



## **STRATEGIC MANAGEMENT RESEARCH**

**Ph.D. SEMINAR**

**MGT8803 TSF**

**Spring 2006**

**Monday 3:00-6:00 pm**

**Room 464 COM**

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### **Strategic Management Research**

Strategic management research deals with explaining and predicting firm-differential performance. Yet, as a distinct field of academic research, strategic management is a relatively young field, only about 30 years old. Currently, the field of strategic management is not defined by a single paradigm, theory, or a particular discipline. Rather, strategic management research is motivated by a particular set of phenomena expressed in fundamental questions like “why do some firms succeed, while others fail?,” “what determines firm performance?,” and to a lesser extent, “what, if anything, can managers do about it?” The unifying element of strategy research is a focus on explaining and predicting *interfirm-performance differentials*.

Over the last thirty years, the field developed its distinct theories and research methods. Yet, many important contributions have been made, and continue to be made, by discipline-based scholars rooted in economics, sociology, or psychology. Today, the Business Policy and Strategy (BPS) division is the most research active division of the Academy of Management, receiving over 500 paper submissions in 2003. The *Strategic Management Journal* has emerged as the top journal as measured by its citation impact among management journals (Tahai and Meyer, 1999).

### **Seminar Objectives**

1. Each student should have a thorough understanding of the major theories, issues, and contributions in the field of strategic management.
2. Each student should develop the skills necessary to evaluate, criticize, and ultimately contribute to the literature on strategic management.
3. Each student should develop at least one creative idea that may be developed into a dissertation proposal or publishable paper.

## Prerequisites

This is a Ph.D. seminar, and thus enrollment is restricted to Ph.D. students in good standing.

## Course Requirements and Grading

This course is a *seminar*. This implies that all students must be thoroughly prepared for each class. This implies reading and analyzing each reading assignment carefully prior to the meeting. The following assignments are required:

1. **Discussion Leader (30%).** Each student will serve as a discussion leader for a set of sessions (“session leader”). The session leader’s role will include the following:
  - a. Provide introductory remarks at the beginning of the session, providing an overview of the topic, without discussing the individual readings in detail. Identify the overall themes, gaps, and tensions in the particular research stream.
  - b. Manage the discussion during the session. This includes seeding questions, and involving all participants in the discussion.
  - c. At the end of the session take 10-15 minutes to summarize the session, provide insights into the 3-5 most interesting patterns of findings that have been encountered by researchers, and propose ways in which the readings either reinforce or contradict each other. Here the focus is on synthesis. You also need to identify opportunities for future research.
  - d. Provide a written summary of the session (1-2 pages typed single-spaced), reflecting on issues highlighted (particularly in points a. and c). The focus is on synthesizing the literature, and on reflecting thoughtful arguments. The summary is due at the beginning of the following session. You may circulate it via email.
2. **Article Leader (20%).** Each seminar, each article will be discussed by one student randomly selected through a lottery. This student should begin by offering a 5-10 minute overview of what was interesting about the article – not a recap or summary of the major parts of the article but an informed, insightful, elucidation of the major themes the author was attempting to develop.
  - a. More specifically, the discussion of each article should center on the
    - i. scope of the research (research question)
    - ii. theoretical motivations
    - iii. research techniques and methodology (sample, data, analysis, etc.)
    - iv. findings and interpretation thereof
    - v. positioning in the literature and contributions to literature
    - vi. future research opportunities
    - vii. strength of the article
    - viii. shortcomings, flaws, etc.
  - b. At the beginning following section, each article leader will hand a 1-2 page summary of the assigned article covering the points above. You may circulate it via email.
3. **Participation (15%).** Weekly contributions to the overall seminar discussion. Here the emphasis is on quality rather than quantity, on insight rather than summary.

