investigate how external social capital can be leveraged in order to develop dynamic capabilities by integrating these two streams of literature. We make propositions regarding social capital needs depending on the idiosyncratic characteristics of each of the three processes underlying dynamic capabilities: reconfiguration, coordination & integration, and learning. This allows us to show how resources can be leveraged from networks to build dynamic capabilities. We also highlight a recursive relationship between social capital and dynamic capabilities and its effects on the firm's asset structure, providing new insight into the micro-foundations of dynamic capabilities. Further, this ability to efficiently manage social capital can be seen as a dynamic capability in itself. At network level, it implies that there is no single ideal balance between brokerage and closure. Awareness of these aspects highlights the strategic importance of social capital steering for more efficient management of resources and competences. This can help both academics and practitioners to gain new insights into the importance of dynamic network management, since we highlight the multidimensional effects of structural changes and their contextual grounding.

Keywords: Dynamic capabilities, Social capital, Networks

LINKING STRUCTURE TO LEARNING: THE IMPACT OF INTEGRATORS ON ORGANIZATIONAL LEARNING

Stan, Mihaela; London Business School; mstan.phd2005@london.edu

This paper investigates how the effectiveness of organizational learning is influenced by "integrators" – formally mandated managerial roles which cut across functional structures and link interdependent contributors to a joint task. While much has been learned about how integrators alleviate coordination challenges, less is known about their impact on learning rates and adaptation. These effects are analyzed using longitudinal data combined with an exogenous shock which affected the medical domain of sub-fertility. The analyses illustrate how integrators as design choices shape collective outcomes in the long run –in particular how they facilitate learning when underlying conditions remain stable and when they shift.

Keywords: organizational learning, integrator, organizational design

LOCKED IN THE IRON CAGE? WHEN INSTITUTIONALIZATION IS (NOT) A PATH-DEPENDENT PROCESS

*Berthod, Olivier; Freie U. Berlin; olivier.berthod@fu-berlin.de
Sydow, Joerg; Freie U. Berlin; sydow@wiwiss.fu-berlin.de*

Organization and management research, including institutional analysis of organizations and inter-organizational arrangements, repeatedly involves path-dependent arguments; more often for illustrative purposes than for true theoretical analysis. By sharp contrast, this papers sets out to explore the commonalities and, in particular, the differences between path dependence on the one hand and institutionalization on the other, in order to clarify what the analytical concept of organizational path dependence has to offer for neo-institutional analysis. More precisely, it aims to show under exactly what conditions institutionalization should be considered a path dependent process and the notion of institutionalized paths would be most adequate.

Keywords: path dependence, institutional path, Institutional theory

LOOKING INSIDE OR GOING OUTSIDE: DETERMINANTS OF FIRMS' EXECUTIVE HIRING PATTERNS

*Chang, Sea Jin; National U. of Singapore; schang@nus.edu.sg
Kim, Young-Choon; National U. of Singapore; bizky@nus.edu.sg
Park, Sangchan; National U. of Singapore; bizsp@nus.edu.sg*

This paper empirically examines an important, yet under-studied question: to what degree do firms hire executives outside their boundaries? We argue the demand for external talent increases as competition intensifies and corporate governance improves, but is constrained by organizational factors such as path dependency and performance differentials. We demonstrate that external shocks such as economic crisis can shift the hiring dynamics driven by external and organizational factors. In doing so, our study shows how markets for professional managers, as represented by executives, develop over time.

Keywords: internal labor market, executives, recruitment

MANAGEMENT CONTROL AND QUASI-CONTROL IN SMES—AN ANALYSIS OF THEIR IMPLICATIONS FOR FIRM PERFORMANCE

Voss, Uwe; RWTH Aachen U.; voss@win.rwth-aachen.de

How should executives of SMEs organize the management control processes in their organizations in order to be successful? Some scholars have suggested that indirect controls building on informal, employee-based control processes are more appropriate in these firms than formal controls. Building on a sample of 317 small and medium-sized companies we investigate this question in two ways. First, we show that both formal and indirect controls drive firm performance. However, this claim is not true in general, but instead depends on the precise choice of control forms. Second, we show that the relationship between control and performance is dependent upon the emphasis owner-managers place on a set of HRM-practices, which we

integrate as "quasi-controls" in our research model. Managers emphasizing these HRM-practices should especially benefit from output and professional management control. After a short introduction the study develops these results and provides implications for researchers and practitioners.

Keywords:Management Control, Firm Performance, Resource Dependence Theory

MANAGEMENT THEORY AND POLITICAL PHILOSOPHY: POSITIVE VERSUS NORMATIVE THEORIES OF ORGANIZING

*Armbruester, Thomas; German Graduate School of Management & Law (GGS);
tarmbruester@gmail.com*

This paper seeks to answer the question of which management theories are normative in terms of political philosophy. Using the debate in political philosophy between libertarianism, liberalism and communitarianism as a framework, it distinguishes between management theories that entail preferences for a libertarian, a liberal or a communitarian order ('normative') and others that entail no preferences ('positive'). It elaborates a taxonomy of management theories in terms of political philosophy and argues that the political-philosophy framework enables management scholars to view efficiency assumptions as rooted in political thinking, which enhances neoinstitutional theory. Moreover, the awareness of political philosophy renders the choice of the research subject more political, and it helps scholars to analyze management thought in terms of political spirits of the time.

Keywords:management theory, political philosophy, neoinstitutionalism

MANAGING AMBIEXTROUS PORTFOLIOS: BUILDING COMPETENCES THROUGH INTER-FIRM COOPERATION AGREEMENTS

*Windrum, Paul; U. of Nottingham; paul.windrum@nottingham.ac.uk
Filiou, Despoina; manchester metropolitan U. business school;
D.Filiou@mmu.ac.uk*

Exploration and exploitation is essential for firms that operate in dynamic environments. One strategy is to build ambidextrous portfolios of cooperation agreements that include synchronous and non-synchronous exploitation-exploration agreements. Using a fine grained dataset of inter-firm alliances in the biotech sector, we empirically examine the ambidextrous portfolios that are developed by established firms and new start-ups. These portfolios contain both synchronous and non-synchronous exploration-exploitation agreements. Their strategic objective is the in-house development of complementary demand and technology competences that are necessary for adaptation and survival. In dynamic environments, alliances occur between rival firms and well as non-rival organizations. The results have important implications for managers and scholars of ambidexterity, and challenge a set of conventional wisdoms regarding the basis of ambidexterity and its strategic management.

Keywords:organizational ambidexterity, cooperative agreements, dynamic competences

MANAGING THE PARADOX OF TRUSTWORTHINESS IN KNOWLEDGE TRANSFER RELATIONSHIPS

*Martin, Xavier; Tilburg U.; x.martin@uvt.nl
Krishnan, Rekha; Simon Fraser U.; rekhak@sfu.ca*

Prior research argues that a trustworthy partner might provide psychological safety and reduce appropriation concerns inherent in knowledge exchanges, but trusting the source might also limit cognitive efforts of the recipient and reduce its information seeking behavior – posing what is called the “paradox of trustworthiness”. Drawing on the literature on experience working together, we argue that experience working together might compensate for the limits of trust and solve the trust problem by allowing the partners to know how to work with each other by developing inter-organizational routines for coordination. A survey of buyer-supplier relationships in the U.S. automotive industry support our hypothesis that the positive effect of perceived trustworthiness of the source weakens and reverses when transfer involves high-level capabilities. Furthermore, we find that experience working together mitigates this negative effect of perceived trustworthiness under high-level capability transfer.

Keywords: Trustworthiness, Knowledge transfer, Experience working together

MAPPING THE MOODS OF CREATIVE PRACTICE

*Simpson, Barbara; Strathclyde U.; barbara@gsb.strath.ac.uk
Sillince, John; Strathclyde U.; john.sillince@gsb.strath.ac.uk*

The dynamic interplay between creativity and emotion is under-examined within the organizational sciences. This paper draws on American Pragmatist philosophy to explicitly frame creativity as an ongoing social practice that is threaded through with ever-changing moods. It develops an analytical moodspace for the mapping of these changing moods, and elaborates this empirically using conversational data from the Senior Management team meetings of a creative arts company. The results show that creative practice unfolds in a dance of four different patterns of mood gesturing, which we have labelled ‘surfacing’, ‘tempering’, ‘brainstorming’ and ‘reproducing’.

Keywords: creativity, moods, process

MARKET STRUCTURE AND THE EVOLUTION OF NICHE OVERLAP THICKNESS

Byrd, Daniel T; Claremont Colleges; dtbyrd@kgi.edu

Evidence suggests that the degree of niche overlap between firms and its consequences may be contingent upon the market structure in which firms are embedded. This macro-micro interaction may help to explain variations in niche overlap evolution across markets. However the scope of this interaction is unclear given missing elements at each end of the macro-micro setting. At the macro-level, this study incorporates customer market structure alongside producer market structure. This allows us to explore degrees of overlap and resulting resources as negotiated outcomes. At the micro-level, this study incorporates niche overlap thickness based on fuzzy-set membership. Traditional niche overlap, based on classical sets, likely overstates the degree of realized competition, clouding our inferences regarding niche evolution across markets. I test an expanded framework for market - niche overlap interaction using a dataset on California general

hospitals 1986-1995. Paradoxically, the results suggest that reductions in overlap thickness are most feasible when they are least needed.

Keywords:niche overlap, markets, structural hole theory

MEDIUM AND MESSAGE: THE ROLE OF THE MEDIA IN ESTABLISHING INSTITUTIONAL LOGICS

*Khaira, Mukti V.; Harvard U.; mkhaira@hbs.edu
Richardson, Erika Verniece; Northwestern U.; erichardson@kellogg.northwestern.edu*

The institutional perspective in general and research on industry institutional logics in particular, has provided crucial insights into the factors that enable and constrain organizational behavior, practices, and actions. However, we still lack an understanding of how institutional logics emerge, get disseminated, and become available to organizations. This paper proposes that the media play a large role in these institutional processes owing to their dual role in constructing organizational realities, and in disseminating information. Content analysis of approximately 700 articles on fashion published in India's leading women's magazine reveals how logics were disseminated and made available to players in the Indian fashion industry, and sheds light on the emergence of competing logics. Preliminary evidence suggests that the rise of a competing logic promoted entrepreneurship and organizational variation. This paper thus makes important contributions to the institutional literature.

Keywords:Media, Institutional logics

MISTAKES WERE MADE: REGULATORY CAPTURE, INTEREST GROUPS, AND FDA DRUG LABEL REVISIONS, 1994-2007

Kim, Jerry W.; Columbia U.; jwk2108@columbia.edu

This paper examines how external stakeholders such as producers and consumer groups shape the effectiveness of regulatory action. Using data on new drug approval decisions by the U.S. Food and Drug Administration (FDA), I examine the likelihood that a particular regulatory evaluation will be subsequently revised due to adverse events, an indicator of a regulatory mistake. Empirical analysis demonstrates that the hazard of a new drug receiving a new "Blackbox Warning" increases as the size of the sponsoring firm increases, supporting the notion that producer capture biases regulatory evaluation. In addition, I find that the hazard of revision is greater when a product is in a disease category with strong disease advocacy groups, suggesting that powerful social movements can also drive regulatory mistakes. Contributions to the organizational theory and management literature are discussed.

Keywords:Regulation, Institutions, Mistakes

MODELLING PATHS OF INSTITUTIONAL CHANGE IN ORGANIZATIONS

*Petermann, Arne; Freie U. Berlin; arne.petermann@fu-berlin.de
Klaussner, Stefan; Freie U. Berlin; stefan.klaussner@fu-berlin.de
Senf, Natalie; Freie U. Berlin; ninjanat@web.de*

We focus on the application of path dependence logic in organizations, particularly on the role of self reinforcing mechanisms in the evolution of institutions in business firms. Path dependence theory suggests that self reinforcing mechanisms may lead to very high persistence of inefficient institutional solutions. The so called lock-in can create a growing threat to an organization's viability. While path dependence theory is developed as a market based approach and widely accepted in economics, some critics doubt its application to organizations science. They argue that asymmetric power structures in organizations contradict with the basic assumptions of perfect markets and thereby models of path dependence cannot properly be applied to organizations. Attempts to incorporate asymmetric power structures to formal models of path dependence are difficult because they create process-oriented, complex models of interaction on different levels that become mathematically intractable. With the use of computer simulation, institutional change in organizations can be modeled as an interdependent multilevel-process and analyzed numerically. The results allow predictions of institutional long-term states of the system and the conditions, which result in a lock-in situation. By varying the magnitude of the complementary effects and organizational structure as the two independent variables, the institutional evolution in social systems prone to positive feedback can be examined. The results of this work in progress will add to both path dependence theory and the discussion about optimal organizational design.

Keywords:Path Dependence, Institutional Change, Simulation

MODULATING BETWEEN RELATIONAL AND CONTRACTUAL APPROACHES TO BUYER SUPPLIER RELATIONS

*Stevens, Merieke; U. of Cambridge; m.stevens@jbs.cam.ac.uk
Pil, Frits; U. of Pittsburgh; fritspil@pitt.edu
Holweg, Matthias; Judge Business School; m.holweg@jbs.cam.ac.uk*

There is extensive research examining the benefits of relational and transactional governance in buyer-supplier relations. Research on the implementation of, or evolution in, these governance modes however is lacking. In this paper we present the results of a longitudinal case study of the governance choices of Nissan and its suppliers over an eight year period after Nissan's merger with Renault. We find that formal structural changes undertaken by Nissan as it shifted from a relational to a transactional governance mode did not immediately eliminate the benefits it was deriving from the previously relational informal structure. In line with the literature on modulation we find that the norms, expectations, and inter-organizational processes took several years to adapt to the shift in Nissan's formal approach. Nissan moreover made conscious efforts to return to the intermediate phase, which confirms findings on the intrafirm level that a temporary mismatch between formal and informal structures, resulting from different lead times in their respective adjustment processes, can lead to a situation in which firms simultaneously profit from the advantages associated with two discrete approaches.

Keywords:Modulation, Buyer-supplier ties, Qualitative research

MONEY FOR NOTHING: SALARY EFFECTS ON

PERFORMANCE OF HIGH-STATUS NBA PLAYERS

*Ertug, Gokhan; Singapore Management U.; gokhanertug@smu.edu.sg
Castellucci, Fabrizio; Bocconi U.; fabrizio.castellucci@unibocconi.it*

In this paper we examine the relationship between the quality of the resources obtained in exchange relationships, the status of the exchange partner, and the money paid to obtain these resources. We study both the determinants of the money paid to acquire resources and the consequences of money paid on quality, thereby developing four hypotheses. First, the money paid to obtain resources from an exchange partner is positively related to the past quality demonstrated by that exchange partner. Second, the money paid to obtain resources from an exchange partner is positively related to the status of that exchange partner. Third, as status of an exchange partner increases, the amount of money paid to obtain resources from an exchange partner will be less dependent on the past quality of that partner. Finally, the effect of money paid to obtain resources from an exchange partner on the subsequent quality of those resources will decrease as the status of the exchange partners increases. We use longitudinal data on all professional basketball players in the National Basketball Association (NBA) during the period 1989-2005 to examine the relationship between status, quality, and salary. The results support our hypotheses. Specifically, we find that the salary paid to NBA players is positively associated to their past performance and their status. However, the effect of past performance on the salary paid to NBA players decreases as the status of the player increases. Finally, the effect of salary on a player's performance decreases as the player's status increases.

Keywords:status, basketball

MORE THAN JUST A TRIGGER: LOOKING AT THE ROLE OF EXOGENOUS EVENTS WITHIN INSTITUTIONAL CHANGE

*Fortune, Annetta; Widener U.; afortune@widener.edu
Lippmann, Stephen; Miami U. Ohio; lippmas@muohio.edu*

Exogenous events are generally viewed as catalysts that initiate institutional change; however, this conceptualization oversimplifies the potential roles of events within an institutional change process. Using the history of proteomics as a case example, we propose and illustrate that events have more involved role on institutional change. Specifically, we highlight that events have an ongoing influence that extends throughout an institutional change process and that the influence of events can either accelerate or hinder the progression of the change. We attribute the ongoing involvement of events within the change process to the institutional entrepreneurs who act as bridges that introduce the exogenous influence into the change process.

Keywords:institutional change, institutional entrepreneurship, emergence

MORTALITY PROBLEM OF MIMETIC PRACTICE IN EMERGING FIELDS: DYING TO BE LEGITIMATE HEDGE FUNDS

Miller, Justin I.; New York U.; jmiller@stern.nyu.edu

The field of hedge funds is conceived as a hyper-rational, free-market solution to demands for wealth management. But they exist within a socially created organizational field, where founding

entrepreneurs' first performance goal is survival. One method by which founding entrepreneurs seek to enhance their survival probabilities is by learning and mimetically copying existing firms' structures and practices. Institutional theory suggests that mimetic processes generate legitimacy and hence survival advantages, especially in uncertain and ambiguous environments. Organizational learning theory suggests firms actively learn from peer organizations' experience and mimic success. This study, in contrast, demonstrates how in an emerging field context, where means-ends relations are not yet clearly defined or understood, mimetic activity around the learned emerging norms of structure and practice may actually be mortality enhancing.

Keywords:Hedge Funds, Entrepreneurial Learning, Mortality Hazard

MY BROTHER'S KEEPER: PATTERNS OF NORM VIOLATIONS IN A VIRTUAL WORLD

Torfason, Magnus; Columbia U.; mtt2108@columbia.edu

I examine the social structural patterns that are predictive of anti-normative violations, using data from a large multiplayer online game. In line with network closure theory, I analyze the relationship between local transitivity in network ties and antinormative behavior. I also explore how organizational identity mediates the effects of network structure on behavior. I find that the density of inter-organizational ties reduces the prevalence of anti-normative behavior, but that the density of intra-organizational ties increases it. The effects of intra- and inter-organizational network density are both moderated by the amount of experience that actors have of the game environment, albeit in different ways. Finally, in an analysis of network dynamics, I find evidence that individuals are more likely to experience the loss of ties following anti-normative violation.

Keywords:None

NANOTECH FUTURES: THE CULTURAL CONSTRUCTION OF TECHNOLOGICAL EXPECTATIONS

Grodal, Stine; Boston U.; grodal@bu.edu

Granqvist, Nina; Helsinki School of Economics; nina.granqvist@hse.fi

Technological expectations are an important driver of participation within a nascent organizational field. However, currently little is known about how technological expectations are constructed. Drawing on a large qualitative in-depth study of the nanotechnology field we develop a theoretical model, which shows that participants construct technological expectations through an interaction between past experiences, discourses about future possibilities, and understandings of current technological and scientific achievements. We further show that this construction process can lead to both an inflating and a deflating hype cycle, which influence both people's tendencies to participate within the field and the discourses that they choose to disseminate. Our findings contribute to the literature on fads and fashions by showing that fads have their origins in the cultural dissemination of exaggerated expectations and the associated affective responses. We contribute to understanding the role of affect in the process of institutionalization of technology expectations by showing that participants' affective responses to expectations leads them both to participate in and spread discourses about the field. Finally, our study suggests that discourses about the future of technology themselves act as cultural resources which generate such beliefs and affect, and give rise to both action and material investments in the field.

Keywords:Nanotechnology, Fads and fashions, Field emergence

NARRATIVE CONSTRUCTION

Hansen, Hans; Texas Tech U.; Hans.Hansen@ttu.edu

I introduce narrative construction, a method by which participants produce a narrative makes sense of their organizational context, which is then used strategically to guide action and decision making in the future. While people already construct narratives to make sense of, and guide, their experience, narrative construction is a deliberate and strategic approach to narrative theory. Narrative construction is part of an ethnographic approach that includes both a constructionist and interpretive narrative and ethnographic methodology. There are research implications for ethnomethodology of social construction and empirical observation of narrative enactment. There are practical implications for enabling change and building high-coordinated teams.

Keywords: Narrative theory, ethnography

NASCENT INSTITUTIONAL STRATEGY IN DYNAMIC FIELDS: THE DIFFUSION OF SCIENCE AND TECHNOLOGY STUDIES

Siler, Kyle; Cornell U.; ksiler@gmail.com

This paper analyzes an emerging academic field, Science and Technology Studies (STS), as a means of understanding intellectual and professional diffusion and development. As a new, upstart entity in the established and inertial field of academia, STS has carved out a successful and expanding niche in the ecology of higher education via a variety of unique intellectual and institutional strategies. By adapting and reconfiguring organizational and professional structures of traditional liberal arts, the case of STS exposes three main themes in the organization of knowledge and higher education: reinvention, accounting and professionalism. STS scholars endeavor to reinvent the distribution and organization of knowledge turfs, which often involve idiosyncratic, symbiotic and/or competitive relationships with sciences, social sciences and/or humanities. This often creates dilemmas regarding how to account for scholarly work using new, divergent or incommensurable merit criteria or professional values. The article concludes with empirical analyses of the emergence and content of STS departments throughout the world, and *Social Studies of Science*, the flagship journal of the field. Data and evidence were gleaned from a variety of semi-structured interviews with STS scholars, archival sources and detailed citation records. As STS continues to grow and develop with its diffuse and eclectic foci, this raises questions of if and how the field should or will be coordinated intellectually or professionally. These multivalent professional logics and values are sources of both vitality and tension in STS, and illuminate larger issues of professional and intellectual organizational strategy in developing fields and realms of knowledge.

Keywords: higher education, institutional strategy, organizational theory

NAVIGATING BETWEEN RIGOUR AND RELEVANCE: BUSINESS SCHOOLS UNDER CO-EXISTING INSTITUTIONAL LOGICS

Bullinger, Bernadette; U. of Mannheim; bullinger@orga.bwl.uni-mannheim.de

Kieser, Alfred; U. of Mannheim; kieser@bwl.uni-mannheim.de

Schiller-Merkens, Simone; U. of Mannheim; schiller@orga.bwl.uni-mannheim.de

In pursuit of the question how field constituents handle contradictory institutional demands in their local practices we empirically study business schools' reactions to the critique that their research is not sufficiently relevant. In particular, we analyze to what extent researchers adopt the logic of professional schools that has been suggested as an alternative logic to the dominant logic of scientific rigour. We contribute to institutional theory by showing that scholars further the co-existence of competing logics in a field by separating the social spheres associated with a particular logic from each other and drawing on decoupling as an underlying mechanism.

Keywords:business schools, institutional logic, rigour-relevance gap



NEITHER BLACK NOR WHITE YET BOTH: THE SHIFTING BALANCE PERSPECTIVE OF CORPORATE TURNAROUNDS

Schmitt, Achim; Audencia School of Management; aschmitt@audencia.com
Raisch, Sebastian; U. of St. Gallen; Sebastian.Raisch@unisg.ch

Since the late 1990s, the once lively debate on the corporate turnaround process has been at a stalemate: while some scholars argue in favor of a sequential attention to retrenchment and recovery activities, others advocate simultaneous attention to these turnaround activities. In this study, we build upon both perspectives to develop a new theory: the shifting balance perspective of corporate turnarounds. Based on a unique database of 107 Central European turnaround initiatives, we find that firms can manage the sequential and simultaneous perspectives' inherent tradeoffs by pursuing a shifting balance between retrenchment and recovery activities throughout the corporate turnaround process.

