Hi all,

We have a problem with the mediation relationship which is counterintuitive to my

predictions.

Therefore, I suggest we try a moderation hypothesis as well as go back to

ambidexterity as a form of distant search as follows:

H1a. Increased underperformance magnitude leads to higher ambidextrous alliance

activity.

Rationale: Short-term problemistic search leads to increased distant search. Making

ambidextrous alliances may be a good short-term solution.

H1b. Increased underperformance duration leads to lower ambidextrous alliance

activity.

Rationale: Long-term problemistic search leads to decreased distant search. Making

ambidextrous alliances may not be a good long-term solution due to the tension they

represent.

H2. Attentional focus to industry's competitive traits leads to higher ambidextrous

alliance activity.

Rationale: Organizational attention theoretical framework.

H3a. Attentional focus to industry's competitive traits strengthens the positive

relationship between underperformance magnitude with ambidextrous alliance

activity.

H3b. Attentional focus to industry's competitive traits weakens the negative

relationship between underperformance duration with ambidextrous alliance activity.

Rationale: Managerial myopia leads firms to focus their attention on

underperformance benchmarking with referents regardless of underperformance

magnitude and duration. This can be a problem for underperformance duration which

may need to be addressed from an intrafirm perspective rather than interfirm one

(e.g., local R&D search, restructuring, etc.).

Bottom line: ambidextrous alliances as a form of distant search do not always help

solve firm's underperformance problems and focusing on industry's competitive traits

might do more harm (for the long-term duration) than good (for the short term

magnitude).

What do you think, could we run the analysis with attentional focus as a moderating

variable? (several models for growth, product and geographic attention)

We might need to test this moderation, for exploration and exploitation alliances

separately, just to get an idea if results change.

Thanks,

Elio

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| Hi,  You are right, Ainhoa. I didn't remember I estimated both 'time invariant' and 'time  variant' dual weights. So, no need to re-estimate anything.  IMPORTANT:  1. Please, make sure you use variables from rows 2 to 1009 from columns Z to AF  (meaning variables labelled VIRT:U(1) ... VIRT.V(4)). So don't use information from  row 1010 onwards as they refer to -panel- time invariant averages.  2. Even refering to specific years, Information on columns S to Y contains 'time  invariant' weights, so don't use them.  Ainhoa, thanks a lot for helping me to have a more relaxed weekend!  Best,  Diego |

H1a. Increased underperformance magnitude leads to higher attentional focus to industry’s competitive traits.

H1b. Increased underperformance duration leads to lower attentional focus to industry’s competitive traits.

H2a. Increased underperformance magnitude leads to higher R&D search.

H2b. Increased underperformance duration leads to lower R&D search.

H3a. Attentional focus to industry’s competitive traits mediates the positive relationship between underperformance magnitude and R&D search.

H3b. Attentional focus to industry’s competitive traits mediates the negative relationship between underperformance duration and R&D search.

\*Underperformance duration at time t-1: A firm was coded as ‘0’ if its performance was above or equal to aspiration and the length of the underperforming period was used for underperforming firms. For example, a firm would be coded as 1 if it had been underperforming for 1 year, 2 if it had been underperforming for 2 consecutive years, etc.