4. **Research Paper (35%).** You are required to submit a research paper relating to a topic covered in the course. The purpose of this paper is to encourage experimentation on possible first- or second-year paper topics as well as develop your ability to carry out research in the strategy field. This paper should, at a minimum,
- a. discover and motivate a research question germane to strategic management. This should be done in the introduction, where you identify the research question, briefly describe what prior work has done and what is missing, and indicate what you will do to ameliorate the problem. Each of these issues should be addressed in one paragraph.
  - b. review and synthesize the literature in strategy and other fields related to the question. A literature review should be held in a persuasive argument fashion.
  - c. develop testable (non-obvious) hypotheses,
  - d. outline a plan for a research design in the methods section (a.-d. are required), and
  - e. if possible, collect and analyze data, and report the results, and add a conclusion section where you focus on literature contribution, limitations, and future research; and
  - f. prepare the paper for submission to the Academy of Management annual conference (use AMJ style guide, to be found in first issue of each year or on the AOM website <http://aom.pace.edu/AMJ/>).
  - g. **the paper is due at the beginning of the last day of class, April 24 (max. 30 pages all inclusive, double-spaced, hard copy [no email attachments]). At this day, you will take 15 minutes to present the paper, and we'll discuss it thereafter. Use overheads or power points. Make sure that equipment is available and up and running in the seminar room.**

## Course Outline

Session	Topics
#1 on January 9	Introduction Discussion of goals and expectations Assignment of session leaders, etc.
January 16	Institute Holiday
#2 on January 23	What is interesting research? Why is research important? What is strategic management research?
#3 on January 30	Theory building and research methods
#4 on February 6	Industrial organization economics
#5 on February 13	Transaction cost economics
#6 on February 20	Resource-based view of the firm
#7 on February 27	Dynamic-capabilities view of the firm
#8 on March 6	Organizational learning and knowledge
#9 on March 13	Strategic alliances and networks
March 20	Spring Break
#10 on March 27	Technology and innovation
#11 on April 3	Complexity theory
#12 on April 10	Publishing strategic management research
#13 on April 17	Future research in strategic management Students' choices
#14 on April 24	<b>Paper Presentations. Research papers due.</b>

## Session#2

**What is interesting research? Why is research important? What is strategic management research?**

**Discussion Leaders:**

### **Required Readings**

1. Davis, M. S. (1971). That's interesting. *Philosophy of the Social Sciences*, **1**: 309-344. [provide]
2. Gomez-Meja, L. R.; Balkin, D. B. (1992). Determinants of faculty pay: An agency theory perspective. *Academy of Management Journal*, **35**: 921-955. [Business Source Premier]
3. Hoskisson, R. E.; Hitt, M. A.; Wan, W. P., Yiu, D. (1999). Theory and research in strategic management. Swings of a pendulum. *Journal of Management*, **25**: 417-456. [Business Source Premier]

### Session#3

#### Theory building and research methods

#### Discussion Leaders:

#### Required Readings

1. Sutton, R. I., Staw, B. M. (1995). What theory is *not*. *Administrative Science Quarterly*, **40**: 371-384. [Business Source Premier]
2. Godfrey and Hill (1995). The problem of unobservables in strategic management research. *Strategic Management Journal*, **16**: 519-533. [ABI/Inform Complete]
3. Hitt, M. A., Gimeno, J., Hoskisson, R. E. (1998). Current and future research methods in strategic management. *Organizational Research Methods*, **1**: 6-44. [provide]
4. Christensen, C. M., Carlile, P., Sundah (2002). The process of theory-building. *Working paper. Harvard Business School*. [provide]
5. Shook, C. L., Ketchen, D. J., Cychota, C. S., Crockett, D. (2003). Data analytic trends and training in strategic management. *Strategic Management Journal* **24**: 1231-1237. [Wiley online through GT library]