Keywords:Corporate Turnaround, Organizational Decline

NETWORK ACTIVATION IN RESPONSE TO THE UNCERTAINTY OF ORGANIZATIONAL RESTRUCTURING

Srivastava, Sameer B.; Harvard U.; ssrivastava@hbs.edu

Social networks provide access to novel information and social support. Yet the consequences of obtaining these resources through networks are better understood than the mechanisms by which network ties are activated – particularly in uncertain times when latent relationships are especially likely to be mobilized. Existing theory offers divergent, sometimes conflicting, expectations about uncertainty and network activation. This study provides conceptual clarity and empirical evidence about the relative roles of threat rigidity, strategic action, and social attraction in the activation of workplace networks during periods of uncertainty. It does so by analyzing a context fraught with extreme uncertainty – an organization in the throes of restructuring. Based on a rare, unobtrusive view into a company over an extended period that included a tumultuous restructuring event, the paper reports evidence of three distinct network responses: reaching out, or communicating outside the formal organizational structure; reaching within, or interacting with socially similar colleagues; and reaching back, or intensifying contact with past interaction partners.

Keywords:Networks, Uncertainty, Restructuring

NETWORK EFFECTS ON THE DIFFUSION OF THE INTERNET AMONGST THE CORPORATE ELITE

Still, Mary; George Washington U.; mcstill@gwu.edu

This paper tests multiple social proximities and their effects on firms' adoption of the Internet, one of the most important innovations companies adopted in the 20th century. Previous research on the role of social relations in innovation adoption has pointed to the importance of social relations on firm decisions; however, most studies examine only a single relation's effects at one time. Such a single-study, single-relation approach has led to a long list of potential network culprits but has limited knowledge about which relations matter and under what larger environmental or institutional conditions. This analysis tests four network proximities: geographic, market competition, reputational similarity, and senior management ties. Using an originally collected database of the migration of senior managers amongst the Fortune 100 from 1985-2001 to create management ties between firms and a diffusion model that distinguishes between firms' intrinsic characteristics, susceptibility, and infectiousness, the study finds management ties to be a robust predictor of the timing of Internet adoption. It also teases apart status effects on adoption: Results show that rather than following the lead of powerful American firms with top reputations, firms were more influenced by their reputation peers and by those with top reputations for technological innovation. The paper concludes that relational proximities are an important causal mechanism connecting micro-level decision analyses with macro-level studies of institutional and organizational change, but that future work should test more rigorously multiple relations against one another to advance theoretical integration.

Keywords: innovation, diffusion, networks

NETWORK EFFECTS, TECHNOLOGICAL SEARCH, AND LOCK-IN

Uotila, Juha; Aalto U.; juha.uotila@tkk.fi

Keil, Thomas; Aalto U.; thomas.keil@tkk.fi

Maula, Markku V. J.; Aalto U.; markku.maula@tkk.fi

We show that technological lock-in due to network effects can affect not only technology choice, but also technology development. By simulating technology development as adaptive search in the presence of network effects, we examine how the socially optimal organization of technological search is influenced by the characteristics of the technological landscape. We find that technological complexity makes decentralization of search more advantageous, while strong network effects accentuate the advantages of centralization of search efforts. We also find that powerful organizations have an important role in technology development, both as initiators of technological lock-in and as potentially capable of breaking an emerging lock-in.

Keywords: network effects, NK landscapes, simulation



NEW MODES OF CONTROL IN BUREAUCRATIZED PROFESSIONAL SERVICE FIRMS

Brivot, Marion; John Molson School of Business, Concordia U.;

mbrivot@jmsb.concordia.ca

The traditional view of professional work, relayed in the sociological literature on the professions, is that it is difficult to apply formal control to this work whether by clients, regulators or the professionals between themselves. In this article, we try to get away from this traditional view and examine the effects of a management instrument that has been used in professional services firms for some fifteen years: Knowledge Management systems (KMS). First generation KMS are designed to facilitate coding of knowledge so it can be reused on a large scale. In a context of fiercer competition between PSFs on costs and delivery time, and a propensity by clients to sue in the event of any problems, do these systems make the work process more standardisable, and therefore more formally controllable? This interpretative, exploratory case study, conducted between 1999 and 2008 in an international business law firm, suggests that use of KMS brings about a new mode of control that removes the need for a controller by creating lateral pressure between peers on the technical quality of the output produced. However, this new mode of control helps to weaken confraternity and solidarity which make up the “ethos of partnership” of PSF.

Keywords: Organizational control modes, Knowledge Management Systems, Professional service firms

NO ATTENTION PLEASE! CATEGORIES, STIGMA, AND SYMBOLIC PERFORMANCE IN THE GLOBAL ARMS INDUSTRY

Vergne, Jean-Philippe; HEC Paris; Jean-Philippe.VERGNE@mailhec.net

This paper connects categorization and stigmatization processes to explain variation in a firm's symbolic performance. By arguing that organizational categories can coincide with stigma to form stigmatized categories, I propose the notion of stigma dilution to explain how firms operating in a contested terrain can improve their symbolic performance. Three particular categorization processes are examined, based respectively on cognitive association between a firm and its home country, its customers, and its output. Besides, organizational categories are not equally salient to industry stakeholders, so the effect of stigma dilution on symbolic performance varies over time with the social prominence of categorization processes. The theory is tested using unique qualitative and quantitative data on the global arms industry (1996-2007), a contested industry that has received little attention in previous organizational research. Empirical results strongly support the paper's ideas and show an interesting pattern with respect to the consequences of 9/11 in the arms industry. Contributions to the strategic management, categorization, and stigmatization literatures are discussed at the end of the paper.

Keywords: category, symbolic performance, stigma

NO MORE OR DO BETTER: WHAT DO ORGANIZATIONS LEARN FROM THEIR STRATEGIC MISTAKES?

Shimizu, Katsuhiko; U. of Texas, San Antonio; kshimizu@utsa.edu

Shi, Yilun; St. Edward's U.; yiluns@stedwards.edu

Svacina, Teresa; U. of Texas, San Antonio; Teresa.Svacina@utsa.edu

Although the importance of organizational learning has been discussed, we still have limited knowledge in understanding organizational learning from important strategic mistakes and failures. Particularly, researchers tend to assume that learning from mistakes leads organizations to repeat similar initiatives more effectively. However, anecdotal evidence suggests otherwise. We argue that there are two types of learning from mistakes: staying away from such initiatives

(no more) and trying again by utilizing knowledge obtained from the earlier mistakes (do better). We tested our hypotheses by comparing organizations that divested a formerly acquired firm with those that did not divest.

Keywords:Acquisitions, Strategic mistakes, Organizational learning

ON ORGANIZATIONAL IDENTITIES: COMPLEX CODE SYSTEMS AND HETEROGENEOUS AUDIENCE MEMBERS

Beck, Nikolaus; U. of Lugano; nikolaus.beck@usi.ch

Wezel, Filippo Carlo; U. of Lugano; wezelf@usi.ch

This paper aims at presenting the theoretical concepts and empirical findings recently accumulated in the ecological stream of identity-research, and at presenting a few theoretical extensions from which new propositions may be derived. The focus of this review will be placed on identities and discuss the rationale behind complex code systems. Issues of dimensionality, hierarchy and interrelationships among social codes are discussed. Moreover, as organizations are routinely exposed to various audiences, we discuss complex social codes in relation to the type of audience members engaged in the evaluation.

Keywords:organizational Identity, audiences, legitimacy

OPENING THE BLACK BOX INTERNET. PARADOX AND CONSISTENCY IN WIKIPEDIA'S IDENTITY NARRATIVES

Gebhardt, Christian M. B.; Catholic U. of Eichstaett-Ingolstadt;

christian.gebhardt@ku-eichstaett.de

Kaiser, Stephan; U. Bundeswehr, Munich; Stephan.Kaiser@ku-eichstaett.de

Mueller-Seitz, Gordon; Free U. Berlin; gordon.mueller-seitz@tu-berlin.de

This paper studies the communicative process of reproduction and change of Wikipedia's self-perception and attempts to analyze the narrative means by which Wikipedia provides its contributors with the sense of a stable and consistent identity. Guided by the systems theoretical emphasis on paradox as being central to identity formation we focus on the paradoxical foundations of Wikipedia's self-perception and show how those are systematically concealed to sustain the appearance of consistency. To this end, we reconstruct two prevailing grand-narratives in which Wikipedia's struggles for consistency of its identity are well represented, and analyze those according to the antenarrative framework suggested by Boje (2001). We discuss implications for the concept of organizational identity and also contribute to the opening and further advancement of sociological systems theory within the field of organization studies with regard to theoretical as well as empirical aspects.

Keywords:Systems Theory, Identity, Narratives

ORGANIZATION IMMUNITY: BUILDING A DEFENSE SYSTEM

Wang, Yihua; Tsinghua U.; wangyihua@tsinghua.edu.cn

Zhao, Jianbo; Tsinghua U.; zhaojb.07@sem.tsinghua.edu.cn

Organizational immunity is a new perspective to study organizational adaptation, which is borrowed from biology, aims at building an effective defense system, acts against all internal/external harmful and aging factors by dynamic behavior of 'Recognize--Defense--Memory'±, to keep organization healthy and guarantee its sustainable development in a dynamic uncertain environment. However it is overlooked by most existing theories. We put forward the concept of organizational immunity, and explored its functions, mechanisms and several properties.

Keywords:Immunity, Defense, Adaption

ORGANIZATIONAL ANTECEDENTS OF TIE FORMATION, KNOWLEDGE TRANSFER AND INNOVATION

Maurer, Indre; U. zu Koeln; maurer@wiso.uni-koeln.de

Tie strength ranges among the most important network characteristics when explaining inter-organizational knowledge transfer and innovation. This paper identifies organizational conditions that impact the formation of strong inter-organizational ties, knowledge transfer and innovation. An empirical study of 218 engineering projects reveals (1) that, in fact, strong inter-organizational ties facilitate the transfer of external knowledge leading to product innovation and (2) that certain elements of the organization's structure (decentralization of authority) and HR practices (stable pool of project team members) promote the formation of strong inter-organizational ties. In sum, the study highlights the importance of organization level attributes for the explanation of inter-organization level effects.

Keywords:Network ties, Knowledge transfer, Innovation



ORGANIZATIONAL DESIGN CHOICES: ENABLING PRACTICE INNOVATION EVIDENCE FROM CHINA'S BIOPHARMA INDUSTRY

Meuer, Johannes; Rotterdam School of Management, Erasmus U.;;
jmeuer@rsm.nl

In this research I systematically identify and analyze choices of organization design configurations that enable inter-firm collaboration to engage in the process of practice innovation. Practice innovation is understood as the outcome of inter-acting firms and theorized to be a complex, multifaceted process of interrelated factors. Rather than examining net-effects of individual determinants of practice innovation, I acknowledge the complexity of this innovation process theoretically as well as methodologically by applying a configurational method, namely Qualitative Comparative Analysis (QCA). Using a dataset of 105 new practices developed in China's biopharmaceutical industry in 2008, the results challenge existing theoretical understandings and analytical approaches to examining innovation phenomena twofold. First, there is not one way that leads to practice innovation. Instead, a diversity of configurations of actor-based features, governance mechanisms, and environmental influences has been identified that allows firms to devise new practices. Second, all conditions show asymmetric effects on the process questioning conventional variance based approaches to analyzing sets of empirical data.

Keywords:Empirical study, Practice innovation, Inter-firm collaboration

ORGANIZATIONAL FAILURE AND THE DARK SIDE OF CREATIVITY: A FRAMEWORK BASED ON THE THEORY OF PRACTICE

*Drori, Israel; College of Management, Israel; droris@post.tau.ac.il
Honig, Benson; McMaster U.; bhonig@mcmaster.ca*

In this study, we contrast two perspectives on organizational creativity reflecting micro and macro levels, and demonstrate how both agency and institutional norms may act as an organizational constraint preventing the emergence of effective creative performance. We rely upon the work of Pierre Bourdieu, and the theory of practice, including his concepts of habitus, field, and capital. We address a central challenge for creativity theory in organizational studies by providing an alternative explanation regarding how and why creativity emerges, and how it is used over time and in relation to processes that involve individuals, and the organizational culture, structure and external stakeholders. This ethnographic study allows us to contribute to organizational creativity theory by merging the person-context with organizational process approaches. It also fosters our understanding of the 'dark side' of creativity, by addressing, in detail and to a greater extent than prior research, the interplay within and between varied social actors, both internal and external, and the consequences for organization structure.

Keywords: Creativity, Theory of Practice, ethnography

ORGANIZATIONAL LEARNING WITH BOUNDED RATIONALITY

*Miller, Kent D; Michigan State U.; millerk@bus.msu.edu
Martignoni, Dirk; Swiss Federal Institute of Technology Zurich, ETH;
dirk.martignoni@gmail.com*

Prior agent-based models of organizational learning assume that individuals are capable of formulating and retaining beliefs about all aspects of their organization's environment. This assumption is at odds with the Carnegie School's emphasis on bounded rationality. Constraining the number of beliefs that an agent can hold is a modest variation from prior models, yet it proves to have important implications in a model of organizational adaptation through interpersonal learning. Most noteworthy, March's (1991) finding that rapid learning undermines long-run adaptation no longer holds. Instead, the rate of interpersonal learning affects the diversity of beliefs within the organization and whether the organization achieves knowledge about few or many aspects of its environment. Our study proposes new directions for agent-based modeling and empirical research, and carries potential practical implications for structuring organizations, diversity, and learning

Keywords: Bounded Rationality, Organizational Learning, Agent-Based-Simulation

ORGANIZATIONAL MULTIPLE IDENTITIES AND TOP EXECUTIVES' INFORMATION SEEKING

*Joshi, Mahendra; Grand Valley State U.; joshim@gvsu.edu
Anand, Vikas; U. of Arkansas; vikas@walton.uark.edu
Ellstrand, Alan E.; U. of Arkansas; aellstrand@walton.uark.edu*

The purpose of this study is to explore how multiple organizational identities create complexity and uncertainty for decision makers and how it affects top managers' information seeking behaviors (such as from how many domains they seek information from and the amount of information seeking). We tested our hypotheses in a sample of hotel and motel establishments where the owners of these hotels/motels completed the survey. The results strongly suggest that owners that perceive their establishment as having a large number of identities scan their environments more than those that have fewer identities. The results also suggest that a large number of identities create perceived uncertainty about the environment which leads to higher information seeking (a partial mediation effect of perceived uncertainty).

Keywords:Organizational identity, top executives' information seeking, decision making

ORGANIZATIONAL NICHE WITHIN GROWING INDUSTRIES: THE DYNAMICS OF SURGERY CENTER AND HOSPITAL ENTRY

Housman, Michael Gene; Wharton School; housman@post.harvard.edu

The literature on organizational niche suggests that firms tend to enter markets that are relatively uncrowded in order to minimize direct competition with other firms. Yet this phenomenon has only been tested within mature industries in which the organizational population is relatively stable. There are reasons to believe that firm entry patterns differ within growing organizational populations since these markets are characterized by different levels of organizational legitimacy, technological uncertainty, and information asymmetry. We test these ideas within the market for outpatient surgical procedures by comparing the entry patterns of firms in a mature population of hospitals to those of firms within a growing population of ambulatory surgery centers (ASCs). By manipulating patient-level datasets from the state of Florida, we were able to measure competition and firm entry/exit with a high level of precision. We broke down our explanatory variables by facility type (ASC vs. hospital) and utilized negative binomial regression models to evaluate the impact of niche density on ASC and hospital entry. We also find that hospitals display low entry rates in markets with overlapping ASCs and hospitals while ASCs display high entry rates in markets with overlapping ASCs. These results are consistent with the notion that firms in growing populations tend to seek out crowded markets as they compete to occupy the most desirable market segments while firms in mature populations avoid direct competition as they compete on the basis of efficiency.

Keywords:competition, ecology/populations, organizational forms

ORGANIZATIONAL STATUS AND INTER FIRM MOBILITY AMONG TRANSNATIONAL LAW FIRMS IN HONG KONG

Betancourt, Nathan; Rotterdam School of Management, Erasmus U.;

nbetancourt@rsm.nl

Kuilman, Jeroen; Tilburg U.; J.G.Kuilman@uvt.nl

Research into the ecology of careers examines the impact of dynamic ecological processes, such as founding and dissolution, on inter-firm mobility, the movement of employees between firms. However, the conditions under which the various characteristics of organizations contribute to the employees decision to leave her workplace remain underexplored. This article contributes to this research stream by examining the relationship between organization-level status and the likelihood that the members of a high status firm will defect to competitors. In addition, this study

examines how such a relationship is moderated by ecological dynamics in the overall population of organizations. Empirical analyses were conducted of 1,087 lawyer movements among 222 Hong Kong law firms, from 1998 to 2008. Results indicate that lawyers at high-status law firms were less likely to defect to competitors than their counterparts at low-status law firms, but these lawyers became significantly more likely to do so when organizational entries into the market were more numerous.

Keywords:Status, Interfirm Mobility, Organizational Ecology

ORGANIZATIONS WITH A HUMAN FACE: EMPLOYEE-CENTRIC IDENTITY AND PHILANTHROPIC DISASTER RESPONSE

*Muller, Alan; U. of Washington; armuller@u.washington.edu
Whiteman, Gail; Rotterdam School of Management, Erasmus U.;
gwhiteman@rsm.nl*

Catastrophic humanitarian crises like the recent earthquake in Haiti or the 2004 South Asian tsunami are examples of sudden, non-routine and highly salient events that command attention and force organizations to consider whether and how to respond. While many firms do respond to such events, many do not. In our paper, we approach disasters foremost as events of human suffering. We investigate whether and how an organization's "human face" – i.e., the employee-centricity of its organizational identity – is related to the likelihood of engaging in corporate philanthropic disaster response, or "CPDR". Our quantitative- and qualitative investigation of Fortune Global 500 firms' response to the 2004 tsunami and the 2005 Kashmiri earthquake indicates that CPDR is driven by a mix of attentiveness to employees and their other-interested prosocial identities, contextual attention-enabling mechanisms, and the overall salience of the event. These findings allow for a more compassion-based interpretation of CPDR and echo recent calls to pay more attention to the human face of organizations.

Keywords:attention, corporate philanthropy, organizational identity

ORGANIZING ALLIANCE PORTFOLIO MANAGEMENT

*Neyens, Inge; K.U.Leuven; Inge.Neyens@econ.kuleuven.be
Faems, Dries; U. of Twente; d.i.m.faems@utwente.nl*

As firms engage in an increasing number of alliances, they more often face the challenge of managing an alliance portfolio. Whereas existing studies on alliance portfolio management (APM) mainly focus on identifying a wide variety of APM best practices, they remain silent on how firms organize their APM. Based on survey data from 152 technology intensive companies, we 1) identify five dimensions to organize APM (i.e. APM formalization, hierarchy of APM authority, participation in APM decision-making, APM specialization and APM customization) and 2) show that these dimensions have a stronger impact on long-term alliance performance than the implementation of particular best practices.

Keywords:alliances, alliance success, alliance portfolio management

OVERCOMING ROUTINE THREATS: A REVISED

UNDERSTANDING OF THE BARRIERS TO LEGITIMATE PRACTICE ADOPTION

*Gondo, Maria B; U. of New Mexico; mgondo@mgt.unm.edu
Amis, John Matthew; U. of Memphis; johnamis@memphis.edu*

We extend knowledge on how organizations adopt new practices by suggesting that the implementation process will differ depending upon whether the practice being implemented is novel or legitimate. Specifically, we theorize that the unquestioning acceptance that accompanies a legitimate practice makes its implementation likely to be oversimplified, leaving the practice inadequately elaborated. This results in a high rate of persistence in an organization's established taken-for-granted routines that in turn can further problematize practice adoption. We further propose that following traditional advice to reduce resistance to change when the practice is legitimate may actually hinder implementation. Theoretical and practical implications of this theorizing are discussed.

Keywords: routines, institutional theory, organizational change

PARTNER CHOICE AND NICHE EXPANSION IN THE US TV INDUSTRY

Reis, Samira; U. Carlos III de Madrid; reis.samira@gmail.com

This study examines two possible alternative explanations of partner choices to enter into a new market niche. On the one hand, core organizations may prefer collaborations with more specialized ones. As they do not have experience on the new market niche, they may look for those partners with experience on the product they plan to develop for the first time. These potential partners may have skills and resources that would be useful to manage the entrance into a new market niche. On the other hand, core organizations may prefer similar partners. Even if such partners do not have any experience in the new market, core organizations may trust them because they are similar to these organizations. I argue that niche expansion represents risks and a high level of uncertainty that can influence this decision. Comprehensive data on the TV industry in the period 1950 to 2002 provide empirical support for my arguments.

Keywords: collaborations, niche expansion, ecology

PLANNING AND IMPROVISATION: RECONCILING COGNITIVE AND BEHAVIORAL PERSPECTIVES ON ACTION

*Vera, Dusya M.; U. of Houston; dvera@uh.edu
Rerup, Claus; U. of Western Ontario; crerup@ivey.uwo.ca
Crossan, Mary; U. of Western Ontario; mcrossan@ivey.ca
Werner, Steve; U. of Houston; swerner@uh.edu*

In this study we juxtapose planning and improvisation as two dominant approaches to organization action. Instead of portraying improvisation and planning as opposites, we propose improvisation as a dialectical process and a skill that synthesizes mind/cognitive and body/behavioral approaches to action in firms. A key contribution of this paper is a typology of four profiles of individual action--"Impulsive," "Planning," "Improvisation," and "Inaction"--for

situations in which organizational members lack knowledge or experience. The results identify numerous individual level and task context antecedents of behavioral and cognitive activity and our four action profiles in the context of an industrial organization.

Keywords:Improvisation, Planning, Cognition

PLAYING BROKERAGE: ACTION AND DYNAMICS OF BROKERAGE ROLES IN TWO MEDIATED TRANSACTIONS

Furnari, Santi; Cass Business School, City U.; Santi.Furnari.1@city.ac.uk

Resource-based theories of brokerage do not take into account the possibility that brokers may lose their advantageous structural position because considered unreliable as mediators by the disconnected parties. This paper hypothesizes that brokers' ability to maintain or enhance their structural positions depends on the fit between brokering behavior and the expectations attached to different brokerage roles. Building on the models of brokerage developed by Gould and Fernandez (1989), a typology of brokers' actions (or 'brokerage plays') is advanced. The impact of these different plays on the dynamics of brokerage roles is explored through detailed longitudinal observation of two transactions brokered by the same broker and unfolding in the same organizational context. Findings show that the overt simultaneous performance of a coordinator and representative brokerage role may lead the disconnected parties to communicate directly, thereby making the broker lose his advantageous structural position. Implications for a dynamic theory of brokerage behavior are discussed.

Keywords:social networks, brokerage, action

PLAYING BY THE RULES: CULTURAL, SOCIAL AND SYMBOLIC CAPITAL IN ACHIEVING PROFESSIONAL DISTINCTION

*Jones, Candace; Boston College; jonescq@bc.edu
Maoret, Massimo; Boston College; maoret@bc.edu*

By what rules do professionals play to draw distinction rather than derision from their contemporaries for their cultural products? Scholars argue that various forms of capital such as cultural and social facilitate innovation—the ability to extend and manipulate symbolic systems. These scholars, by and large, have anchored forms of capital in a particular social space. Professions, however, are increasingly global that demand transversing rather than being anchored in a particular social space. We compare the careers of 127 architects: 65 were recipients of lifetime honoria (the AIA Gold Medal, the RIBA Gold Medal or the Pritzker Prize) and 62 were contemporaries who did not receive lifetime honoria awards, but who had careers during the same time period. We assess which forms of capital—cultural, social and symbolic—what predicted achieving distinction: the winning a Gold Medal or Pritzker prize. We find that social and symbolic rather than cultural capital predicted achieving distinction.

Keywords:profession, institutional theory, networks

PLURAL INSTITUTIONAL LOGICS AND CONTESTATION

OVER THE MEANING OF CARE IN MEDICAL EDUCATION (WITHDRAWN)

*Dunn, Mary; U. of Texas, Austin; mary.dunn@mcombs.utexas.edu
Jones, Candace; Boston College; jonescq@bc.edu*

Professions often have plural logics because they operate within multiple institutional spheres; what defines and influences the relationships between these plural logics? We focus on medical education, the supplier of medical professionals, which resides at the interstices between academia and healthcare. Using archival sources from 1910 to 2005, we identify two central logics and means for defining quality healthcare: patient care and science. We perform multivariate analyses on data from 1967 to 2005 and find that factors exogenous and endogenous to the profession influenced the relative attention given to each logic in medical education. Although significant changes have occurred, medical education has not broken down as a result of competing logics; plurality persists and alternate definitions of quality care remain. Most studies underscore institutional change as replacement of one logic for another whereas our study reveals the dynamic tensions between plural logics that are created and maintained by the groups and interests that support them.

Keywords:None

PLURALISTIC IGNORANCE AND THE PERSISTENCE OF POSITIVE ANALYST REACTIONS TO REPURCHASE PLANS

*Zhu, David H.; Arizona State U.; hongquan.zhu@asu.edu
Westphal, James; U. of Michigan; westjd@umich.edu*

We consider how a social psychological bias referred to as pluralistic ignorance occurs among sell-side security analysts and how this bias may lead to mimetic isomorphism in analysts' reactions to the adoption of a particular organizational policy, namely stock repurchase plans. Our theory suggests why (1) there may be a systematic tendency for analysts to underestimate the extent to which other analysts share their reservations about stock repurchase plans (i.e., reservations about whether such plans reflect well on the performance prospects of adopting firms), such that (2) analysts mimic others and issue more positive earnings forecasts and stock recommendations in response to the adoption of repurchase plans despite having private reservations about whether the plans reflect well on adopting firms. We also contend that analysts are less likely to underestimate the extent to which others share their reservations about repurchase plans to the extent that they have frequent communication ties to other analysts. We test our specific hypotheses with a unique dataset that includes original survey data from a large sample of security analysts and found strong support for our theory. While prior neo-institutional research on mimetic isomorphism has primarily adopted a cognitive perspective in which actors imitate others based on their understandings of a particular policy or practice (i.e., they either take the value of the policy for granted or infer the value of the policy from others' prior decisions), this study begins to develop a more social psychological perspective on imitation wherein actors imitate others based on their biased perceptions of others' beliefs about the policy. Our theory and findings also extend perspectives on institutional persistence by explaining why constituents may continue to publicly endorse a policy despite having private reservations about the policy's efficiency benefits. In particular, we suggest that constituents may continue to respond positively to the adoption of a policy not because they assume or take-for-granted the benefits of the policy, but because they overestimate the extent to which other constituents hold this assumption. Accordingly, this study suggests a novel social psychological mechanism by which the institutional value of organizational policies is maintained.

Keywords: neo-institutional theory, corporate governance, institutionalization

POLYMORPHOUS ORGANIZATION: AN EMERGENT ORGANIZATIONAL FORM FROM THE IT SERVICES OUTSOURCING INDUSTRY

Joy, Simy; U. of East Anglia; Simy.Joy@uea.ac.uk

An organizational form is the shape an organization takes as its members (both managerial and non-managerial) try to answer the most fundamental question of our discipline: how to organize effectively. In this paper, I present an organizational form that emerged in the context of globalized IT services outsourcing. In a qualitative field study of the organization of work and the accompanying work and social practices among the project teams in a large IT services outsourcing company in India, I discovered the organizational form that I call 'polymorphous organization'. It is the phenomenon where each of the most basic units of service delivery – i.e. the account teams - were embedded in a unique work context constituted by both the parent organization and the client organization they served, and as a result, had evolved into unique 'customized organizations'. The parent organization in effect was a basket of hundreds of such 'customized service delivery units', each of which possessed the unmistakable characteristics of the parent company, but felt and operated differently from each other at the same time. The characteristic organizing principles practiced in these units were - own morphology and operational level practices, clear boundaries with the other entities in both parent and the client environments, mutual buffering of the technical and managerial roles, continuous internal reconfigurations, independent economic viability and dual identity. I also discuss the implications of this form for the organization as a whole.

Keywords: outsourcing, organizational polymorphism, New organizational form

POWER, SOCIAL INFLUENCE AND ORGANIZATIONAL CHANGE: A NETWORK PERSPECTIVE

*Battilana, Julie; Harvard U.; jbattilana@hbs.edu
Casciaro, Tiziana; U. of Toronto; t.casciaro@utoronto.ca*

We develop a model of how change agents' network position in an organization influences their ability to implement change. We test this model with longitudinal data on 68 organizational change initiatives conducted at the National Health Service in the UK. We show that the likelihood of successful implementation increases when the change agent is prominent in the task-advice network and has strong affective ties to potential resisters to the change initiative. We also find that the benefits of structural holes in the change agent's network are strictly contingent on whether the change diverges from the institutional status quo.

Keywords: Power, Networks, Organizational change

PREFERENTIAL ATTACHMENT AND ORGANIZATION SCIENCE

*Raman, Roopa; Clemson U.; r_raman@clemson.edu
Prietula, Michael J.; Emory U.; prietula@bus.emory.edu*

The emergence mechanisms of global patterns of social interaction from the local interaction choices that people make in organizations remain poorly understood. Social interaction patterns fall within the broader complex network family. In the physical sciences, preferential attachment emergence mechanisms consistently explain the emergence of many complex networks. However, these mechanisms fail to incorporate well-known considerations of social interaction behavior, developed through extensive empirical and theoretical work in the social sciences. We integrate the physical and social science streams of work to explain the emergence of complex social networks by considering preferential attachment emergence mechanisms based in homophily theory.

Keywords:power law, preferential attachment, social network emergence

PROBING KNOWLEDGE CREATION AT ORGANIZATIONAL BOUNDARIES IN INTERORGANIZATIONAL NETWORKS

*Alin, Pauli R.; Aalto U. School of Science and Technology; pauli.alin@tkk.fi
Taylor, John E.; Columbia U.; jt2411@columbia.edu
Smeds, Riitta; Aalto U. School of Science and Technology; riitta.smeds@tkk.fi*

Creating new knowledge is a key driver for innovation and competitive advantage of firms. At the same time, as competition is shifting from the level of firms to the level of networks, innovation and new knowledge creation are becoming network-level phenomena. Existing knowledge management research conceptualizes knowledge creation as a dialogical process of combining existing knowledge across boundaries. This suggests that the locus of innovation in interorganizational networks is in the micro-level knowledge exchange processes at organizational boundaries. What is missing from these literatures, however, is detailed description and theorizing on how knowledge is combined at organizational boundaries. In this paper we address this research gap and study five knowledge creation process cases at organizational boundaries in detail. We find that knowledge creation at the organizational boundary consists of the processes of representation, clarification, and synthesis. We also identify three dimensions along which knowledge can be represented and specify how these different representations can be aligned. We present our findings in the form of a grounded, propositional model of knowledge creation at organizational boundaries. Our model extends Tsoukas's knowledge creation framework, and it has important implications for research on knowledge creation and innovation in interorganizational networks.

Keywords:Knowledge, Innovation, Networks

PROFESSIONAL-USER INNOVATION: A PROCESS MODEL

*Woolley, Jennifer; Santa Clara U.; jenniferwoolley@yahoo.com
Madsen, Tammy L.; Santa Clara U.; tmadsen@scu.edu*

Recent work on innovation and entrepreneurship highlights the role of user innovators in the creation of new firms and industries. This work generally considers the role of end-user innovations, but less is known about other types of user innovators, such as professional-user innovators. Yet, in an emerging technological field, professional-user innovators operating in incumbent firms often drive technological development. Such innovation can contribute to corporate intrapreneurship, diversification, partnerships, and spin off activity and in turn, industry

development. We build on innovation, interorganizational relationships, and organizational governance research to develop a process model of professional-user innovation. In doing so, we specify the conditions underlying a firm's decision to develop a professional-user innovation. We then examine how a firm's resource stocks and experience base affect its choice of governance mode (hierarchy, partnership, etc.) for developing and commercializing the innovation. The paper concludes with implications for work on industry and technological development.

Keywords:innovation, user-innovation, technology

PROPAGATING HEREDITY: ORGANIZATIONAL HISTORY AND THE SOURCES OF FIRM PERFORMANCE

Mollick, Ethan; U. of Pennsylvania; emollick@wharton.upenn.edu

A growing literature on the genealogy of new firms has demonstrated a powerful link between the career history of founding teams and the future performance of the organizations they create. Yet, there is no consensus on what historically contingent material individuals actually carry from one organization to another, as well as a lack of theory about how such material is transferred from one organization to another. By examining the pathways by which genealogy is transmitted through the action of individuals to new firms, and combining that with an empirical analysis of over 250 new firms in the computer game industry, this paper seeks to shed additional light on the linkage between genealogy and new venture performance. I conclude that the entrepreneurial prominence of a founder's prior affiliation, as opposed to the founder's prior routines and industry knowledge, transfers from individuals to new ventures, and has a persistent effect on new venture performance.

Keywords:entrepreneurship, genealogy, imprinting

PROSPECTIVE ATTENTION: SYNCHRONIZING TOP-DOWN AND BOTTOM-UP ATTENTION TO NON-SALIENT ISSUES

Rerup, Claus; U. of Western Ontario; crerup@ivey.uwo.ca

Research on attention in organizations focuses mainly on top-down senior management processes. Bottom-up processes at the shop floor level have received less attention. To examine the interrelationship between top-down and bottom-up attention processes, I use longitudinal, qualitative data to show how organizations can synchronize these processes to non-salient threats. My data illustrate how attention delays to a non-salient threat resulted in a crisis at Novo Nordisk, a world leader in diabetes care. My study develops the concept of "synchronized prospective attention," which involves proactive knowledge sharing among different hierarchical levels through which organizational members consider the future impact that currently non-salient threats might have on the organization.

Keywords:Attention, coordination, design

RECONSIDERING THE ROLE OF INDIVIDUALS IN THE INFORMATION PROCESSING PERSPECTIVE

*Turner, Karynne L.; Georgia State U.; kturner1@gsu.edu
Makhija, Mona V; Ohio State U.; Makhija_2@cob.osu.edu*

According to the information processing perspective, the organization's ability to draw upon and utilize information helps resolve problems stemming from uncertainty. Although Tushman and Nadler (1979) noted decades earlier that the manner in which an organization structures and coordinates individuals' efforts is critical in this regard, there has been relatively little evidence in the literature on the relationship between structure and the ability of individuals to process information. This research attempts to address this issue. We consider the effect of two types of structure, organic and mechanistic, on individuals' gathering, interpretation and synthesis of information, and their problem solving orientation. Our evidence shows that individuals develop more information processing capability under organic rather than mechanistic structures. Another key finding is support for the mediation effect of information processing in the relationship between structure and problem solving.

Keywords:structure, information processing, problem-solving

RELATIONAL BIAS IN TEAM FORMATION

Pinto, Jonathan; Imperial College Business School; j.pinto@imperial.ac.uk

Team formation is investigated in two studies that use sport-related archival data. Unlike team formation in organizational decision-making situations, when individuals form teams they tend to use their relational ties as a heuristic (termed relational bias). The relational bias appears to be more generic than is suggested by entrepreneurship research. In line with the leadership literature, relational bias is more pronounced when the decision maker is also the team leader. Further, it appears that the leader's role interdependence impacts relational bias, both to the team as a whole, and to the sub-unit that "backs up" the leader's role.

Keywords:Team formation, Decision making, Relational ties

RELATIONAL COLLABORATION AMONG SPATIAL MULTIPOINT COMPETITORS

*Lomi, Alessandro; U. of Lugano; lomia@usi.ch
Pallotti, Francesca; U. of Lugano; francesca.pallotti@usi.ch*

Extant research documents a variety of organizational implications of multipoint competition. Organizations meeting their competitors simultaneously in multiple markets enjoy better survival chances, higher growth rates, and more stable market shares. These outcomes are typically interpreted as results of mutual forbearance between multipoint competitors. However, the presence of actual network ties between multipoint competitors is never examined directly. Using original fieldwork and data that we have collected on an interorganizational network of patient transfer relations within a regional community of hospitals, we report and interpret estimates of Exponential Random Graph Models (ERGM) for social networks that specify the probability of observing network ties between organizations as a function of the degree of their multipoint contact. We find that hospitals competing for patients across multiple geographical segments of the market (spatial multipoint competitors) are significantly more likely to collaborate. We show that this conclusion is robust to alternative explanations for the formation of network ties based on organizational size differentials, resource complementarities, and capacity constraints. Finally, we show that interorganizational networks between spatial multipoint competitors are characterized

by significant tendencies toward clustering and toward an overall core-periphery structure. These tendencies arise as consequences of multiple mechanisms of triadic closure operating simultaneously. We conclude that the effects of competition on the structure of interorganizational fields depends on how markets as relational settings are connected by cross-cutting network ties between competitors.

Keywords: Multipoint competition, Interorganizational networks, Exponential Random Graph Models

RELATIONAL EMBEDDEDNESS OF BOARDS OF DIRECTORS: TIES BETWEEN AGENCY AND STEWARDSHIP THEORIES

Burrill Lewellyn, Krista; Old Dominion U.; klewelly@odu.edu

Do boards of directors of corporations play an effective role in contributing to the value of the firm? Despite decades of research, the empirical evidence is largely inconclusive and theoretical debates of how and why boards play effective roles rage on. I accommodate two of the contrasting approaches, agency theory and stewardship theory within a theoretical model by integrating the underlying assumptions of both theories with the concept of relational embeddedness among and between the board of directors and the top managers, to facilitate a nuanced understanding of how boards can effectively fulfill their various roles. Using the model, I generate specific propositions about how the relative strengths of the relationship ties among and between the board members and top managers are associated with firm performance in an inverted U-shaped curvilinear manner.

Keywords: agency theory, stewardship theory, relational embeddedness

RELATIONAL INERTIA AND CLIENT SHARING: HOW PARTNERS RESPOND TO LAW FIRM ACQUISITION EVENTS

*Briscoe, Forrest; Pennsylvania State U.; fbriscoe@psu.edu
Tsai, Wenpin; Pennsylvania State U.; wtsai@psu.edu*

Organizational acquisitions face a well known challenge in the form of achieving post-acquisition integration. How will members of the combining units come to share resources with one another and work productively together in ways that benefit the organization? We interpret that as a problem of overcoming relationship inertia among the members of combining units. Drawing on relational theories, we then consider when that relationship inertia can be overcome. We test our hypotheses using detailed records from two major law firm acquisitions. The records allow us to observe law firm partners forming relationships by sharing clients with one another -- a key driver of integration among law firm partners. We show how the prior workplace networks of partners predict the amount and type of sharing they engage in during the post-acquisition period. We also show that different client sharing behaviors have different consequences for the unified firm (and not all of them are beneficial).

Keywords: acquisitions, networks and inertia, professional service firms

REPAIRING LEGITIMACY - BETWEEN SYMBOLIC AND SUBSTANTIVE MANAGEMENT

Noh, Sungchul; McGill U.; sung.noh@mail.mcgill.ca

Despite of its ubiquitousness and vibrant traditions of work on it, few studies have captured the limit and boundary condition for adopting and using symbolic strategy for organizational legitimacy. Is symbolic management based on verbal accounts always feasible and effective? What are the conditions to determine whether an organization's response to institutional pressures is substantive or merely ceremonial? To answer these questions, I focus on two possible constraints on the organizational use of legitimacy strategy - heterogeneity in audiences and path-dependency in symbolic management - and try to show how organization chooses and coordinates various strategic options for repairing its legitimacy under these constraints which emerge with their strategic moves to deal with legitimacy crisis. I extracted legitimacy management histories of a firm suffering legitimacy crisis recently from press accounts and key-informant interviews. I then subjected these histories to qualitative narrative interpretation for producing hypotheses to be empirically examined by other research.

Keywords: Organizational legitimacy, symbolic management, Institutional theory

RESOURCE DEPENDENCE AND TRANSACTION-BASED RELATIONSHIPS IN A CAMPUS BAR

Rees, Laura L.; U. of Michigan, Ann Arbor; lrees@umich.edu

This paper uses data from a multiple-method field study of a college-town campus bar to investigate how consumers' and firms' resource dependence and power relationships influence the interactions that take place between consumers and firms. The campus bar is unique in terms of the resources that arise as more or less critical from both the consumers' and the firm's perspectives, as illustrated in this particular setting. I find that consumers, although often considered influential in many consumer-firm relationships, may be more captive in certain scenarios, leading to an asymmetrical power situation with the firm. This in turn can lead to a transaction-based, rather than a relationship-based, mode of interaction between consumer and firm. An example of an extremely relationship-based firm is used to illustrate the disparity between transaction-based vs. relationship-based organizations. When a mismatch in transaction vs. relationship preferences occurs, both consumers and firms may have multiple potential reactions. Implications of each of these reaction alternatives are discussed, and further implications for the importance of customer service and long-term firm survival are suggested.

Keywords: Resource dependence, Transaction-based relationships, Bar behavior

RESOURCE DEPENDENCE THEORY: A META-ANALYSIS

Drees, Johannes M.; VU U. Amsterdam, FEWEB; jdrees@feweb.vu.nl

Resource dependence theory predicts that organizations seek to reduce environmental interdependence and secure their continued performance by liaising with external resource providers. In the present study we synthesize previously reported tests of this perspective through a meta-analysis of 175 studies on the adoption and performance effects of five resource dependence tactics in varying intensity: interlocks, alliances, joint ventures, in-sourcing, and mergers and acquisitions. Our results corroborate the theory's core prediction: environmental interdependencies are positively associated with the adoption of resource dependence tactics,

which are in turn positively associated with organizational performance. Building on these results we extend current theorizing in three ways. First, we show that not all tactics are equally suited for the management of interdependencies. We explain their differential success by detailing the trade-off between interdependence reduction and organizational flexibility. Second, we demonstrate that the adoption of tactics has a larger positive effect on organizations' symbolic performance than on their substantive performance, which offers new opportunities for reconciling resource dependence and institutional theories of organizations. Third, by combining multiple single-country studies into a single multi-country study we are able to show that the relationship between adoption and organizational performance is significantly moderated by legal and judicial factors.

Keywords: Symbolic and Substantive Performance, Alliances, Mergers and Acquisitions, Resource Dependence Theory

REVISITING THE TRUST-PERFORMANCE LINK IN INTERNATIONAL STRATEGIC ALLIANCES

Mohr, Alexander Toni; Bradford U.; a.t.mohr@bradford.ac.uk

This paper challenges research that argues for and provides apparent empirical evidence for an influence of trust on the performance of Strategic Alliances (SAs). It first revisits the arguments provided in support of this influence and argues that trust is equally, if not more likely affected by the performance of SAs thereby questioning common recommendations with respect to the role of trust in SAs. On this basis it complements the currently dominant hypothesis of a positive influence of trust on performance with an alternative hypothesis that suggests a positive influence of performance on trust. Using 3-stage-least square regression on empirical data from 110 Sino-German Joint Ventures in the People's Republic of China these two hypotheses are tested simultaneously. The findings challenge the orthodox view regarding the trust-performance link in inter-firm collaboration.

Keywords: alliances, trust, performance

ROUTINES IN PERIPHERAL DONATIONS

*Kuk, George; U. of Nottingham; g.kuk@nottingham.ac.uk
Broughton, Hannah; U. of Nottingham; erisds@gmail.com*

This study explores the use of organizational routines in managing retail activities of a charity organization. We examine how donations as peripheral resources are maintained and generated when the brand competes with the goal side of a charity. Routines as a source of change affect how resources are transformed by changes in routines involving the interplay between structure and agency, and the location where this occurs. We studied the core-peripheral routines and resources of a strongly hierarchical non-profit organization which undergone significant change by the launch of an online shop. The findings challenge understanding of what constitutes structural rigidity by looking at how hierarchies can create pockets of conflicting change in a core-peripheral arrangement, and notably peripheral rigidity by considering how the relationships between the ostensive and performative aspects of routines are mediated by their implicit or explicitness in creating or restricting change.

Keywords: organizational routine, charity, resources

ROUTINES, DISCIPLINE AND IDENTITIES

Brown, Andrew D.; U. of Bath; a.d.brown@bath.ac.uk

Lewis, Michael A; U. of Bath; m.a.lewis@bath.ac.uk

This paper analyzes how talk about organizational routines disciplines participants' identities. It shows that power is intrinsic to discursive constructions of routine processes of organizing. Based on a study of a UK regional law firm, our study counter-balances understandings of professional lawyers as autonomous knowledge-workers, and emphasizes instead the extent of their subjection to disciplinary processes. We examine lawyers' accounts of their time-keeping and billing routine, and show how these both disciplined authorship of their subjectively construed normative identities, and how individuals said that they confronted, shifted and perverted organizationally sanctioned systems of meaning. The research contribution of this paper is to examine empirically and to theorize some of the connections between routines, disciplinary processes and identity formation.

Keywords: identity, routine, discipline

RULES AND ROUTINES IN ORGANIZATIONS: A REVIEW AND INTEGRATION

Weichbrodt, Johann; ETH Zurich; jweichbrodt@ethz.ch

Grote, Gudela; ETH Zurich; ggrote@ethz.ch

Rules and organizational routines constitute essential parts of organizational life. In this paper, we aim to precisely distinguish the two concepts and advance the understanding of their relationship with one another. We review selected literature on both phenomena, identify relevant stakeholders, and propose several clarifications in terminology. Building on the understanding of rules as artifacts and routines as patterns of behavior, we develop propositions in regard to their relationships: Alignment between rules and routines is influenced by the type of rule, by how rules are perceived and enforced, and whether or not rule-followers can influence the creation of rules. Furthermore, under certain conditions, rule violations can lead to improvements in the rule system.

Keywords: rules, organizational routines

SEARCH ON RUGGED LANDSCAPES: AN EXPERIMENTAL STUDY

Billinger, Stephan; U. of Southern Denmark; sbi@sam.sdu.dk

Stieglitz, Nils; U. of Southern Denmark; nst@sam.sdu.dk

Schumacher, Terry R; Rose-Hulman Institute of Technology;

terry.schumacher@rose-hulman.edu

Search is fundamental for understanding human decision-making. Recent theoretical and empirical contributions in management have drawn on the NK model of rugged performance landscapes to examine search behavior in complex settings. The paper reports findings from an experiment on search behavior on rugged performance landscapes. The results substantiate basic predictions of the NK model about the performance and heterogeneity of searchers. However, they also show that actual search behavior is much more varied, questioning the assumption of simple hill-climbing behavior in theoretical NK models. Furthermore, the inclusion

of search costs in the experiment reveals that search often stops well before reaching a performance peak in a landscape. Taken together, these findings suggest that prior contributions may have overestimated the importance of local peaks for search and adaptation, while neglecting the critical role of stopping behavior. Our results also shed some light on the factors that drive individual search behavior in rugged landscapes.

Keywords: NK model, Experiment, Search

SELECTION-ADAPTATION-RETENTION DYNAMICS AND VARIETY IN ORGANISATIONAL ROUTINES

*Furneau, Craig W; Queensland U. of Technology / CRC for Integrated Engineering Asset Management; c.furneau@qut.edu.au
Tywoniak, Stephane A.; Curtin U. of Technology; stephane.tywoniak@gsb.curtin.edu.au
Gudmundsson, Amanda; Queensland U. of Technology; a.gudmundsson@qut.edu.au*

The notion of routines as mechanisms for achieving stability and change in organisations is well established in the organisational theory literature (Becker, 2004). However the relationship between the dynamics of selection, adaptation and retention and the increase or decrease in the varieties of routines which are the result of these processes, is not as well established theoretically or empirically. This paper investigates the processes associated with the evolution of an inter-organisational routine over time. The paper contributes to theory by advancing a conceptual clarification between the dynamics of organisational routines which produce variation, and the varieties of routines which are generated as a result of such processes; and an explanation for the relationship between selection, adaptation and retention dynamics and the creation of variety. The research is supported by analysis of empirical data pertaining to the procurement of engineering assets in a large asset intensive organisation.

Keywords: routines, variety, adaptation

SEQUENCE PATTERNS OF OWNERSHIP CHANGES IN EQUITY ALLIANCE AND THEIR ANTECEDENTS

*Iriyama, Akie; U. at Buffalo, SUNY; airiyama@buffalo.edu
Shi, Weilei (Stone); Baruch College; weilei.shi@baruch.cuny.edu
Prescott, John E; U. of Pittsburgh; prescott@katz.pitt.edu*

In this study, we explore the alliance ownership change from a sequence perspective. We first empirically identify four clusters of different sequence patterns of alliance ownership changes. Drawing on social exchange theory, we then develop theoretical arguments linking antecedents and these different sequence patterns. Using the sample of 200 international alliances by Japanese automotive component manufacturers across 1986 to 2003, we found evidence that three initial sets of antecedents, i.e. initial ownership distribution among partners, initial governance structure and multi-partner structure, have profound imprinting effect on the subsequent sequence patterns of alliance ownership change. Our study contributes to the existing alliance instability literature by incorporating a temporal lens that focuses on process-based conceptualization of alliance instability.

Keywords:international joint venture, sequence pattern, social exchange theory



SHALL WE DANCE? THE ROLE OF AGENTS IN MANAGING THE PRINCIPAL-AGENT RELATIONSHIP

White, Robert E; Iowa State U.; rewhite@iastate.edu

The governance literature has focused much of its attention on how principals manage their agents—for example, how compensation arrangements or board monitoring affect firm performance by modifying agent behavior. Much less attention has been paid to how agents actively manage their principals. Drawing on agency theory and resource dependence theory, we outline a typology of “owner management” strategies and develop propositions surrounding owner, manager, and situational effects on owner management.

Keywords:owner management, governance, agency theory

SHARED LEADERSHIP IN TEAMS: MODELING PERFORMANCE IN TRADITIONAL AND COMPUTER-SUPPORTED ENVIRONMENTS

Potter, Richard; U. of Illinois, Chicago; rpotter@uic.edu

Balthazard, Pierre; Arizona State U.; pb@asu.edu

Waldman, David A.; Arizona State U.; waldman@asu.edu

This experimental study examines shared leadership in a predictive model of performance that contrasts decision teams communicating within face-to-face and technology-mediated environments. With the increasing complexity of organizations and rise of cross-functional teams in recent years, there is a need to detail the conditions and processes by which the concept of shared leadership influences performance in decision teams. In the present study, 49 traditional and 69 technology-mediated teams performed an identical group decision-making task. Analyses reveal that face-to-face teams are more likely to display shared leadership characteristics and more constructive interactions than distributed computer-supported teams. Shared leadership was found to promote the development of a constructive interaction style and inhibit the development of a defensive interaction style, regardless of the communication environment. Further, interaction style was found to mediate the effect of shared leadership on group cohesion, task performance, and solution acceptance.

Keywords:Shared leadership, group interaction, performance

SHAREHOLDER ACTIVISM: ON THE EMERGENCE OF SOCIAL IDENTITY AND SMALL SHAREHOLDER GROUP FORMATION

Sikavica, Kate; U. of Munich; sikavica@bwl.lmu.de

Tuschke, Anja Christine; U. of Munich; tuschke@bwl.lmu.de

Although shareholder activism has gained in an importance over the years and a growing body of literature has investigated activism-related problems companies face, little is known about the formation of activist groups by small shareholders. We attempt to fill this void by investigating

under which conditions groups of small shareholders are likely to form and to engage in collective action against organizations. Building on social identity theory, we analyze the stages of the group formation process and suggest a series of propositions in regard of factors that drive small shareholder group formation and activism.

Keywords: Social Identity, Shareholder Activism, Minority Shareholders

SIGNALING STATUS: THE DISCOURSES OF COMPARISON WITHIN A HIERARCHY

Mason, Daniel S.; U. of Alberta; dmason@ualberta.ca
Washington, Marvin; U. Alberta; marvin.washington@ualberta.ca
Buist, Ernest; U. Alberta; Ernest_Buist@hsbc.ca

This paper seeks to contribute to the developing theorization of status and status signals. To do so, we take a grounded theory approach (Glaser and Strauss 1998, Suddaby 2006) and develop a series of propositions based on data from an ongoing study examining the strategic behavior of urban regimes in entrepreneurial cities. The paper makes several contributions to the literature. First, we extend the literature by looking at a unique organizational context – that of the entrepreneurial city (cf. Harvey 1989). We argue here that, as cities have moved away from traditional industries to more service and consumption based economies (Hannigan 1998), status and reputation have become increasingly important to cities seeking to differentiate themselves in an increasingly competitive global marketplace (Burbank Andranovich and Heying 2001, Doel and Hubbard 2002). Second, we seek to understand how certain status signals are managed as organizations attempt to articulate and influence both their reputations and place within a status hierarchy. Third, we develop media framing as an analytical tool to examine how discourses of status are framed as proponents of specific status signals attempt to win more widespread approval, and opponents argue against the value of specific projects as status signals. In doing so, we reveal how cities are actively managed, how certain status signals emerge on the policy agenda of entrepreneurial cities, how notions of status are articulated and mobilized by managers, and develop propositions that may be employed for future research on status in other organizational contexts.

Keywords: Status signals, entrepreneurial organizations, discourse

SMALL-WORLD NETWORK IMPRINTING, SUBSEQUENT FIRM ADAPTATION AND FIRM PERFORMANCE

Sullivan, Bilian Ni; Hong Kong U. of Science and Technology; mnbilian@ust.hk
Tang, Yi; Hong Kong Polytechnic U.; msytang@polyu.edu.hk

Using organizational imprinting theory and the perspective of social embeddedness, this study explores how firm performance is affected by the small-world networks in a firm's founding context. We hypothesize that initial small-world networks at a firm's founding have a positive effect on subsequent firm performance. We further hypothesize that due to a continuous adaptation process, the effect of initial small-world networks diminishes over time and a firm's accumulated experience can strength or weaken this imprinting impact depending on the nature of the experience. With a sample of U.S. venture capital (VC) firms from 1995-2003, we find that initial small-world networks has a positive impact on firm performance and this positive impact becomes weaker over time. We also find evidence that a firm's accumulated experience stock weakens the positive effect of small-world networks but past experience heterogeneity strengths

such an effect. Implications of these findings for network studies and organizational learning are discussed.

Keywords: network imprinting, small world networks, venture capital firms

SOCIAL DEVIANCE PERSPECTIVE OF INSTITUTIONAL INNOVATION

Rimac, Tomislav; IESE Business School; DOCTRimac@iese.edu

Based on a longitudinal case study of Sekem, an ‘umbrella’ organization for a multifaceted agro-industrial group of business companies and several non-governmental organizations in Egypt, we study the process of institutional innovation in the context of multiple and conflicting institutional logics. Building upon two bodies of academic literature – institutional theory, focusing on institutional logics and logics of action, and social deviance literature, emphasizing the social and cultural dimensions of deviance, we develop a model of how institutional innovations emerge, grow, and eventually get accepted. We restrict our analysis to three mechanisms affecting the deviance perception and the outcome of the innovation process: market-mediated institutional linkages, empowerment of institutionally over-embedded agents, and institutional complementarity.

Keywords: Institutional innovation, logics, deviance

SOCIAL NETWORKS IN ORGANIZATIONAL ROUTINES

*Miller, Kent D; Michigan State U.; millerk@bus.msu.edu
Choi, Seungho; Michigan State U.; cyrius7@gmail.com
Pentland, Brian T; Michigan State U.; pentland@bus.msu.edu*

Research on organizational routines has yet to integrate social network analysis, yet interpersonal ties are essential to realizing the sequential actions that make up routines. This study brings a social network perspective to the study of organizational routines. We consider how workflow relationships emerge as differently skilled individuals respond to recurring problems requiring the completion of sequential tasks. Key demographic variables affecting the formation of social networks are the number of individuals in the organization, the distribution of skills across individuals, personnel turnover, and temporary unavailability of some individuals to contribute to problem solving. We incorporate these features into an agent-based model and, by experimenting with this model, evaluate their implications for network structure and stability, and problem-solving efficiency.

Keywords: agent based model, organizational routines, social networks

SOCIAL TIES, ECONOMIC TIES & THIRD PARTY REFERRALS: HOW EMBEDDED TIES EMERGE IN GEOGRAPHIC CLUSTERS

*Ferriani, Simone; U. of Bologna; simone.ferriani@unibo.it
Fonti, Fabio; Free U. Bozen-Bolzano; fabio.fonti@unibz.it
Corrado, Raffaele; U. of Bologna; raffaele.corrado@unibo.it*

The success of firms located in geographic clusters has been repeatedly linked to the embedded nature of their ties. While much has been written about the consequences of embedded ties, i.e. ties featuring an economic and a social component, relatively little is known about their antecedents. Our goal is to clarify what drives the emergence of embedded ties in clusters. Building on the work of Uzzi (1996, 1997), we clarify and extend the theoretical framework on the antecedents of embedded ties, proposing different mechanisms of embedded ties creation at the dyadic and triadic level. Specifically, we expect that both social and economic drivers contribute to the emergence of embedded ties, that social ties have a stronger impact than economic ones in this process, and that the effect of third party referrals on embedded ties is contingent upon the type of network under examination. Building on recent methodological advances in the analysis of networks evolution, we use longitudinal network data on a geographic cluster located in Northern Italy to test our hypotheses about embedded ties creation and change. Results support our hypotheses, providing additional insight on the relative importance of economic and social ties in the emergence of embedded ties and shedding light on the type of local structures determining the evolution of networks.

Keywords: Embedded ties, Network evolution, Geographic clusters



SPARING BOARDS WILL PAY EVEN LESS AND OPENHANDED BOARDS WILL PAY EVEN MORE

Zhu, David H.; Arizona State U.; hongquan.zhu@asu.edu

In this study, I examine how a fundamental group decision-making bias referred to as group polarization may influence boards' key strategic decisions. The group polarization theory explains how board discussions can induce directors to make a collective decision that amplifies their average pre-meeting position. For example, the group polarization theory suggests that when directors on average used to pay high levels of CEO compensation, they tend to pay the focal CEO even more following board discussions; but when directors on average used to pay low levels of CEO compensation, board discussions will cause them to pay the focal CEO even less. Results based on decisions made by Fortune 500 directors provided strong support to the theory. This study introduces a fundamental group decision making bias into the study of boards, and explains how group discussions may induce directors to approve a focal decision that is more extreme than the average decision experienced by them on other boards, thus suggesting how group processes may distort the network diffusion effect. Implications for board decisions about acquisition premium and CEO compensation are also discussed.

Keywords: corporate governance, network, top management

SPECULATION AS A LEARNED BEHAVIOR? EFFECTS OF (IN)EXPERIENCE, WEALTH, AND GEOGRAPHY ON SHARE TRADING

Yenkey, Christopher B.; Cornell U.; cby2@cornell.edu

This paper studies investors as a heterogeneous population, modeling how investors of different levels of market experience, portfolio value, and location of residence negotiate share ownership and trading in six emerging market IPOs. Specifically, I model the likelihood that investors will engage in speculative trading in IPO shares based on these characteristics. The research site is Kenya's Nairobi Stock Exchange, where 84 per cent of the 1.4 million total investors have adopted the practice in the last three years. Access to the NSE's electronic trading and shareholding databases allows me to model speculative behavior at the individual level. Results

suggest that lower net worth and less experienced investors quickly adopt speculative approaches toward share holding, even though larger, institutional investors account for the majority of total trades. Less experienced investors are slightly more likely to purchase shares in early privatizations of state-owned firms. Descriptive data showing each investor type's contribution to daily price formation is also presented.

Keywords:Emerging market, Speculation, Investor behavior

STATUS DIFFERENTIATION AND PRODUCT LINE EXPANSION: EVIDENCE FROM THE EEPROM MARKET, 1977- 2001

Tan, David; Georgetown U.; dt257@georgetown.edu

While a lot of research has focused on the advantages of being in a higher-status position compared to a lower-status position, an often overlooked consequence is that the status mechanism ultimately protects the viability of every position in the hierarchy. A status hierarchy induces firms to restrict themselves to mutually-exclusive quality levels rather than try to invade nearby quality levels. This kind of self-enforced, mutually-recognized differentiation can substantially increase a market's capacity to support overlapping competitors. I examine this in the context of the electrically-erasable programmable read- only memory (EEPROM) market from 1977 to 2001. I find that status differentiation has a positive effect on a firm's product line size. In addition, I find that the effect of status differentiation becomes weaker in the presence of inconsistencies, i.e. patterns of endorsements between firms that contradict the overall status ordering.

Keywords:status, market position, differentiation

STATUS MISMATCH IN ENTREPRENEURIAL FINANCING AND THE PERFORMANCE OF NEW VENTURES

Ma, Dali; Drexel U.; dalima@drexel.edu

Rhee, Mooweon; U. of Hawaii; mooweon@hawaii.edu

Yang, Daegyuu; U. of Hawaii; daegyuu@gmail.com

Extant studies of status in the market have stopped short of investigating the multiplexity of status. We identify two types of status – deferential status (prestige conferred by peers) and contractual status (role defined by a contract), and examine the impact of the distribution of their mismatches on organizational performance. We define status mismatches as two forms of status inconsistencies (SI), positive status inconsistency (PSI; deferential status greater than contractual status) and negative status inconsistency (NSI; contractual status greater than deferential status), arguing that PSI leads to coherence between first-order (focal actor's interpretation of its own status) and second-order (audience's interpretation of focal actor's status) identities while NSI results in incoherence. We find that PSI of venture capital (VC) firms had a positive effect on the performance of VC-backed new ventures, and NSI had a negative one. In addition, PSI and relational embeddedness mitigated the detrimental effect of NSI.

Keywords:Status, Identity, Entrepreneurship

STIMULATING THEORY CREATION THROUGH CONFRONTATION AND INTEGRATION: THE FRENCH CONVENTION THEORY

*Rasheed, Abdul A; U. of Texas, Arlington; abdul@uta.edu
Moursli, Anne-Catherine; IESEG School of Management; ac.moursli@iese.fr
Priem, Richard L; U. of Wisconsin, Milwaukee; priem@uwm.edu*

Geographically- or otherwise-isolated scholarly communities can benefit from closure that allows them to nurture and exploit their existing theories. Confrontations are necessary among theories representing different scholarly communities, however, for consistent creation of new theories. We use French Convention Theory as an example theory that, developed in relative isolation, can productively confront both economics-based and behaviorally-based North American organization theories and thereby create new theory. We discuss the benefits and implications of such theory confrontations.

Keywords: French Convention Theory, Institutional theory, Theory Confrontation

STRATEGIC ALLIANCE EVALUATIONS: A FRAMEWORK FOR UNDERSTANDING MANAGERS' PERSPECTIVES

*Rinfret, Louis; U. of Southampton; l.rinfret@soton.ac.uk
Clarke, Ian Michael; Newcastle U., UK; i.clarke@newcastle.ac.uk
Brown, David; Lancaster U.; d.brown@lancaster.ac.uk*

This paper introduces a framework for understanding managers' perspectives of strategic alliances. It complements extant literature on alliance performance, which has largely focused on firm and dyad levels of analysis. Such approaches have typically neglected what managers actually think about alliances in favor of approximations derived from economic logic. To address this shortfall our study adopts a micro-level of analysis centered on the individual alliance stakeholder as its unit of analysis. We examine alliances from the view point of those participating in them and inductively develop a framework that highlights the complexity and plurality of alliance evaluations in practice. A set of eight exogenous factors influencing managers' perspectives of alliances is derived from this exercise and the framework is applied to the case of a major partnership. The case surfaces the diversity of views that exist within partner organizations and the multi-faceted nature of managers' perspectives on alliances. Recommendations for future research are elaborated in light of these observations.

Keywords: Strategic alliances, qualitative evaluation, micro-level

STRATEGIC FLEXIBILITY AND CHANGE: THE IMPACT OF SOCIAL NETWORKS.

*Fernández, Virginia; U. de Granada; vfperez@ugr.es
Fuentes, María del Mar; U. Granada; mfuentes@ugr.es
BOJICA, ANA MARIA; U. of Granada; abojica@ugr.es
Martín-Rojas, Rodrigo; U. of Granada.; rodrigomr@ugr.es*

This paper seeks to examine external managerial social networks and to explain how the involvement in these networks influences strategic flexibility. It also studies whether this relationship is affected when the organization is involved in a process of strategic change. The data were gathered from surveys completed by the managers of 203 Spanish firms. The methodology used is regression analysis. We observe that external social networks affect strategic flexibility positively and these effects vary if the organization is involved in a process of strategic change. In this case, the structure of the networks and the level of strategic flexibility change.

Keywords:External social networks, Strategic flexibility, Strategic change

STRATEGIC SABOTAGE AND FIRM PERFORMANCE: TOP MANAGEMENT TEAM AND MIDDLE MANAGER POWER INFLUENCE

Lebron, Mariana J.; Syracuse U.; mjlebron@syr.edu

Strategic sabotage transforms firm strategy and threatens performance by manipulating resources and capabilities core to its competitive advantage. Integrating upper echelon theory and the middle-management perspective grounded in the resource-based view, we establish a theoretical basis to suggest top management team (TMT) and middle manager power differentials within an innovative context create conditions through which TMTs and middle managers can sabotage strategic decision-making processes and performance. By conceptualizing TMT power in terms of managerial discretion and behavioral integration and middle manager power in terms of knowledge-relatedness and boundary-spanning capability, we derive potential scenarios predicting the strategic sabotage of firm performance.

Keywords:top management team, sabotage, middle managers

STRONG VERSUS THE WEAK: A META-ANALYSIS OF TIE STRENGTH AND INDIVIDUAL EFFECTIVENESS

*Bentley, Jeffrey; U. at Buffalo, SUNY; Bentley.Jeff@gmail.com
Balkundi, Prasad; U. at Buffalo, SUNY; balkundi@buffalo.edu*

Several studies have demonstrated the utility of both strong and weak ties within one's social network, which has resulted in a lack of consensus over which type of tie matters more. The present study takes a contingency approach to tie strength and identifies five factors that may explain these divergent set of findings. First, we propose that individual effectiveness outcomes range from proximal (e.g., access to information and knowledge etc.) to distal (e.g., promotions, getting a job, etc.) and that different tie strengths have unique effects on these outcomes. Our meta-analysis of twenty-six studies ($n = 4487$) finds that while strong ties facilitated one's proximal or immediate effectiveness, weak ties enhanced one's distal or eventual effectiveness. Second, the efficacy of the tie may dependent on the demographic composition of the sample. We found that strong ties were more potent in women-dominated samples when compared to mostly male samples. Third, the boundary of an individual's network of ties may also impact their utility. Our analyses demonstrated that strong ties within the organization (internal labor markets) were more beneficial than weak ties, while weak ties mattered more in external markets. Fourth, the benefits of strong ties may be contingent on the formal position of the focal individual. We found that managers benefited more from strong ties. Finally, culture may play an important role as we found that strong ties were more potent in cultures with low uncertainty avoidance.

Keywords:None

STRUCTURAL ANTECEDENTS OF CORPORATE NETWORK EVOLUTION

*Wijen, Frank; Rotterdam School of Management, Erasmus U.; fwijen@rsm.nl
Noorderhaven, Niels G.; Tilburg U.; n.g.noorderhaven@uvt.nl
Vanhaverbeke, Wim; Hasselt U.; wim.vanhaverbeke@uhasselt.be*

While most network studies adopt a static view, we argue that corporate social networks are subject to endogenous dynamics of cognitive path-dependence and self-reinforcing power relations. Over time, these dynamics drive corporate networks to become increasingly focused (i.e., more homogeneous, stable, and tightly knit). More focused networks induce organisations to perpetuate existing routines, at the expense of developing new capabilities. We examine the role of organisational structure in maintaining balanced, rather than focused, networks, so that business organisations can realise progressive and timely adjustments to their evolving environments. We develop a theoretical argument, illustrated with the divergent network adjustment patterns of two large, mature companies, suggesting that business organisations with the following structural antecedents are likely to maintain balanced networks: the concurrence of centralisation and decentralisation; a high degree of differentiation and an intermediate level of integration; and an intermediate degree of formalisation.

Keywords:Social Network, Organizational Structure, Evolution

STRUGGLES OVER SHARED CONCEPTIONS OF CONTROL IN EU SECURITIES MARKET INTEGRATION 2000 - 2008

Sommerfeldt, Holger; Oxford U.; holger.sommerfeldt@sbs.ox.ac.uk

For almost three hundred years European securities exchanges co-existed as quasi national or regional monopolies, controlled mostly by bank users and largely self regulated in the shadow of the state. In Europe, several EU regulatory initiatives aimed to break down this arrangement from the 1990s onwards, with the first credible efforts starting around 2000. This paper claims that this process of creating a market of markets can best be understood in terms of a political struggle to find a single, shared conception of control (Fligstein 1996, 2001). We find three competing conceptions of control at the beginning of this market integration project and propose a related mechanism to explain securities exchange behavior during the market as field emergence phase from 2000 to 2008. This paper concludes that the initial differences in local conceptions of control of the exchanges lead to a self reinforcing cycle that drives individual conceptions further apart and prohibits the endogenous creation of a stable field. Exogenous factors break this self reinforcing cycle but as a consequence stability is only achieved in the form of solutions outside of the original European focus. We demonstrate that the suggested mechanism is a robust and valid explanation of the diverse events and outcomes associated with this single case of EU securities exchange integration.

Keywords:Mechanisms, Conception of Control, Financial Markets

SYMBOLIC MANAGEMENT REVISITED: FUNCTIONAL

APPROACH TO UNDERLYING MECHANISMS OF DECOUPLING IN CG

Yoo, Taeyoung; Hankuk U. of Foreign Studies; taeyoungyoo@hufs.ac.kr
Lee, Sanghoon; Yonsei U.; sanghoonlee@yonsei.ac.kr

In contrast to the literature of symbolic management, which argues that decoupling in organizational change is facilitated by the sociopolitical dimension of existing mechanisms against newly adopted ones, this paper sheds light on the performance contribution of the existing ones in corporate governance reform. Using panel data of 100 large listed firms of Korea from 1998 to 2005, we find that existing mechanisms such as family control and business group are positively related to firm performance measured by accounting indicators and innovation activities. We thus argue that decoupling in organizational change should be analyzed in functional terms of existing mechanisms in addition to their sociopolitical aspects, while newly adopted mechanisms such as outside directors could also contribute to shareholders' wealth with disciplining roles.

Keywords: Symbolic Management, Corporate Governance, Decoupling

TAKING VISUAL MEANING SERIOUSLY

Jancsary, Dennis; WU Vienna; dennis.jancsary@wu.ac.at
Höllner, Markus A.; WU Vienna; markus.hoellerer@wu.ac.at
Vettori, Oliver; WU Vienna; oliver.vettori@wu.ac.at
Meyer, Renate E.; WU Vienna; renate.meyer@wu.ac.at

This paper develops a detailed methodology for exploring the crucial role imagery has in (re-)constructing the social meaning of organizational concepts, forms, and practices. We present a framework for the study of large-scale samples of imagery within different genres of organizational communication that allows for the (re-)construction of a typology of meaning of organizational issues. A broader integration of imagery into the investigation of structural patterns on the field-level so far has been limited by a lack of methodology appropriate for an analysis of samples that exceed a rather small scale. By drawing on insights from organizational institutionalism and the phenomenological sociology of knowledge, we show that such an analysis can greatly contribute to a deeper understanding of how meaning is created, institutionalized, and/or changed.

Keywords: Qualitative research methods, visual analysis, meaning

TALENT BIAS

Younge, Kenneth; U. of Colorado, Boulder; Kenneth.Younge@Colorado.edu

This paper develops the concept of talent bias to help explain how organizations learn from employees. Talent bias is defined as "the tendency across multiple-levels to attribute organizational outcomes to individual abilities." The theory is based on micro-level differences in how people view talent and how those differences aggregate together to form an organizational consensus. The paper develops the micro-foundations for this construct and explains how talent bias impairs an organization's ability to articulate knowledge. Talent bias helps to explain why some organizations are better able to extract specific knowledge from employees and retain that knowledge in organizational routines.

Keywords: capabilities, organizational learning, routines

TERMINAL ISOMORPHISM: LESSONS FROM SUB-PRIME MORTGAGE ORIENTATION AND SECURITIZATION

*Pozner, Jo-Ellen; U. of California, Berkeley; pozner@haas.berkeley.edu
Stimmler, Mary Kate; U. of California, Berkeley;
mkstimmler@haas.berkeley.edu
Hirsch, Paul M; Northwestern U.; paulhirsch@northwestern.edu*

One of the lessons learned from the recent financial sector crisis is that institutions may sometimes sow the seeds of their own destruction. We offer a two-tiered analysis of how the diffusion of innovative practices – in this case, issuing and securitizing sub-prime mortgages – can lead to the unanticipated breakdown of established institutions. At the institutional level, we demonstrate that the lack of effective external regulatory presence, the emergence of new norms through the introduction of a new institutional logic, and intense mimetic pressures may lead organizational actors to exploit a sub-optimal innovation. At the organizational level, we argue that over-embeddedness of central actors within relatively closed networks and superstitious learning processes can exacerbate the biases to which decision makers are susceptible, leading to the institutionalization of a sub-optimal organizational practice. These two parallel sets of processes led to severe consequences at the institutional level, which we label “terminal isomorphism.” We end by discussing consequences for institutional theory and future research directions.

Keywords: institutional logics, innovation, isomorphism

TESTING PRESCRIPTIONS’ INTERRELATEDNESS IN U.S. FINANCIAL MARKETS

*Bascle, Guilhem; Rotterdam School of Management, Erasmus U.;
guilhembascle@yahoo.fr
Bonnefous, Annabel-mauve; REIMS Management School; annabel-mauve.bonnefous@mailhec.net*

Drawing on institutional theory, this paper examines arguments on the prescriptive drivers of conformity. It presents the main prescriptions that institutional investors and security analysts developed in the U.S. financial markets and examines whether conformity to a specific prescription is driven by past conformity to other prescriptions. Arguments are tested on the share repurchase behavior of a sample of Fortune 500 firms. Consistent with the developed theoretical arguments, results confirm the existence of substitution and complementary effects, and suggest that prescriptions can be interrelated in subtle ways.

Keywords: Conformity, Institutional theory

THE (NON)SUSTAINABILITY OF BROKERAGE: A LONGITUDINAL STUDY OF BROKERED TRIADS IN INNOVATION NETWORKS

*Polidoro, Francisco; U. of Texas, Austin;
Francisco.Polidoro@mcombs.utexas.edu
Sims, Jonathan; U. of Texas, Austin; jon.sims@gmail.com*

Research has shown that brokerage – direct ties to collaborators who themselves do not have a direct tie to each other – produces informational benefits that enhance the ability of individuals occupying brokerage positions to find new knowledge combinations. We argue and empirically demonstrate that repeated brokerage signals to brokered collaborators opportunities to recombine knowledge, thereby increasing their propensity to form a direct tie to each other. While prior literature has highlighted the benefits of brokerage, we emphasize that brokerage benefits may be non-sustainable, given that brokers, by seeking those benefits, contribute to the closure of brokered relationships.

Keywords:None



THE ART OF MANAGING CONFLICTING INSTITUTIONAL LOGICS: THE CASE OF SOCIAL INTEGRATION ENTERPRISES

Pache, Anne-Claire; ESSEC Business School; pache@essec.fr

This paper explores organizational responses to conflicting institutional demands. An inductive comparative case study of four social enterprises embedded in competing “social welfare” and “commercial” logics suggests that when facing these competing organizational templates, organizations attempt at striking a balance at the organizational level by adopting a combination of “pure” practices from each logic rather than by compromising on each practice. Data shows that organizations emanating from the business world adopted more social practices than organizations originating from the social sector. It also shows that the latter adopted more commercial practices than their business counterparts. This study contribute to a better understanding of hybrid organizations and identifies the cultural origin of the organization has an important determinant of hybridization strategies.

Keywords:conflicting logics, hybrid organzitions, social enterprises

THE CASE FOR PARENTING ADVANTAGE: AN ANALYSIS OF ITS IMPACT ON THEORY AND PRACTICE

*Pidun, Ulrich; Boston Consulting Group; pidun.ulrich@bcg.com
Kruehler, Matthias; Freiberg U.; matthias.kruehler@gmx.de*

The concept of parenting advantage offers a clear framework and guiding principle for corporate-level decision making, including corporate portfolio management and corporate organization. After its introduction in the mid-1990s, the concept was quickly picked up by many standard textbooks on strategic management and became an integral element of the curriculum at most business schools. In the first part of the paper, we examine the reverberation of the parenting advantage concept in the academic literature. Our review reveals that the concept was well received, applied and further developed in the academic literature, but was not empirically tested with regard to managerial application. In the second part of the paper, we attempt to close this gap and shed some light on the practical relevance of parenting advantage for corporate-level decision making. Based upon the results of a global study among 196 of the largest companies

worldwide we show that practitioners consider the overall concept and its premises as relevant and apply the concept in corporate portfolio management. However, we can also show that the consistent application of the parenting advantage concept is still constrained by insufficient operationalization and a lack of appropriate instruments. We conclude the paper by outlining the key requirements for the development of such instruments.

Keywords: Parenting Advantage, Corporate Strategy, Corporate Portfolio Management

THE COLLABORATIVE BOARD: ADOPTION AND COUPLING TO THE TECHNICAL CORE OF A NEW MODEL OF PRACTICE

*Melanson, Stewart; Ryerson U.; melanson@ryerson.ca
Anderson, David W; The Anderson Governance Group;
david.anderson@taggra.com*

This research examines the institutional transformation of the board of directors in Canada to a collaborative model in which the board, in addition to its monitoring function, provides a service role by acting as a sounding board to management and provides advice and counsel to management on strategic issues. This paper also examines how directors' response to the 'Enron' scandals and their regulatory aftermath, led to some boards adopting a new model of practice – one that directors deemed more efficacious and possessing legitimacy, bringing together the old and the new institutionalism in institutional change processes. Legitimacy was drawn from guidance from a professional association for directors (National Association of Corporate Directors) that outlined how boards could become a strategic asset to the firm that was consistent with a stewardship model of governance that saw boards collaborative with management. It is also argued that following the Enron scandal, directors searched for a model of practice that would be more robust such that their fears of liability would be reduced. In searching for and adopting a new model of practice, it is also argued that effective adoption requires coupling to the technical core (enacted), as opposed to merely symbolic adoption. This research studies directors and senior management of public firms of the TSX Composite by way of survey methods. The findings provide support that the board is evolving in Canada to a new collaborative model and that the model of practice appears to be enacted (coupled) as opposed to symbolic (decoupled). Further, the results did not find that collaborative boards are impaired in their monitoring function and support is found that monitoring is actually enhanced.

Keywords: Institutional Change, Corporate Governance, Institutional Theory

THE COMPETITIVE CONTEXTS OF CORPORATE ENVIRONMENTAL PERFORMANCE

Switanek, Nicholas J.; Northwestern U.; nswitanek@yahoo.com

Research seeking a link between corporate environmental performance (CEP) and corporate financial performance (CFP) has found mixed results. The link is positive for some and negative for others, and so in some empirical samples with some model specifications the average effect of CEP has been positive, negative, and indistinguishable from null. The variability in the effect has not been made the object of empirical inquiry. Using a mixed effects modeling framework, we explicitly model the variability in the effects of corporate environmental performance on corporate financial performance. We partition the variance in these effects by industry, firm size, and local political contexts. We show that the direction of an empirical link between CEP and CFP depends

on industry, size, and local politics. Further, we theorize and identify empirically several of the characteristics that explain differences across local political contexts, industries, and size groupings.

Keywords:environment, strategy, corporate social responsibility

THE COMPLEX STRUCTURE OF SIGNALS AND THE INFLUENCE OF RECEIVERS' VARIANCE ON SIGNAL INTERPRETATION

Gera, Azi; Drexel U.; azi.gera@drexel.edu

This essay studies how the interaction between the ability of the sender to generate a signal and the ability of the receiver to interpret the signal determine how the signal will be used. I define two aspects of the signal for stakeholders and review their interactive and recursive nature. Outsiders can base their decisions on two aspects of signal: the informative aspect, which relays direct information on the capabilities of the organization, and, the legitimizing aspect, which conveys legitimacy through actions of third-party entities. Current research ignores the influence of receivers' heterogeneity on a signal's effectiveness. I argue that the interaction between the sender's ability to generate signals and the ability of receiver to interpret signals determines which aspect of the signal will be prominent. Additionally, I suggest that signals are multilayered and that the interpretation of signals is recursive. I develop a model of this interaction and propositions for empirical testing. The proposed theory suggests that, independent of the sender's underlying quality, the receiver's capabilities to discern this quality are significant in determining the signal's influence on the receiver's decision. Thus, in effect, signals are target specific.

Keywords:signaling theory, interfirm interaction

THE CULTURAL AND COGNITIVE ROLE OF RISK MEASUREMENT IN FINANCIAL RISK TAKING

*Stimmler, Mary Kate; U. of California, Berkeley;
mkstimmler@haas.berkeley.edu*

This paper aims to demonstrate how institutional logics shape firm behavior by framing individual decisions. Psychological work has demonstrated that decision making is influenced by how uncertainty is framed, but has neglected to investigate how these frames emerge. On the other hand, institutional theory has described how shared frames of reference emerge, but has neglected to explain how these influence individual action. My project aims to deepen understandings of how uncertainty shapes organizational action by melding the institutional and decision-making perspectives. To illustrate how institutional frameworks affect firm-level risk taking, this paper investigates the development of risk management in finance from 1994-2008 and demonstrates using data on national banks that high levels of risk measurement and quantification were strongly correlated with bank leverage. To demonstrate how the logic of risk enumeration influences individual action, I argue that the logic shifted notions of competency. I argue that the logic of risk enumeration equated competency with measurement of probabilities with complex financial modeling and demonstrate using experiments that individuals with expertise in finance are more likely to take risks when exposed to complex models.

Keywords:risk, institions, decision making

THE DEVELOPMENT OF TRUST

Vanneste, Bart; INSEAD; bart.vanneste@insead.edu
Puranam, Phanish; London Business School; ppuranam@london.edu
Kretschmer, Tobias; LMU Munich; t.kretschmer@lmu.de

A commonly held view is that trust increases over time in relationships. However, empirical evidence suggests that trust and relationship duration are only weakly correlated if at all. Using a formal model of Bayesian updating of trustworthiness, we specify four mechanisms that influence the magnitude and sign of the correlation between trust and relationship duration. We show that it is only under some conditions that trust increases with relationship duration. Under other conditions, trust may stay unchanged or even decline over time.

Keywords: Trust, Relationships, Relationship duration



THE DYNAMICS OF PERSONNEL FLOWS IN HIGH STATUS LAW FIRMS

Kim, Tae-Hyun; Northwestern U.; thkim@kellogg.northwestern.edu

This study explores how social structures shape interactions between organizations and influence the performance of focal organizations. Building on embeddedness arguments, we propose that a focal law firm's embedded relationships with its clients provide unique resource by prompting private information flows that it leverages in competing for talent. We test our arguments with longitudinal dataset on the lateral partner hires between 2000 and 2007. Evidence suggests that law firms' embedded client ties help law firms to identify and assess high quality partners and thus, hire them. This study highlights the importance of private resources that law firms derive from their embeddedness in law firm-client network.

Keywords: Embeddedness, Personnel Flows, Interorganizational Relations

THE DYNAMICS OF PRODUCT IDENTITIES: STATUS, UNIQUENESS, AND ATTENTION IN THE EUROPEAN FILM MARKET

Mezias, Stephen; INSEAD; adcbchair@gmail.com
Pedersen, Jesper Strandgaard; Copenhagen Business School; js.ioa@cbs.dk
Kim, Ji-hyun; New York U.; jkim2@stern.nyu.edu
Mazza, Carmelo; Grenoble Ecole de Management;
carmelo.mazza@grenoble-em.com
Svejenova, Silviya; ESADE; silviya.svejenova@esade.edu

Current theoretical conceptions of forms like firm and product identities tend to portray them as fixed and stable; for example, most measures of product identity in existing empirical research focus on the concept of niche width, implying that the relevant dimensions of niche are relatively static. Based on recent theoretical and empirical developments that call this assumption into question, we propose a theoretical approach to product identities that admits the possibility that they evolve over time. While we do not dispute the notion that audiences judge products and only consume those they deem consistent with their preferred identities, we also believe that audience

conceptions of preferred identities change over time. For example, with respect to audiences for films, we believe that audiences come to accept genres or combinations of genres that are relatively frequent and regard as problematic or unique genres or combinations of genres that occur less frequently. Using European film market data from 1996 to 2005, we examine how product identity is dynamically constructed by status, uniqueness, and attention. Our results suggest that 1) status created by field configuration events such as premier film festivals plays an important role in creating film product identity; 2) audience disapproval due to uniqueness or boundary-spanning in genre combination is significantly moderated by attention. The second finding has important implications for the studies that examine the relationship between multiple market memberships and economic and social outcomes. Our framework and findings call attention to the processes that empower certain actors with respect to identities and how these change over time.

Keywords: Identity, Status, Film industry

THE EFFECT OF EXECUTIVE SUCCESSION ON THE DEGREE OF INSTITUTIONAL CHANGE IN ORGANIZATIONS

Villadsen, Anders; Aarhus U.; avilladsen@econ.au.dk

This study investigates whether the background of a new executive is related to the degree of institutional change in organizations. Executive succession events provide a salient opportunity for institutional change in organizations. It is argued that the less familiarity a new executive has with the organization and the field it works in, the more likely is subsequent radical institutional change. Empirical results from quantitative analysis of executive succession events in Danish municipalities from 1984 – 2000 generally confirm this. Hiring an executive successor from outside the field of municipalities is associated with subsequent radical institutional change. Also executive successors from within the field are, somewhat surprisingly, associated with comprehensive changes while internal promotions are associated with changes convergent to existing institutional norms. Interestingly, the degree of institutionalization moderates the findings. Inside successors become more likely to conduct comprehensive structural changes as new institutional practices receive normative and regulatory endorsement. The study contributes to the small number of studies investigating sources of institutional practice variation by emphasizing executive succession as an individual level mechanism. Contributions to public management are also discussed.

Keywords: Institutional change, Executive succession, Organizational change

THE EFFECT OF REPUTATION ON THE SURVIVAL CHANCES OF SMALL AND MEDIUM-SIZED ORGANIZATIONS

*Oertel, Simon; Friedrich Schiller U. of Jena; simon.oertel@uni-jena.de
Walgenbach, Peter; Friedrich Schiller U. of Jena; peter.walgenbach@uni-jena.de*

We focus on the effect master certificates have on the survival chances of 19,984 small and medium-sized craft organizations in Thuringia, Germany, between 1990 and 2003. Our results show that such certificates increase the survival chances of newly founded organizations in the short run. We also show that the positive effect of certificates decreases with the age of an organiza-

tion. In the long run, those organizations without a master certificate at the time of their founding demonstrate even better survival chances.

Keywords:organizational ecology, certificates, survival chances of organizations

THE EFFECT OF TRUST ON CORPORATE DIRECTORS' MONITORING AND RESOURCE PROVISION

*Yoshikawa, Toru; Singapore Management U.; toru@smu.edu.sg
Connelly, Catherine E; McMaster U.; connell@mcmaster.ca*

We consider interpersonal relationships between directors and CEOs as a social exchange in which trust plays an important role. We present a conceptual model to explain how a director's trust in the CEO as well as the relational ties between them will influence the director's boardroom behaviors, in terms of the relative emphasis that he or she will put on providing resources or monitoring. We also argue that a director's social and business ties with the CEO will interact with the trust perceptions to influence these behaviors further.

Keywords:social exchange, board of directors, trust

THE EFFECTS OF DIFFERENT KINDS OF IMPRINTING ON COMMUNICATION BEHAVIOR

*Oberg, Achim; Mannheim U.; oberg@ifm.uni-mannheim.de
Walgenbach, Peter; Friedrich Schiller U. of Jena; peter.walgenbach@uni-jena.de*

The argument that organizations are imprinted at their time of founding and that the imprint shows a high degree of persistence is an argument frequently found in organization studies. However, the imprinting object varies in the relevant literature. Some studies highlight the social structures at the time of founding as the prime factor that imprints the organization. Other studies emphasize that it is the norms and values of the founders which have a lasting effect on the organization. Finally, a number of studies stress that the institutional environment of the organization imprints the organization to the greatest extent. While the respective arguments presented in the literature are plausible and supported by empirical studies, the question as to what kind of imprint is most relevant has not yet been answered. This question seems particularly relevant in cases in which the underlying logics of the different imprints conflict with one another. Based on an in-depth case study of a post-bureaucratic organization in the new economy, we analyze the effect of different imprints on the communication behavior of the members of this new venture. Our results show that the different imprints at the time of founding, which we operationalize based on different kinds of social relationships that were relevant in different phases of the founding process, affect different areas of the organization differently. We observe a remarkable split between the norms and values and the communication behavior of the founders and the communication behavior of other members of the organization. While the core members' behavior, i.e., communication between the founders and the first employees, is in line with the founders' concept of the new venture, the behavior of other organizational members reflects the imprint of the concept of organization predominant and institutionalized in western societies.

Keywords:Communication, Imprinting, Post-Bureaucratic

THE EFFICIENCY OF CAPABILITY DEVELOPMENT

MacInerney, Kieran John Patrick; U. of Cologne; macinerney@wiso.uni-koeln.de

This paper presents a model of capability development and integrates transaction cost rationale with organizational capabilities on the basis of the implicit cost theories of both capability development and transaction cost economics. Cost effects stemming from time constraints or capability constraints are identified that have the potential to transcend transaction cost effects and shift the optimum for efficient capability sourcing decisions. An integration attempt of capability development with transaction cost economics is made by showing what additional effects govern the institutional arrangement of transactions, when it comes to capability development, and by demonstrating how the understanding of efficient capability development can be enhanced by integrating transaction cost rationale.

Keywords: Organizational capabilities, Transaction costs, Capability development

THE EMERGENCE AND MAINTENANCE OF ROUTINES AS COLLECTIVE ACCOMPLISHMENTS

Dionysiou, Dionysios D.; ALBA Graduate Business School;
d_dionysiou@alba.edu.gr
Tsoukas, Haridimos; ALBA & Warwick Business School;
htsoukas@alba.edu.gr

Despite significant developments in the understanding of organizational routines, our knowledge about how routines emerge and persist is limited. Classic accounts take routines largely for granted by overemphasizing the capacity of formal organizations to regulate human behavior. More recent, “performative” accounts bring agency back to the study of routines and conceptualize the latter as ongoing, effortful accomplishments. This paper adopts the performative perspective to shed more light into the process through which routines emerge and are maintained over time. In particular, we argue that current accounts of routines have not paid adequate attention to the inherently collective nature of routines and, in particular, to the ways through which mutually susceptible participants meaningfully relate their individual lines of action. By accounting for the relational dynamics of interaction among participants in the routine we complement our current understanding of the ways through which organizational routines emerge and are maintained.

Keywords: organizational routines

THE EMPEROR IS DEAD! LONG LIVE THE EMPEROR! A STUDY OF INSTITUTIONAL PERSISTENCE

Ogata, Ken; York U.; ogata@yorku.ca

Can institutions survive de-legitimation? Prior studies of institutional change suggest that de-legitimated institutions will experience dissipation (Oliver, 1992) when replaced by new structures, yet this has not been substantiated. Using a historical case study of the Meiji Restoration in Japan between 1853 and 1877 (Beasley, 1972; Jansen, 1995), the de-legitimation of samurai military rule and corresponding restoration of Imperial rule by the Emperor are examined. Through a synthesis of structuration theory (Giddens, 1984) and deinstitutionalization (Oliver,

1992), this paper argues that de-legitimated structures may persist and achieve re-legitimation even after new structures achieve dominance following two related processes: sedimentation (Cooper, Hinings, Greenwood and Brown 1996), and structuration (Giddens, 1984).

Keywords: structuration, institutional theory, delegitimation

THE EMPLOYMENT CONTRACT BROKEN? THE DEINSTITUTIONALIZATION OF DEFINED BENEFIT RETIREMENT PLANS

Cobb, J. Adam; U. of Michigan; adamcobb@bus.umich.edu

The predominant depiction of the American corporation as an employer in the 1950s is an image of stability (Kochan, 1996). Through a confluence of events, a system of workplace governance emerged among the largest corporations in the United States that established long-term employment relationships between workers and firms, and many commentators noted the have characterized this system of workplace governance as an employment contract (e.g. Cappelli, 1999; Osterman, 1999). The major tenets of this contract were that earnings increases were linked to improvements in productivity and long term employment was guaranteed in exchange for worker loyalty (Osterman, Kochan, Locke, & Piore, 2001, Ch. 1). However, since the early 1980s this implicit social contract has been challenged. I argue that one way to study the changing employment relationship is to look at transformations in the institutions which helped establish the preexisting social contract. One such institution is the defined benefit pension plan. In a study of 371 of the largest firms over a 9 year period, I take predictions from neo-institutional and resource-dependence theory to test hypotheses related the transition from defined benefit to defined contribution retirement plans. The results show that higher levels of industry unionization was negatively related to lower levels of defined contribution participants but had no significant effect on defined benefit participants, more productive workforces were negatively related to the number of participation for both types of plans, and greater experience in offering defined benefit plans is positively related to defined benefit participants. Implications and future directions of this research are discussed.

Keywords: neo-institutional theory, deinstitutionalization, employment relation

THE EVOLUTION OF CORPORATE SUSTAINABILITY AGENDAS: AN INTERACTION RITUAL PERSPECTIVE

Soderstrom, Sara B.; Northwestern U.; soderstrom@kellogg.northwestern.edu

Organizations face many potential issues but their capacity to attend to them is constrained. Formal and informal agendas, the aggregate sets of issues to which decision makers allocate attention and effort, help prioritize among multiple concerns. Such agendas evolve over time, with issues expanding or decreasing in scope and prominence. We analyzed interviews, observations, and archival data collected over an 18-month timeframe in a multinational biomedical firm's to understand micro-mechanisms that account for changes in its sustainability agenda. Some issues rose in scope and prominence while others faltered. We found social interaction practices to be central to agenda evolution. Successful interaction rituals energized issue entrepreneurs and mobilized coalitions and facilitated access to decision-making venues and the creation of new decision-making channels. The study contributes to research on the behavioral theory of the firm, employee activism, and environmental management.

Keywords:interaction rituals, agendas, sustainability

THE GENESIS OF CONTROL CONFIGURATIONS DURING ORGANIZATIONAL FOUNDING

*Cardinal, Laura B.; U. of Houston; cardinal@tulane.edu
Sitkin, Sim B.; Duke U.; sim.sitkin@duke.edu
Long, Chris P.; Georgetown U.; cpl32@georgetown.edu
Miller, Chet; U. of Houston; chet.miller@mba.wfu.edu*

We examine the evolution of control configurations during organizational founding in a ten-year case study. We seek to answer the questions: “What makes a configuration a configuration?” and “Why does the configuration exist?” Classic control theory discusses the technical and environmental requirements for control based on various contingencies. The configurations did not change based on dominant contingency theory. Our results support three different theories (institutional, upper echelon, life cycle). Our findings lead to questions about how much of control theory applies to organizational founding, early organization evolution, and to stable situations where other factors might predict control configuration shifts.

Keywords:organizational control, configurations, founding

THE GENESIS OF INSTITUTIONAL CHANGE: ORGANIZATIONS AS VESSELS FOR PRAXIS

*Thompson, Tracy A.; U. of Washington, Tacoma; tracyat@uw.edu
Purdy, Jill M.; U. of Washington, Tacoma; jpurdy@uw.edu*

Understanding institutional change requires scholars to address the paradox of embeddedness, where actors must transcend the institutions in which they are embedded to be able to transform them. Praxis is a key means by which such transcendence occurs, yet we know little about the microprocesses of praxis and the mechanisms by which new practices are created. This study focuses on praxis at the organizational level, recognizing that organizations are a primary context within which actors acquire the meanings, power and resources that allow them to create new practices, some of which diffuse to create change in institutional fields. Drawing upon existing models of praxis (Benson, 1977; Seo & Creed, 2002), we develop and analyze a longitudinal case study to examine the elements of praxis within an organization which initiated a new practice that subsequently diffused across the field. Our analysis reveals a new aspect of praxis, choice, which bridges the reflective and active dimensions of praxis. We propose a new model of praxis that describes how actors at multiple organizational levels consecutively deconstruct, reinterpret, communicate and promulgate meanings to overcome the paradox of embeddedness and spark institutional change.

Keywords:praxis, institutional entrepreneurship, organizational change



THE HIGHER THEY RISE, THE HARDER THEY FALL

*Park, Sun Hyun; U. of Michigan; sunpark@bus.umich.edu
Westphal, James; U. of Michigan; westjd@umich.edu
Stern, Ithai; Northwestern U.; i-stern@kellogg.northwestern.edu*

In this study we consider the potentially negative consequences for corporate leaders of being subjected to high levels of ingratiation from other managers and board members. We begin by suggesting that CEOs who ascend to positions of higher social status in the corporate elite by acquiring more board appointments become increasingly attractive targets of ingratiation from colleagues. We then address the potentially negative consequences for CEOs of becoming the target of such ingratiation. Our theory suggests how high levels of ingratiation can increase CEOs' overconfidence in their strategic judgment and leadership capability, which results in biased strategic decision making. Specifically, we contend that heightened overconfidence from high levels of ingratiation reduces the likelihood that CEOs will initiate needed strategic change in response to poor firm performance. We then suggest how strategic persistence that results from high levels of ingratiation directed at the CEO can ultimately increase the likelihood of the CEO's dismissal. We test our hypotheses with a unique dataset that includes original survey data from a large-sample of CEOs, other top managers and board members. Implications for theory and research on social influence in the corporate elite and the dynamics of executive careers are discussed.

Keywords:Corporate Governance, Top Management, Upper Echelons

THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON BANK LOANS: UNCOVERING THE LINK

*Francis, Bill; Rensselaer Polytechnic Institute; francb@rpi.edu
Kumar, Shyam; Rensselaer Polytechnic Institute; kumarm2@rpi.edu
Harper, Pamela; Lally School of Management & Technology, Rensselaer Polytechnic Institute Business School; harpep@rpi.edu*

We examine the Corporate Social Responsibility-Financial Performance (CSR-CFP) link, considering the impact of CSR on bank loans. Theoretically we develop the proposition that CSR reduces firm risk and lowers the costs of monitoring, as reflected in two bank loan characteristics: cost and number of lenders. While we find support for the idea that CSR facilitates borrowing at lower costs, we also find that neither too much nor too little investment in CSR necessarily lead to added benefits. Our study contributes to the literature by highlighting a new mechanism and uncovering further nuances in the CSR-CFP relationship.

Keywords:CSR, Bank Loans, CSR-CFP

THE IMPACT OF THE BALANCED BUDGET ACT AND BOARD COMPOSITION ON HOSPITAL PERFORMANCE

Lee, J. Andrew; U. of Pennsylvania; juhlee@wharton.upenn.edu

This study examines the interaction between environmental distress and board composition on hospital performance. Based on a population ecology and adaptation theoretical framework, this study examines board composition by board members' occupational background. Using 10 years of hospital financial and board data from all California general and specialty hospitals, it examines the impact of the Balanced Budget Act of 1997 and board composition on hospitals' financial and access to care performance measures. This study finds that business background professionals do improve hospital financial performance, but a more nuanced and refined understanding of "business" background is required. This paper suggests that the inclusion of business background professionals on hospital boards may improve organizational performance during periods of environmental distress.

Keywords: Board of Directors, Performance, Adaptation



THE INDIVIDUAL AND THE ORGANIZATION: LOCATING KNOWLEDGE CAPABILITIES IN PROFESSIONAL SERVICE FIRMS

*Bermiss, Y Sekou; U. of Texas, Austin; ysb@mail.utexas.edu
Murmans, J. Peter; AGSM-Australian School of Business; [mail@professor-
murmans.net](mailto:mail@professor-murmans.net)*

In this paper we investigate the extent to which the capabilities of a professional service firm are primarily embedded within its human capital. Using an organization genealogy framework, we empirically test this perspective by studying parenting events, in which an individual leaves a preexisting organization to create a new organization. To analyze the impact of parenting events on advertising agency survival, we use the life history data of all advertising agencies and executives that operated in the New York City area from 1924 to 1996. The findings show that parenting events have a negative impact on the competitive viability of the parent firms. Parents are more likely to fail than are their progeny spin-offs, an effect that increases with the number of executives departing. We go beyond previous genealogical research by investigating the functional backgrounds of high-level members of the organization as a proxy for their individual knowledge. We find that parent firm survival is hurt most by the departure of chief executives and back office executives and that progenies benefit from being founded by a chief executive. These effects are asymmetric and that neither functional background nor founding team size has an effect on the survival chances of progeny firms. Overall, these findings support the view that the critical capabilities within professional service organizations do indeed reside substantively at the individual level, but that all knowledge of the organization cannot be decomposed to the knowledge of individuals.

Keywords: capabilities, knowledge

THE INFLUENCE OF CEOS' AND ORGANIZATIONAL PRIOR EXPERIENCE ON POST-ACQUISITION PERFORMANCE

*Maoret, Massimo; Boston College; maoret@bc.edu
Fonti, Fabio; Free U. Bozen-Bolzano; fabio.fonti@unibz.it*

Literature on mergers and acquisitions lacks consistent descriptions of the antecedents that affect post-acquisition performance. While learning has been theorized as a primary element determining M&A performance, it is not clear where learning happens. This study sheds light on this issue by untying the effects of learning at different organizational levels. We do so by concurrently drawing and testing hypotheses on how CEO's and organizational prior experience in conducting acquisition processes impact post-acquisition performance. Our findings contribute to the goal of building a consistent, comprehensive body of knowledge on the prediction of post-acquisition performance.

Keywords: Mergers, Post-acquisition performance, Experience

THE INFLUENCE OF CONGRUOUS INSTITUTIONAL

LOGICS ON REGIONAL CLUSTER EMERGENCE

Tilleman, Suzanne Gladys; U. of Montana; suzanne.tilleman@gmail.com

This study applies an institutional logics framework to model how cluster emergence is influenced by such factors as supportive institutional logics, knowledge spillover, labor pooling, and technological uncertainty. Guided by the research question: How do institutions, specifically varying levels of a congruous institutional logic, affect regional cluster emergence? I find that congruous institutional logics have a positive direct influence on clustering, and as technological uncertainty increases, this positive direct influence is enhanced. I find only partial support for the moderating influence of congruous institutional logics on the positive direct effect of positive externalities on clustering.

Keywords: alternative energy, cluster, institutional logic

THE INFLUENCE OF OWNERSHIP AND BOARD STRUCTURE ON FIRM PERFORMANCE: EVIDENCE FROM JAPAN

Desender, Kurt; U. Autonoma de Barcelona; kurt.desender@gmail.com
Lee, Junho; U. of Illinois, Urbana-Champaign; lee453@illinois.edu

In light of scandals and perceived advantages in reforming governance systems, debates have emerged over the appropriateness of implementing corporate governance recommendations mainly based on an Anglo-Saxon context characterized by dispersed ownership where markets for corporate control, legal regulation, and contractual incentives are key governance mechanisms. The purpose of this study is to contribute to the research on Japanese corporate governance and how it relates to performance. Specifically, this study provides an analysis of Japanese board of directors with consideration of the ownership and board structure and investigates its influence on performance. The results show that keiretsu and shareholder controlled companies financially outperform independent companies and that CEO duality is positively associated with firm performance. In addition, the analysis shows a different relationship between board size and firm performance depending on the type of company. Furthermore, the analysis provides partial support for the hypothesis on the positive relationship between board independence and firm performance and board of auditors' independence and performance.

Keywords: Ownership structure, Board of directors, Firm performance

THE INSTITUTIONAL DYNAMICS OF PERFORMATIVITY

Cabantous, Laure; U. of Nottingham; laure.cabantous@nottingham.ac.uk
Gond, Jean-Pascal; HEC Montreal / Nottingham U.; jean-pascal.gond@nottingham.ac.uk

Reducing the academic-practitioner gaps is a central question for management scholars. Few scholars, however, address this question through empirical analyses of the relationships between the academic and business worlds over time. In this paper, we begin this work. We present a longitudinal and field-level study of decision analysis – a subfield of management science aiming at helping managers to 'make better decisions'. By describing the dynamics of both the academic and practitioner fields of decision analysis and the overlap between the two fields over 50 years,

we identify some institutional and socio-material conditions of a theory influence on business practices.

Keywords: Institutional Theory, Performativity, Rational Choice Theory

THE INTERPLAY OF FORMAL AND INFORMAL ORGANIZATIONAL ARCHITECTURE: IMPLICATIONS FOR PERFORMANCE

Soda, Giuseppe; Bocconi U. and SDA Bocconi School of Management;

giuseppe.soda@unibocconi.it

Zaheer, Akbar; U. of Minnesota; azaheer@umn.edu

Research has emphasized the importance of organizational capabilities in creating competitive advantage, building on a long tradition of research in organization design that has promoted the role of fit, or consistency among elements of the organizational architecture, as a driver of organizational performance. However, both these lines of research have largely missed considering the informal structure within the organization. With a view to taking an integrated approach, we conceptualize organizational architecture as a complex system of both formal and informal forces, and operationalize in network terms the informal network and three formal networks – formal hierarchy, sequential, and reciprocal workflows. We theorize that performance is positively related to consistency between the formal hierarchy and the informal network, and the sequential and informal networks, but related in an inverted U-shaped form to inconsistency between the reciprocal workflow and the informal networks. We test our theory with data from a financial services firm, using secondary data to create formal hierarchy and workflow networks, and performance data from annual evaluations for our dependent variable, along with primary survey data from 98 organizational members, or 88% of the organization's total, to obtain the informal social network. Our results largely support our hypotheses and hold important implications for organizational architecture and effectiveness.

Keywords: networks, organizational architecture, performance

THE INTRA-ORGANIZATIONAL CONSTRUCTION OF LEGITIMACY AND ILLEGITIMACY OF A NEW PAY SYSTEM

Jämsén, Sini; Aalto U. School of Science and Technology; sini.jamsen@tkk.fi

Schildt, Henri; Imperial College London; h.schildt@imperial.ac.uk

This paper examines the introduction of an evaluation-based pay system in the Evangelical Lutheran Church of Finland. We seek to understand how the pay system based on job and performance evaluations, a widely institutionalized practice in the private and public sector, is adopted into a very different context of a religious organization and how its legitimacy is constructed and questioned inside the organization. We analyze justifications and criticism through which individuals construct the legitimacy of the pay system being implemented, identifying two institutional logics (discursive bodies of interrelated beliefs) and four key areas of conflict. We outline several benefits that accrue from the analysis of legitimacy and institutional logics on individual rather than organizations level, including the ability to theorize when and why constructions of legitimacy and illegitimacy are likely to co-exist.

Keywords:institutional logics, legitimacy, pay system

THE JANUS EFFECT OF REIFICATION IN MANAGEMENT RESEARCH

Giudici, Alessandro; Cranfield School of Management;
alessandro.giudici@cranfield.ac.uk

Reinmoeller, Patrick; Cranfield U.; patrick.reinmoeller@cranfield.ac.uk

Prior research warns that reification of management concepts is dysfunctional for the academic debate. Building on bandwagons theories, we analyze whether a process of conceptual reification may also lead to eufunctional consequences in management research. To address this, we conduct a theory-development case study on the reification of dynamic capabilities. The results of a detailed analysis of 580 papers from 130 journals in 1997-2009 suggest a Janus effect: Reification may jeopardise deeper understanding whereas it may amplify diffusion and ultimately relevance. We argue that reification needs to be carefully managed because it entails a necessary price for producing impactful knowledge.

Keywords:reification, management fashion, dynamic capabilities

THE LIABILITY OF CONNECTEDNESS: ASYMMETRIC TIES AND MORTALITY RATES IN INTERORGANIZATIONAL NETWORKS

Pindard-Lejarraga, Maud; U. Carlos III de Madrid; mpindard@emp.uc3m.es
Gutierrez, Isabel; U. Carlos III de Madrid; isagut@eco.uc3m.es

We distinguish different types of network ties in a population depending on the organizational forms that they link and develop a model linking types of ties to the fates of the connected forms. Cooperative ties between forms affect their access to relevant resources and their identity and thus can increase or decrease their mortality rates. We test our hypotheses on the Spanish railway population between 1848 and 1935. We find that cooperative ties are beneficial when they link organizations of the same form – two generalists or two specialists – but that a liability of connectedness exists for ties across forms: cooperative ties with specialists increase the mortality chances of generalists. We also find that there are asymmetries in the effect of ties, since ties between generalists and specialists do not increase the mortality of specialists. These results show the interaction of strategic and ecological processes in shaping population dynamics and the importance of assessing simultaneously the direct and diffuse pressures that population members exert on each other.

Keywords:population ecology, interorganizational relationships

THE LIMITS OF CONNECTEDNESS IN NOISY WORLDS: IMITATION AND THE DENSITY EFFECT

Tiplic, Dijana; Stanford U.; tiplic@stanford.edu

The replication of success is a fundamental component of adaptive intelligence, and imitation is a primary mechanism of replication. A standard form of imitation involves copying the technology of

successful others, but when outcomes are subject to random fluctuations, observed success is an imperfect measure of a technology's capability. As a result, imitation can be misled. Moreover, the effectiveness of imitation as a way of identifying and spreading better technologies depends on the structure and density of connections among actors in the population. A model of imitative adaptation is defined and exercised to explore the relation between the density of connections and the effectiveness of imitation in identifying and spreading better technologies in noisy worlds. The optimum density is shown to be quite low under a wide variety of conditions. The results show that populations will find it disadvantageous to have a high density of connections among their members when there are uncertainties in observing and imitating successful others. Loose connections among small and tight groups have an advantage over tightly connected large groups, and what is better for an actor may not be better for the system as a whole. The implications for adaptive intelligence in social systems are discussed.

Keywords: imitation, density, simulation

THE LONG-TERM INFLUENCE OF SOCIALISTIC IMPRINTING AND INERTIA ON ORGANIZATIONS

Oertel, Simon; Friedrich Schiller U. of Jena; simon.oertel@uni-jena.de
Thommes, Kirsten; U. for Health Science, Medical Informatics and Technology
Vienna; kirsten.thommes@umit.at
Walgenbach, Peter; Friedrich Schiller U. of Jena; peter.walgenbach@uni-jena.de

We extend Stinchcombe's imprinting argument by analyzing the longitudinal alignment process of organizations after fundamental institutional changes, i.e., the interplay between imprinting, structural inertia, and organizational survival. Our analysis is based on a study of 1,612 firms founded during three different phases of economic policy in the former German Democratic Republic (GDR), all of which experienced a radical change in their institutional environment when Germany reunited. Results show that the mortality risk of firms increased after the reunification with an increasing duration of existence in GDR times. At the same time, however, the mortality risk differs corresponding to the economic policy in place at the time the firms were founded.

Keywords: imprinting, organizational ecology, structural inertia

THE MICRO-FOUNDATIONS OF INTER-FIRM GOVERNANCE CAPABILITIES

Greidanus, Nathan Sidney; U. of Manitoba;
nathan_greidanus@umanitoba.ca
Steel, Piers; U. of Calgary; steel@ucalgary.ca

Bridging the transaction cost and capabilities perspectives, we explore both the micro-foundations of failed inter-firm commitments and the corresponding routines that can govern these commitments. We utilize an analytic framework that draws on the failed self-commitment literature to explore, without reference to agency (e.g. opportunism), the behavioural foundations of failed commitments. The results of our analysis suggest a number of governance mechanisms that can reduce the potential of failed commitments, both to the self and at the inter-firm level. At the firm level these mechanisms allow for a broader base to develop inter-firm governance capabilities.

Keywords:Inter-firm governance, governance capabilities, opportunism



THE MORE THE MERRIER: THE PROPORTIONAL REPRESENTATION OF WOMEN BUSINESS OWNERS AND THEIR SURVIVAL

*Kalnins, Arturs; Cornell U.; atk23@cornell.edu
Williams, Michele; Cornell U.; mwilliams@cornell.edu*

Whereas the literature on management has found that performance outcomes for women are significantly influenced by the proportion of women in the organization, the literature on self-employment and entrepreneurship has not considered how the performance of female owned businesses are affected by the proportion of female entrepreneurs in an industry or geographical area. We analyze over one million foundings of proprietorships in Texas and find that the relative survival of woman-owned establishments is enhanced by a presence of women owners in the same industry or geographical region. To overcome issues of endogeneity and selection, we use two different methods. For the proportional representation of women in a geographical area, we use an exogenous instrumental variable. For the case of industries, we examine establishments where women inherited their businesses from male relatives. In such cases, at least, the women were less likely to have self-selected into particular industries.

Keywords:entrepreneurship, gender, survival



THE MORE, THE MERRIER? RESOURCE MOBILIZATION AND FIELD DIVERSITY IN EMERGING FIELDS

Lo, Jade Yu-Chieh; U. of Southern California; yu-chieh.lo.2010@marshall.usc.edu

While scholars generally view resource mobilization as a factor that contributes to legitimation of new fields, research to date does little to explore the potential downside of being too successful at attracting resources. In this paper, I theorize a link between macro-level field outcomes and the micro-foundations of reactions to the intentional actions by field entrepreneurs. When field entrepreneurs in pursuit of resources frame their ideas broadly enough to connect to multiple audiences, they increase both the diversity of field participants and the ambiguity of the field. While moderate levels of diversity permit nascent fields to develop, too much diversity undermines development of either a clear identity or consistent evaluation criteria. I test these ideas with survey data from Advanced Technology Program (ATP) at the National Institute of Standards and Technology (NIST), and findings support the hypotheses of this model.

Keywords:field emergence, field diversity, mobilization

THE NETWORK DYNAMICS OF STATUS: SELECTION AND INFLUENCE

*Torlo, Vanina Jasmine; Cass Business School, City U.;
Vanina.Torlo.1@city.ac.uk*

This paper examines status both as an antecedent and a consequence of social networks in organizations. One way in which status is an antecedent of social networks concerns the tendency of individuals of similar status to select each other as partners, a phenomenon known as status homophily. Status is also a consequence of social networks because individuals connected by network ties tend to be considered as similar in terms of status. These mechanisms of status-based selection and network-based influence are distinct in principle, but in practice they tend to produce the same observable outcome: individuals of similar status connected by network ties. In this paper I show how mechanisms of status-based selection and network-based influence can be identified empirically and disentangled in a longitudinal analysis of social networks among 75 students enrolled in a professional management degree. Results show strong evidence in support of the hypothesis of status assimilation: status flows through network ties. As a consequence, I find that the status of individuals in the sample analyzed becomes progressively assimilated to the status of their network neighbours. I report weaker evidence of status-based selection: individuals of similar status do not necessarily choose each other as network partners. I find that this result obtains because status affects the propensity to send or receive network ties in a way that is contingent upon the specific kind of relational setting engaging individuals. For example, high status individuals tend to be popular as advice partners, but avoided as friends.

Keywords: Selection and influence processes, status, network dynamics

THE ORGANIZATIONAL LUNCH

Altman, Yochanan; London Metropolitan U.; y_altman@hotmail.com

This paper examines a hitherto neglected detail of organizational life – the lunch break, a daily event, which bears important implications for organizations and their people. We propose a theoretical framework for understanding differences in lunch break practice based on an anthropological theory of comparative cultures, and contextualise it in current management discourse. A national representative survey of organizational lunch practices in one country, the UK, is presented. We explore examples that demonstrate the utility of the lunch break for identity formation, the management of people at work and change management. The paper concludes with an agenda for further research.

Keywords: organizational culture, food, teams, cultural theory, relationships, teams

THE PERCEIVED EFFECTIVENESS OF EMPLOYEE PERFORMANCE CONTROL: CULTURE MATTERS

*Wittmann, Xinhua; U. of Zurich; xinhua.wittmann@isu.uzh.ch
Schenker-Wicki, Andrea; U. of Zurich; andrea.schenker@isu.uzh.ch
Wagner, Alexander F.; U. of Zurich; alex.wagner@post.harvard.edu*

This paper investigates the idea that the effectiveness of management styles varies fundamentally across cultures. We find that in large power distance societies (such as China and Mexico), but not in low power distance cultures (such as the U.S. and Switzerland): (1) informal control has a positive impact on perceived control effectiveness, and (2) control and received trust contribute in mutually reinforcing ways to this important element of successful performance management. These findings qualify existing research on the potentially conflicting role of trust and control and have important implications for the practice of management in intercultural context.

Keywords: control, trust, culture

THE PRACTICE OF OFFSHORE OUTSOURCING BUSINESS MODELS

*Mason, Katy Jane; Advanced Institute of Management Research/Lancaster U.
Management School; k.j.mason@lancs.ac.uk
Spring, Martin; Advanced Institute of Management Research/Lancaster U.
Management School; m.spring@lancaster.ac.uk*

Offshore outsourcing reflects a trend to develop business models that capitalises on both the effectiveness and efficiencies of business network. Recent innovations in information communications technologies have made it easier to buy, sell and co-ordinate knowledge intensive services at a distance. However, managers still face the challenge of working out what they can offshore and how – an issue paid little attention in the extant offshore literature. Using empirical data from an engineering firm who decides to outsource and offshore high value services for the first time, this paper examines transaction costs, transactions and firm capabilities in a way that allows us to consider the management practices used to identify and define the transactions to be carried out. Drawing on the theory of mundane transaction cost and indirect capabilities, our findings suggest that two distinct categories of management practices; 1) Exploratory practices; the firms in the offshore business model need to develop and understand the indirect capabilities of the multiple firms in the network – what can our network help us do? 2) Translation practices; mundane transaction costs are necessarily dynamic because they exist in a time of rapid and disruptive change. Developing management practices to explore and identify what is to be (or is being) transacted and then translate and adapt practices to make the business model work, has fundamental implications for the success of offshore outsourcing.

Keywords: Practices, Offshore, Outsourcing

THE PRESENCE OF THE PAST: CAREER IMPRINTS AND TRANSITION TO ENTREPRENEURSHIP

Kacperczyk, Aleksandra J; U. of Michigan, Ann Arbor; olenka@mit.edu

I examine the impact of an individual's early-career experiences on transition to entrepreneurship, defined as the founding of a new organization (Thornton, 1999; Shane, 2003). Past research has largely focused on the imminent characteristics of past employer to predict the probability of entrepreneurial transition; in contrast, I suggest that conditions present at the incipient stage of an individual's career, which I term career imprints, leave an indelible mark that continues to affect one's decisions and behaviors today. Specifically, I argue that an exposure to risk, discretion and entrepreneurial coworkers, early in one's career, increases the propensity of external venture formation. Findings show that career imprints have an effect on the future transition to entrepreneurial activity; an early-career exposure to risk increases the probability that employees deploy their efforts outside the parent firm. Moreover, organizational members whose early-career coworkers founded new ventures outside are more likely to transition to entrepreneurship in the future. The imprinting effect is partially mitigated by a negative feedback (i.e., an actor's low performance), which suggests that adaptive learning is an integral part of the imprinting mechanism. Together, findings in the present study provide evidence that formative environments factor into an actor's decision-making model and that they should be considered to enrich the understanding of entrepreneurial transition.

Keywords:imprinting, entrepreneurship, new organizations

THE PRINCE AND THE PAUPER: SEARCH AND BROKERAGE IN THE INITIATION OF STATUS-HETEROPHILOUS TIES

Shipilov, Andrew V.; INSEAD; shipilov@insead.edu

Li, Stan X.; York U.; sxli@schulich.yorku.ca

Greve, Henrich R.; INSEAD; henrich.greve@insead.edu

We integrate structural hole theory with performance-feedback theory to identify both structural and non-structural determinants of organizational action in networks. Specifically, we examine how a brokerage position coupled with aspiration-performance gaps affect organizations' propensity to form status-heterophilous ties (i.e. ties spanning across status hierarchies). We find that organizations in brokerage positions are more likely to form such ties than non-brokers. However, when the performance of an organization in a brokerage position deviates from its aspiration level, it is more likely to form status-homophilous ties. Our results also suggest that organizations in brokerage positions set social and historical aspiration levels differently from non-brokers, which in turn affect their propensity to form status-heterophilous ties.

Keywords:partnerships, status, aspirations



THE REAL OSCAR CURSE: THE NEGATIVE CONSEQUENCES OF POSITIVE STATUS SHIFTS

Jensen, Michael; U. of Michigan; michjen@umich.edu

Kim, Heeyon; U. of Michigan; heeyon@umich.edu

We examine the negative consequences of upward mobility within a social system following a sudden positive status shift. We build on two complementary perspectives on status: The status-as-identity perspective predicts that negative consequences stem from socio-cultural disruptions, whereas the status-as-inequity perspective emphasizes counterfactual thinking from failure to make the highest status position. Our empirical context is the Academy Awards, a tournament that creates status shifts for actors. Survival analyses of actors show support for the status-as-inequity argument: Failing to win an Oscar after a nomination leads to higher mortality and divorce rates compared to those of Oscar winners and non-nominees.

Keywords:None

THE RELATIONSHIP BETWEEN SOCIAL CAPITAL AND ORGANIZATIONAL CAPABILITIES

Kemper, Jan; RWTH Aachen U.; kemper@win.rwth-aachen.de

The major purpose of this paper is to investigate the relationship of social capital with marketing and R&D capability and to explore how the environmental context moderates the social capital-organizational capability link. The empirical findings from a survey of 280 firms can help scholars better understand the micro-foundations of organizational capabilities while helping managers decide under what circumstances investing in their top-managers' social capital

provides an effective means for achieving superior performance through enhanced organizational capabilities.

Keywords: Social Capital, Organizational Capabilities, Structural Equation Modelling

THE RELATIONSHIP BETWEEN TRANSCENDENT LEADERSHIP AND PERFORMANCE IN UNCERTAIN ENVIRONMENTS

Beck, Tammy E.; U. of North Carolina, Charlotte; tammy.beck@uncc.edu

Baker, LaKami T.; Auburn U.; Lbaker@auburn.edu

Baran, Benjamin E.; U. of North Carolina at Charlotte; bebaran@uncc.edu

Adelman, Marisa; U. of North Carolina, Charlotte;

marisa.adelman@gmail.com

The current environment in which many firms find themselves is marked by conditions where competition is increasingly dynamic. Because of these conditions, existing strategic leadership practices may no longer be sufficient to lead the firms of today. In response to this realization, others have suggested that a new form of leadership – transcendent leadership – may be a more appropriate leadership response in today's challenging competitive environments. Transcendent leadership represents a form of strategic leadership whereby top managers are able to transcend organizational levels, simultaneously exhibiting leadership of self, others, and the organization. This view of leadership is more holistic in its theoretical approach, but consistent with existing theories on leadership as it relates to potential positive performance implications at the individual and organizational levels. Unfortunately, due to the early stage of theory development surrounding transcendent leadership theory, the lack of empirical analysis on the construct leaves these performance impacts unknown. A substantial contribution of this study is the validation of an instrument to measure perceptions of transcendent leadership capabilities. Our measure serves as a tool to assess the degree to which organizational members evaluate the qualities and behaviors of their leaders in such a way that performance differences could be better understood. Further we provide empirical support that individuals who exhibit higher levels of transcendent leadership capabilities are likely to be perceived as more effective.

Keywords: Strategic Leadership, Transcendent Leadership, Scale Validation/ANOVA

THE ROLE OF DIAGONAL PSYCHOLOGY IN MOTIVATION

Hardy, Ben; U. of Cambridge; ben.hardy@cantab.net

The role of affective states in organisations has become the subject of increasing study in recent years. Conventional psychology has concentrated on dysfunction and negative affective states with the emergent field of positive psychology casting itself against this by exploring the benefits of positive affective states. This paper examines diagonal psychology (Nesse, 2004), which concerns itself with the benefits of negative affective states and the detrimental effects of positive ones. After bringing forth evidence to support the existence of diagonal psychology we then link affect and action by investigating the explanatory power of current motivational theories for diagonal psychology and the tendency to act. Finding extant theory unequal to the task, we propose a new theory linking affect and motivation and examine its implications for organisational research.

Keywords: Emotion, Positive Psychology, Motivation

THE ROLE OF LEGITIMACY DIMENSIONS IN ORGANIZATIONAL CRISES – RESULTS FROM A TWO-STAGE EXPERIMENT

Breitsohl, Heiko; U. Wuppertal; breitsohl@wiwi.uni-wuppertal.de

This paper presents the findings of a two-stage experimental study investigating the effects of organizational crises, and ensuing responses, on dimensions of legitimacy. Results indicate that crises constitute a perceived breach of social codes, and that such perceptions depend on the organization's role in the origin of the crisis. Results also suggest that crisis responses may restore, but also undermine perceived legitimacy. Overall, the paper contributes to our understanding of crises as well as the nature and components of legitimacy.

Keywords:organizational crises, legitimacy, impression management

THE SOCIOLOGY OF ORGANIZATIONAL CAPABILITIES: THEORETICAL AND EMPIRICAL INSIGHTS

Martin de Holan, Pablo; IE and INCAE; pmdeh@ie.edu

Dimov, Dimo; U. of Connecticut; Dimo.Dimov@business.uconn.edu

Milanov, Hana; Instituto de Empresa Business School; hana.milanov@ie.edu

In this paper, we examine how capabilities are developed in an organization by a conceptual exploration of the process and qualitative study of seven service organizations observed in a natural experimental setting. Our basic intuition for this work has been to draw a parallel between Piaget's notion of human intelligence as a psychological architecture and a notion of organizational intelligence as a sociological architecture. Inherent in this notion is the understanding of capabilities as constructed sequentially, beginning with very simple performances and following a sequence of increased complexity until reaching the desired goal of satisfactory organizational performance.

Keywords:organizational capabilities, organizational learning, interactionist perspective

THE STRUCTURE OF PROFESSIONAL CAREERS: INTERACTION OF PROFESSIONS, ORGANIZATIONS, AND AGENCY

Jeong, Young-Chul; U. of Illinois, Urbana-Champaign; yjeong6@illinois.edu

Leblebici, Huseyin; U. of Illinois; hleblebi@illinois.edu

This paper aims to answer the question of "how are professional careers shaped?" Focusing on a typical professional career as an analytic construct, we suggest that professional careers can be framed as social objects collectively produced by professions, organizations, and individual agency. Based on the interaction among these three entities, we develop four distinct types of career models and incorporate them into an evolutionary process of typical professional careers.

Keywords:Careers, Profession, Organization Theory



THOSE WHO DON'T KNOW DON'T NEED TO KNOW: ON ENDOGENOUS AGENCY IN TRADITIONAL INSTITUTIONS

de Rond, Mark; Cambridge U.; mejd3@cam.ac.uk

Lok, Jaco; AGSM-Australian School of Business; j.lok@unsw.edu.au

The purpose of this work is to systematically develop a micro-level understanding of endogenous agency in a highly institutionalized, stable setting. Based on an ethnographic account of Cambridge's 2007 season preparations for the annual Oxford-Cambridge Boat Race – an institution that has changed little in its 180-year old existence – we examine disruptive endogenous agency in an institutional environment where extant theory least expects it. A new ontology of agency is proposed which explains disruptive endogenous agency in highly institutionalized settings based on the inherent tensions between three autonomous, but interpenetrating categories of agency: institutional, strategic, and relational affective.

Keywords:tradition, institutions, agency

TIES OF SURVIVAL: NICHE WIDTH, GENERALIST- SPECIALIST ALLIANCES AND EXIT FROM THE MARKET

Makarevich, Alex; Stanford U.; almakar@stanford.edu

Population ecology regards an organization's niche width an important factor of its survival chances and postulates interdependence of generalist and specialist organizations through the use of a common resource base. It has been silent, however, about how organizational survival chances are affected by co-opting resources through direct ties with other organizations. The growing networks literature emphasizes inter-organizational ties as means of co-opting resources but has paid limited attention to interdependence of generalists and specialists. By bridging these two approaches in an analysis of organizational survival, this paper demonstrates that organizations with wide market niches depend on alliances with other organizations for survival more than do organizations with narrower niches. It also shows that generalists and specialists increase their survival chances by accessing complementary resources of the other population through inter-organizational ties.

Keywords:networks, ecology, niche width



TO BUILD OR BREAK AWAY? EXPLORING THE ANTECEDENTS OF CATEGORY SPANNING NANOTECHNOLOGY INNOVATION

Wry, Tyler Earle; U. of Alberta; twry@ualberta.ca

Within organization theory, the prevailing view of categories is of obdurate and discrete entities that shape actors' identities and practices by setting boundaries and specifying what appropriately falls within them. Spanning multiple categories is thought to be detrimental because it makes an actor's identity unclear and dilutes their focus. Still, straddling categories is an important driver of innovation and has implications for the emergence, evolution, and redirection of institutional fields. Despite this, understandings about the mechanisms which affect category

spanning are limited. Building on research which shows the institutional shaping of identities and innovation, I argue that evolving relationships amongst categories facilitate spanning by linking particular categories together in meaningful ways. Moreover, I argue that the relational structuring of categories is shaped endogenously by prominent actors in ways that condition the effects of alternate explanations based on category richness, networks, and social influence. I test my arguments in the field of nanotube technology from 1992 – 2005 where approximately 20% of inventors took out patents in multiple technology categories.

Keywords:categories, innovation, institutional theory

TO LEARN MORE FROM YOU: OBJECTIVE AND CONTEXTUAL SALIENCE IN VICARIOUS LEARNING

Mitsuhashi, Hitoshi; Keio U.; mitsuhashi@fbc.keio.ac.jp

This study explores rates of vicarious learning by examining why organizations repeat errors that others in the same population have made in the past. Because managers as cognitive misers selectively attend to limited parts of external environments, organizations learn vicariously only from objectively and contextually salient errors of others. The analysis of utility firms' errors in the operation of nuclear power plants demonstrates that a firm repeats an external error when the impact is limited and it is almost identical to its own previous errors.

Keywords:Vicarious learning, Salience, High reliability organizations

TOWARD A THEORY OF LEGITIMATING AGENCY

Minto, Amy; U. of Oregon; minto@uoregon.edu

Legitimacy is a critical social process that influences organizations and institutions. This article considers the role of legitimating agents in legitimacy processes. I begin by defining legitimating agents, and continue by drawing on legitimacy and institutional literature to develop a foundational framework of the nature and function of legitimating agents. I conclude by integrating these ideas into a four-part typology of the functions by which legitimating agents affect organizational legitimacy.

Keywords:legitimacy, legitimating agents

TRANSACTION THRESHOLD, SOCIAL CAPITAL AND UTOPIA

Hwang, Peter; National Taiwan U.; fbahjh@hotmail.com

This paper develops a transaction perspective of social capital. We argue that trust enables transactions and creates social capital through lowering transaction thresholds. We find that trust has a stronger impact on social capital when a society is unstable and/or in a weak state of formal institution. We also find that, the effect of trust on creating social capital is convex with respect to social stability but constant with respect to formal institution. Our research suggests that societies have tendencies to organize themselves to maximize social capital in two ways: one focuses on harmony while the other on regulations. While a society governed by strong formal institutions is easy to underhand, the idea of a harmonious society is more elusive. We argue that the

harmonious aspect of a society can be best understood from the angle of social context which constitutes the dual dimension of trust and future certainty

Keywords:social capital, transaction threshold, utopia

TRANSLATING PRODUCTIVITY: US TECHNICAL ASSISTANCE AND PRODUCTIVITY PROGRAMS AS PART OF MARSHALL AID

Bullinger, Bernadette; U. of Mannheim; bullinger@orga.bwl.uni-mannheim.de

Dammann, Ole; U. of Mannheim; dammann@orga.bwl.uni-mannheim.de

We conceptualize the transfer of US technical and managerial know-how to Europe in the context of Marshall aid as traveling of the idea of productivity. In a qualitative empirical analysis of archival textual accounts we want to shed light on how institutional contexts and actors informed the notion of productivity in Europe. Our analysis indicates that collective actors translated productivity for their institutional context, by theorizing productivity and creating accounts on its conditions, consequences and interconnection to other ideas. Our case study thereby addresses the question how actors legitimate, form and adopt ideas that eventually result in varying institutional outcomes and it thus contributes to the discussion of the dissemination of institutions.

Keywords:institutional theory, theorizing, travels of ideas

TRUST PRODUCTION IN AN EMERGING ECONOMY: CREDIT RATING AND NON-PARTICIPATION IN CHINA

Li, Jiatao; Hong Kong U. of Science and Technology; mnjtli@ust.hk

Liu, Weiping; Hong Kong U. of Science and Technology; mnkirsty@ust.hk

Different from the traditional institutional literature which emphasizes an overwhelming tendency of organizations to conform to the legitimacy requirement of the environment and adopt institutionally prevailing practices, this study investigates the nonconformists in the institutionalization process, in particular, the factors that lead to a firm's nonparticipation in credit rating – a practice widely used by firms to produce institution-based trust. We propose that organizational nonconformity can be predicted by a firm's resource and political endowments. We further argue that such nonconformity will be largely constrained by the social contexts it embedded, and subject to both internal managerial control and external institutional control. Empirical evidence is drawn from a survey of CEOs in 2,744 manufacturing firms in China. This study extends the traditional conformity-based argument in the institutional literature and offers new insights into organizational nonconforming behavior.

Keywords:Trust production, Nonconformity, Institutions

TRUSTED BRIDGING TIES: A DYADIC SOLUTION TO THE BROKERAGE-CLOSURE DILEMMA

*Levin, Daniel Z.; Rutgers U.; levin@business.rutgers.edu
Walter, Jorge; George Washington U.; jorge.walter@alumni.unisg.ch
Appleyard, Melissa M.; Portland State U.; MelissaA@sba.pdx.edu*

Research on the structure of social networks finds that having one's contacts know one another (network closure) leads to greater trust and cooperation, but the alternative structure—where one is a bridge between contacts operating in different social circles (network brokerage)—provides access to novel knowledge. Both types of benefits are valuable yet appear to be mutually exclusive and hence give rise to the “brokerage-closure dilemma.” A number of potential solutions to this dilemma have been suggested, but all require changes to an overall network—an approach which can be complicated, time consuming and difficult, if not impossible, for an individual to achieve. We propose and test a simpler solution that combines the network and dyadic (relationship) level of analysis. Specifically, we argue that a bridging tie, i.e., a tie that spans a structural hole between previously disconnected network clusters, will yield more useful knowledge when it is also a strong tie, since strong ties tend to be trusted and so can act as a substitute for the benefits of network closure. Using hierarchical linear modeling (HLM) on a sample of 408 knowledge-seeking relationships in a large U.S. engineering firm, we find broad support for this view. We also test and find support for the idea that it is the relational dimension (trust) in particular, rather than tie strength per se, that enhances the value of bridging ties.

Keywords: Social networks, structural holes, trust

TWO ASPECTS OF CREATIVITY: THE VALUE OF STRONG TIES IN CREATIVITY AT WORK IN AN ARCHITECTURE FIRM

Namkung, Sung; U.C. Berkeley; namkung.sung@gmail.com

This paper examines the contingent value of individuals' social networks on their creativity at work - the development of novel and useful ideas, processes and solutions. As a complement to previous research that has emphasized the network structure, I focus on how individuals' dyadic tie strength impacts their creativity at work. I explore two facets of creativity, novelty and usefulness, and propose that individuals' two types of dyadic ties, weak and strong, affect each respective aspect of creativity. I investigate the network effect on creativity using data from an architecture firm in Finland. The results indicate that individuals' tie strength enhances their creativity compared to the network structure. I discuss the implications of these findings for research on innovation, and address new ways of integrating creativity and innovation research through a sociological lens.

Keywords: Social networks, Tie strength, Creativity

TWO SIDES OF THE SAME COIN: HOW CATEGORY AMBIGUITY AFFECTS MULTIPLE AUDIENCE EVALUATIONS

Pontikes, Elizabeth G.; U. of Chicago; epontikes@chicagobooth.edu

Recent research indicates that when organizations are hard to categorize they will suffer in terms of external evaluations. Here, I suggest this depends on the type of audience that is evaluating the organization. Audiences that have little influence over organizations use classification

systems as maps to navigate an organizational world, and thus are put off by unclear categorical affiliations. Other audiences, which have a voice in shaping organizations and which seek novelty, are motivated to understand those that do not easily fit into a category structure. For audiences without voice, ambiguous categories make organizations unclear and less appealing. For audiences with influence that prize novelty, this same ambiguity is flexible and therefore more appealing. I test these ideas in the context of the software industry for audiences of consumers as opposed to venture capitalists. As predicted, organizations in ambiguous categories are less appealing to consumers, but more appealing to venture capitalists. Differences between category-level and organization-level measures of ambiguity, and implications for the emergence of category structures are discussed.

Keywords: Categories, Venture Capital, Ambiguity

UNDER PRESSURE: COMMUNITY AMPLIFICATION OF PROTEST AND CORPORATE RESPONSE

*Lee, Min-Dong Paul; U. of South Florida; mdlee@coba.usf.edu
Lounsbury, Michael; U. of Alberta; ml37@ualberta.ca*

While institutionalists have recently shifted attention towards understanding the mechanisms by which organizational and practice variation occurs, very little attention has been paid to how the institutional pressures that organizations experience themselves vary and stimulate heterogeneity in outcomes. We draw on recent work at the interface of organization theory and social movements, and examine how the social and organizational infrastructures of geographic communities provide key moderators of institutional pressure. Building on the notion of community collective efficacy, we show how the collective efficacy of communities can intensify or weaken institutional pressures experienced by organizations in the communities. Specifically, we investigate how professional environmental organizations, collective resource munificence and social capital in particular geographic communities moderate the effects of direct institutional pressure brought against toxic emitting organizations in a focal community through anti-toxic protest and lawsuits. The results from our analysis based on multi-level longitudinal data reveal that each community's collective efficacy not only moderates such targeted institutional pressure, but also directly shapes the environmental performance of the organizations in the community by constructing a normative pro-environmental institutional context.

Keywords: Institution, Social movement, Environmentalism

UPDATE OR NOVELTY? ORGANIZATIONAL FORM RELATEDNESS AS A MEDIATOR OF DENSITY EFFECTS

Oertel, Simon; Friedrich Schiller U. of Jena; simon.oertel@uni-jena.de

Drawing on the organizational ecology approach and the contradictory results regarding the density delay effect observed in earlier studies, I analyze how the novelty of an organizational form moderates the effect that density has on the survival chances of new entrants. Focusing on newly founded organizations in four industries in East Germany after the transformation from a socialistic to a market-based economy, I analyze how density effects differ based on the degree of relatedness between already established and new organizational forms. Overall, the results confirm the general density delay argument of organizational ecology - i.e., survival chances of start-ups decrease with an increasing degree of density at the founding time. However, start-ups with organizational forms that were novel in East Germany are faced with less harmful density

delay effects compared to those organizational forms that were already established in the former GDR.

Keywords:Organizational ecology, emergent markets, population experiences

USING A COMMUNITY BEFORE GOING IT ALONE: INCUBATING INSTITUTIONS AND ENTREPRENEURIAL OCCUPATIONS

*Seidel, Victor P.; U. of Oxford; victor.seidel@sbs.ox.ac.uk
Packalen, Kelley; Queen's U.; kpackalen@business.queensu.ca*

One challenge for entrepreneurs and others pursuing new opportunities is in gathering resources for their venture. To address this challenge, some may temporarily locate at incubating institutions that provide expertise mentoring, resource brokering, and legitimacy conferring activities. Examples of incubating institutions may include business incubators hosting company founders, research institutes hosting visiting scholars, or writers' workshops hosting aspiring novelists. The current literature has espoused benefits of temporary membership in such communities, but we know little about how norms of autonomy within entrepreneurial occupations may also lead to tensions in such membership. We address this research gap through field research on founders within a Silicon Valley high-technology business incubator. We identify role-based and identity-based tensions within the community as two tensions that stem from balancing the norms of autonomy with the need for help in obtaining resources, and we describe three community strategies that mitigate against such tensions: engagement in problem-focused mentoring, the facilitation of peer exchanges, and the selective linking of affiliation. Implications for our understanding of temporary membership in communities of practice and the learning of entrepreneurial occupations are discussed.

Keywords:Community, Entrepreneurship, Occupations

VALUE COMMITMENTS IN RADICAL ORGANIZATIONAL CHANGE AND THE DEVELOPMENT OF ROUTINES

Yu, Kyoung-Hee; AGSM-Australian School of Business; khyu@unsw.edu.au

Radical organizational change is difficult to reconcile with the development of rigid organizational routines. This paper takes a step towards identifying common mechanisms that propel both radical organizational change and organizational rigidity. I propose that value commitments by actors that engage in radical change efforts can limit the range of their subsequent action and compromise their group interests. Efforts to avoid conflict during radical change beget routines that represent particular historical arrangements rather than generalized standards of fairness. Using case study data from an American union that underwent radical organizational change, I develop a series of propositions that link micro-level agency at one stage to organizational adaptability at a subsequent stage. Doing so allows me to overcome limitations of extant approaches to studying organizational rigidity.

Keywords:radical organizational change, commitment, organizational routines

VERTICAL LEGITIMACY SPILLOVERS IN

TRANSNATIONAL GOVERNANCE: THE UN GLOBAL COMPACT AND ITS MEMBERS

*Haack, Patrick; U. of Zurich; patrick.haack@iou.uzh.ch
Scherer, Andreas Georg; U. of Zurich; andreas.scherer@iou.uzh.ch*

Drawing on an institutional perspective, this paper examines the legitimation on the UN Global Compact, the largest transnational private governance scheme in the realm of corporate citizenship. The study argues that the formation of the Global Compact's legitimacy crucially depends on audiences' generalizations of the legitimacy of corporate signatories. The proclaimed interdependence of legitimacy objects implies that increasing numbers of best-practice examples in the corporate sector are likely to raise the legitimacy of the Global Compact, constituting a positive legitimacy spillover for the initiative. By the same token, corporate misuse or disregard of the Compact's principles and its aggravation by mass-mediated scandalization discredit the Global Compact as a vital instrument for private governance, entailing a negative legitimacy spillover for the initiative. The study makes the following contributions to the study of transnational institutions: First, we illuminate the multi-level character of legitimacy spillovers and offer a bottom-up account for the emergence and consolidation of transnational entities. Second, by drawing upon the cognitive psychology literature on heuristic reasoning, we develop a model of legitimacy substitution and present testable propositions for both strength and direction of spillovers. More general, the study highlights the fact that in an era of mass-mediated reality the legitimacy of transnational organizations becomes - for better or for worse - cognitively intertwined with the legitimacy of lower-level organizations.

Keywords: heuristic reasoning, transnational private governance, legitimacy spillover

VERTICALLY CHALLENGED? VERTICALLY RELATED POPULATIONS, EXIT RATES, AND INDUSTRY EVOLUTION

*de Figueiredo, John M; U. of California, Los Angeles; jdefig@ucla.edu
Silverman, Brian S.; U. of Toronto; silverman@rotman.utoronto.ca*

This paper examines how vertical relationships between populations of organizations affect the life chances of firms. It integrates the literatures on organizational ecology on vertical integration to predict the effect of density of upstream firms on downstream populations, and to predict how the prevalence of different governance forms among upstream and downstream firms moderates this relationship. In an empirical examination of the downstream laser printer industry and upstream laser engine industry, we first replicate empirical results commonly found in the organizational ecology literature. We then show that an increase in the density of upstream suppliers reduces mortality rates for downstream firms. This relationship is more pronounced for the density of non-integrated upstream firms than for that of integrated upstream firms. We also find that expansion of the empirical lens to include vertically related populations alters a key empirical regularity of the extant organizational ecology literature.

Keywords: industry evolution, organizational ecology, vertical integration

VICARIOUS LEARNING AND REFERENT FIRM SELECTION IN FIRM DISSOLUTION DECISIONS

Gaba, Vibha; INSEAD; vibha.gaba@insead.edu
Terlaak, Ann; U. of Wisconsin, Madison; aterlaak@bus.wisc.edu

We develop and test a theory of how vicarious learning shapes firm dissolution decisions. We argue that initial market entry and subsequently gathered experiences systematically impact how firms learn vicariously in later dissolution decisions. We use longitudinal data on the dissolution and non-dissolution decisions of 1,342 U.S. private venture capital (VC) partnerships to test our arguments. In support of our theory, we find evidence that VC partnerships learn not only from other partnerships dissolving but also from others that do not dissolve. Initial market entry and direct experiences differentially affect this selection of referent firms so that non-dissolving partnerships more strongly influence focal dissolution decisions than dissolving partnerships. Direct experiences further moderate the effects of vicarious learning. Additionally, we find that the influence emanating from less experienced non-dissolving partnerships is stronger than that from more experienced non-dissolving partnerships. Our study advances organizational learning theory by explicating how and why vicarious learning in discontinuation decisions is distinct from vicarious learning in initiation decisions. Our study also advances research on firm dissolutions by viewing dissolution as a proactive choice and examining vicarious learning as a critical yet underexplored driver of this choice.

Keywords: vicarious learning, firm dissolution, venture capital



VOTING POWER AND SHAREHOLDER ACTIVISM - A STUDY OF SWEDISH SHAREHOLDER MEETINGS

Strand, Therese; Copenhagen Business School; ts.int@cbs.dk

Thomsen, Steen; Copenhagen Business School; st.int@cbs.dk

Poulsen, Thomas; Copenhagen Business School; tpo.int@cbs.dk

Manuscript type: Empirical Research Question/Issue: This paper analyses the impact of voting power on shareholder activism using unique data on activism at Swedish shareholder meetings. We hypothesize that there is a positive relationship between shareholder activism and a measure of the largest shareholder's sensitivity to increased participation by small shareholders. Research Findings/Insights: We find that firms' amenability to small shareholder influence leads to more proposals by the nomination committee, but fewer proposals by other shareholders and fewer proposals voted against. We interpret this as evidence that the shareholder elected nomination committees effectively channel shareholder concerns and preempt other kinds of activism. In addition, we find more shareholder activity in large firms and less activity in leveraged firms. Theoretical/Academic Implications: This paper offers a new voting power approach to the study of shareholder activism. We show the empirical implications of this approach, but also the importance of local institutions such as nomination committees in shaping the nature of shareholder activism. Practitioner/Policy Implications: Politicians and companies that desire active shareholders could improve the amenability of firms to shareholder influence by ownership transparency, shareholder committees, contacts with shareholder associations, and other vehicles for collective action.

Keywords: corporate governance, shareholder activism, voting power



WAR FOR TALENTS? EXPLAINING THE RISE IN MANAGEMENT COMPENSATION

Rost, Katja; U. of Zurich; katja.rost@iou.uzh.ch

The rise in executive compensation has triggered a great amount of public controversy and academic research. Critics have referred to the salaries paid to managers as “pay without performance”, while defenders have countered that the large salaries can be explained by a “war for talents”. This research tests whether a war for talent provides an explanation for the rise in management compensation. According to defenders of the high salaries, resting on the efficient labor market view, the rise in executive compensation is the product of a shift toward transferable managerial skills, particularly in large firms, and this trend contributes to firm performance. Relying on an internationalized and deregulated managerial labor market, i.e. the Swiss banking sector, the empirical findings confirm that a shift toward transferable managerial skills in large firms is indeed an explanation for the rise in management compensation. However, the shift towards transferable managerial skills in large firms does not improve firm performance, giving no supporting evidence for a war for talent.

Keywords: efficient labor market view, Executive compensation, transferable skills

WE ARE EVERYWHERE: ORGANIZATIONAL DIVERSITY AND ENACTMENT OF GAY RIGHTS ORDINANCES IN US COMMUNITIES

*Negro, Giacomo; Emory U.; [Giacomo Negro@bus.emory.edu](mailto:Giacomo.Negro@bus.emory.edu)
Perretti, Fabrizio; Bocconi U.; fabrizio.perretti@unibocconi.it
Carroll, Glenn R; Stanford U.; [carroll glenn@gsb.stanford.edu](mailto:carroll_glenn@gsb.stanford.edu)*

We argue that the integration of diverse organizations affiliated with gays encourages the acceptance of gays as a minority deserving rights protection. In particular, we consider three mechanisms at the heart of integration: (1) inclusiveness of different gay identity/gender groups in organizational efforts; (2) market contacts of gay-friendly organizations with diverse constituencies; (3) and variety of organizational forms affiliated with gay people. Empirically, we examine how these mechanisms affect the promulgation of non-discrimination laws, using a comprehensive dataset providing coverage of all American counties from 1972 to 2008. A central and novel component of this dataset comes from detailed organizational and business listings in local directories compiled and published for gay people. Our empirical analysis finds evidence in support of the three above mechanisms. We also find that changes in the political opportunity structure and resource mobilization processes affected enactment. These findings suggest that the attainment of societal outcomes significant for social movements depends on organizational action that is not immediately strategic or instilled by discontent.

Keywords: policy change, gay rights, organizational diversity

WHAT IS A STRATEGIC ORGANIZATIONAL PRACTICE IN A MULTINATIONAL CORPORATION?

Edwards, Gwyneth; Concordia U.; g_edward@jmsb.concordia.ca

The process of practice transfer and knowledge sharing has received considerable attention in the past decade, yet how managers identify and define a strategic organizational practice has been largely ignored. The assumption that the source of knowledge in the process of practice transfer is a perfect source of knowledge has focused research specifically on the antecedents and outcomes of practice transfer. By relaxing the assumption of perfect knowledge, this paper argues that strategic organization practices can be defined through three dimensions: assessment of strategic nature, antecedents of adoption, and antecedents of internalization. In

combination, the characteristics of these dimensions influence how managers understand, adopt, and internalize practices.

Keywords: Strategic Organizational Practice, Practice Transfer, Competitive Advantage

WHAT KEEPS A SMALL WORLD SMALL?: HUMAN DISCONTINUITIES AND NETWORK ROBUSTNESS

*Uzzi, Brian; Northwestern U.; uzzi@nwu.edu
Spiro, Jarrett; INSEAD; jarrett.spiro@insead.edu*

Small worlds affect behavior through their unique enabling structures of short paths and high clustering. We examine how two classes of events can destabilize a small world's structure. First, we compare the effects of events that remove actors randomly with events that selectively remove actors with an eye to identifying small-scale events that can have big consequences on network stability. Second, we examine how the loss of actors who perform generalist and specialist roles in the network may differentially affect robustness. We find that unlike other types of networks, such as hub-and-spoke networks that crumble into fragments when central actors are lost, small world networks stay intact and instead slowly become less and less small-worldly as they lose both their high clustering and their short path lengths – suggesting that central actors are particularly important to stabilizing a small world structure. Further, at all levels of centrality, the effects of the loss of generalists and specialists on the network are comparably destabilizing in magnitude but have divergent effects – the loss of generalists drive a small world network towards a cave man network while the loss of specialists drive it towards a network that is random in structure – suggesting that generalists and specialists have complementary roles that help keep a small world small.

Keywords: small worlds, robustness, social networks

WHEN A THOUSAND WORDS ARE (NOT) ENOUGH

*Ferreira, Luciana Carvalho de Mesquita; Rotterdam School of Management and
Insper Institute of Education and Research; lferreira@rsm.nl*

The aim of this study is to test the explanatory power of the attention-based view (ABV) of the firm against resource dependence theory (RDT). We propose a conceptual model of attention to shareholders based on assumptions of both ABV and RDT and test the hypotheses in a unique dataset comprised of content analyzed data on shareholder attention for 313 firms from 24 different countries. Our research findings highlight the complementary nature of the RDT and ABV and add to the literature about attention providing empirical evidence and theoretical explanation for the scarcely explored relationship between firm performance and organizational attention.

Keywords: resource dependence, organizational attention, firm performance

WHEN DO CRITICS MATTER FOR THE SUCCESS OF CREATIVE PRODUCTS?

Ozcan, Serden; Copenhagen Business School; soz.ino@cbs.dk

When do aesthetic conflicts between critics and mass audience occur? When does the critical opinion matter for the success of the new cultural object? I address these questions by exploring the contextual forces that are likely to impinge upon critics' persuasion power. A study of the population of sitcoms on US TV networks (1949-2008) shows that critical endorsements enhance the longevity of sitcoms but their life-enhancing effect decreases as the contrast of the form increases, its status relative to other TV genres improves, or variation in audience taste grows. Greater diffusion of the form among mass audience, however, does not mediate the critical influence. These findings contribute to the emergent theory of social categorization in organizational fields by offering a framework that captures the continuous enactment of valuation systems, valuation orders and role structures within audience and the interactions among them. They also enhance our understanding of the conditions under which a new innovation will survive longer in the market.

Keywords: ecology, categorization, genre



WHERE DO CONFLICTUAL TIES COME FROM?

Sytch, Maxim; U. of Michigan; msytch@bus.umich.edu

Using data on patent infringement litigation in biopharmaceuticals, this study investigates the origins of conflictual interorganizational relationships. It explores the role of spatial distribution of principals (firms) and mediating agents (intellectual property litigation firms) in facilitating and sustaining the conflictual relationships. Spatial propinquity is hypothesized to determine the nature of social relationships between the principal's and the mediating agent's employees, subsequently affecting the mediating agent's involvement in identification of opportunities for conflictual interactions by the principal. Propinquity is also predicted to decrease principal's communication and transportation costs while maintaining a professional relationship with the mediating agent, hence proving a more positive economic outlook of entering into and sustaining conflictual ties. The context of this study is the patterns of spatial distribution of 405 U.S. firms in biotechnology and pharmaceuticals (the principals) and 57 leading intellectual property litigation firms (the mediating agents). It relates these patterns to the involvement in patent infringement disputes by the biopharmaceutical firms in 1998-2006. The study additionally utilizes evidence from thirty-two semi-structured interviews with business executives, in-house legal counsel, patent attorneys, and litigators. Results suggest that, for a litigious firm, both proximity to and the concentration of proximate IP law firms increase the number of lawsuits the firm files and the number of litigation days the firm has in a given year.

Keywords: conflict, litigation, distance

WHO WE ARE AND HOW WE GOT THERE: A PROCESS MODEL OF ORGANIZATIONAL FIELD FORMATION

*Hehenberger, Lisa K.; IESE Business School; doclhehenberger@iese.edu
Mair, Johanna; IESE Business School; JMair@iese.edu*

In this paper we examine the emergence and evolution of venture philanthropy in Europe. We use a longitudinal, real-time and in depth research design and apply multiple methods (discourse analysis, social network analysis, qualitative comparative analysis (QCA) and qualitative interpretation) to explore the early stages of field formation. To capture the mechanisms taking place prior to field settlement, we develop a process model. We argue that the interplay between central actors and sub-groups shapes processes of identity formation and explains multiplicity of actors and interests, important indicators of field formation.

Keywords:Organizational field, Collective identity, Venture philanthropy

WHY ARE THERE SO FEW WOMEN IN FINANCE? GENDER SEGREGATION IN THE MBA JOB SEARCH PROCESS

*Barbulescu, Roxana; McGill U.; roxana.barbulescu@mcgill.ca
Bidwell, Matthew J.; U. of Pennsylvania; mbidwell@wharton.upenn.edu*

This paper examines gender job segregation and, in particular, why there are relatively few women in well paid finance jobs. Prior studies have used data on organizational hiring to examine when in the hiring process segregation occurs. By looking at the behavior of job applicants, we are able to also examine the factors that affect decisions about which jobs to apply to. Using data on the job searches of MBA students, we test how different individual and job-level characteristics mediate gender effects on applications to finance jobs and offers from employers. We find that women are significantly less likely than men to apply to finance jobs, consistent with supply side accounts of gender segregation. We further show that expectations of success, expected work-life satisfaction, and identification with finance jobs contribute to gender differences in application decisions. We do not find evidence that demand side processes contribute to gender segregation in this sample. These results suggest that more attention needs to be given to the role of applicants' expectations and identities in shaping gender segregation.

Keywords:gender segregation, hiring, job applications

WITHHOLDING THE ACE: THE INDIVIDUAL AND GROUP PERFORMANCE EFFECTS OF INFORMATION HOARDING

*Oldroyd, James; SKK Graduate School of Business;
jamesoldroyd@gmail.com
Evans, Joel M.; Sungkyunkwan U.; jevans@skku.edu
Hendron, Michael G.; Brigham Young U.; hendron@byu.edu*

This paper explores the notion that individuals may hoard information in order to maximize their own individual performance. We suggest that information hoarding allows individuals to engage in information arbitrage and improve their personal performance; however these actions prove detrimental to their organizational unit's performance. Moreover, as coworker's perceive hoarding behavior the individual's and unit's performance is likely to suffer. Using a unique sample of 297 individuals in 41 units of a large governmental agency, we find that individuals who hoard information perform better than their peers, but this action is unrelated to their unit's performance. Moreover, coworker perceptions of hoarding are negatively related to the performance of the group as well as the individual hoarder, indicating that coworkers resent hoarding and take action which decrease the perceived hoarder's performance as well as the performance of the unit. Taken together, our results show that individuals may be motivated to hoard rather than share information and this motivation effects both individual and unit performance.

Keywords:Performance, Information Hoarding, Information Arbitrage

WORK CONTEXT AND ITS IMPLICATION FOR

COORDINATION PRACTICES: A STUDY OF WORK IN COMPLEX PROJECTS

Yeow, Adrian; Nanyang Technological U.; aykyeow@ntu.edu.sg

Soh, Christina; Nanyang Technological U.; acsoh@ntu.edu.sg

Koh, Christine Siew-Kuan; Nanyang Technological U.; askkoh@ntu.edu.sg

Recent research has recognized that coordination is grounded and situated in the context of work. Empirical studies of diverse work context have therefore identified an equally diverse set of coordination practices. Okhuysen and Bechky's (2009) review of this stream of work argued that the integrating conditions present in the workplace are give rise to the observed coordination practices. However, the notion of integrating conditions does not map clearly to the work context, and there is therefore still a gap in our understanding of how the work context gives rise to the situated coordination practices. This study therefore examines a complex project with the goal of identifying the salient aspects of work context, and how these give rise to specific coordination practices. We found three aspects of work context to be key – the structure of work, boundaries, and degree of dynamism, and propose a theoretical framework that relates these aspects of work context to coordination practices, through the notion of integrating conditions

Keywords: Coordination practices, practice-lens, work context

Copyright of Academy of Management Proceedings is the property of Academy of Management and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.

Copyright of Academy of Management Annual Meeting Proceedings is the property of Academy of Management and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.