## Session#4

### Industrial organization and strategic management

#### Discussion Leaders:

#### Required Readings

1. Rumelt, R. P. (1991). How much does industry matter? *Strategic Management Journal*, **12**: 167-185. [ABI/Inform Complete]
2. Conner, K. R. (1991). A historical comparison of resource-based theory and five schools of thought within industrial organization economics: Do we have a new theory of the firm? *Journal of Management*, **17**: 121-154. [Business Source Premier]
3. Chen, M.-J. (1996). Competitor analysis and interfirm rivalry: Toward a theoretical integration. *Academy of Management Review*, **21**: 100-134. [Business Source Premier]
4. Porter, M. E. (1996). What is strategy? *Harvard Business Review*, **Nov.-Dec.**: 61-78. [Business Source Premier]
5. McGahan, A. M., Porter, M. E. (1997). How much does industry matter, really? *Strategic Management Journal*, **18**: 15-30. [ABI/Inform Complete]

## Session#5

### Transaction cost economics

#### Discussion Leaders:

#### Required Readings

1. Williamson, O. E. (1981). The economics of organization: The transaction cost approach. *American Journal of Sociology*, **87**: 548-577. [JSTOR]
2. Jones, G. R., Hill, C. W. L. (1988). Transaction cost analysis of strategy-structure choice. *Strategic Management Journal*, **9**: 159-172. [ABI/Inform Complete]
3. Williamson, O. E. (1991). Comparative economic organization: The analysis of discrete structural alternatives. *Administrative Science Quarterly*, **36**: 269-296. [Business Source Premier]
4. Pisano, G. P. (1990). The R&D boundaries of the firm: An empirical analysis. *Administrative Science Quarterly*, **35**: 153-176. [Business Source Premier]
5. Ghoshal, S., Moran, P. (1996). Bad for practice: A critique of transaction cost theory. *Academy of Management Review*, **21**: 13-47. [Business Source Premier]
6. Williamson, O. E. (1996). Economic organization: The case for candor. *Academy of Management Review*, **21**: 48-57. [Business Source Premier]



## Session#6

### Resource-based view of the firm I

#### Discussion Leaders:

#### Required Readings

1. Barney, J. B. (1986). Strategic factor markets: Expectations, luck, and business strategy. *Management Science*, **32**: 1231-1241. [Business Source Premier]
2. Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, **17**: 99-120. [Business Source Premier]
3. Peteraf, M. (1993). The cornerstones of competitive advantage: A resource-based view. *Strategic Management Journal*, **14**: 179-191. [ABI Inform Complete]
4. Priem, R. L., Butler, J. (2001). Is the resource-based “view” a useful perspective for strategic management research? *Academy of Management Review*, **26**: 22-40. [Business Source Premier]
5. Barney, J. B. (2001). Is the resource-based “view” a useful perspective for strategic management research? Yes. *Academy of Management Review*, **26**: 41-56. [Business Source Premier]
6. Priem, R. L., Butler, J. (2001). Tautology in the resource-based view and the implications of externally determined resource value: Further comments. *Academy of Management Review*, **26**: 57-66. [Business Source Premier]

## **Session#7**

### **Dynamic-capabilities view of the firm**

#### **Discussion Leaders:**

#### **Required Readings**

1. Jacobson, R. (1992). The “Austrian” school of strategy. *Academy of Management Review*, **17**: 782-807. [Business Source Premier]
2. Teece, D. J., Pisano, G., Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, **18**: 509-533. [ABI/Inform Complete]
3. Eisenhardt, K. M., Martin, J. A. (2000). Dynamic capabilities: What are they? *Strategic Management Journal*, **21**: 1105-1121. [Wiley online through GT library]
4. Rothaermel, F.T., Hess, A. (2005). Innovating within a new technological paradigm: The role of individual, firm, and network-level effects in building capabilities. *Working Paper*, Georgia Institute of Technology [provide]

## Session#8

### Organizational learning and knowledge

#### Discussion Leaders:

#### Required Readings

1. Levitt, B., March, J. G. (1988). Organizational learning. *Annual Review of Sociology*, **14**: 319-340. [Business Source Premier]
2. March, J. G. (1991). Exploration and exploitation in organizational learning. *Organization Science*, **2**: 71-87. [Business Source Premier]
3. Pisano, G. P., Bohmer, R. M. J., Edmondson, A. C. (2001). Organizational differences in rates of learning: Evidence from the adoption of minimally invasive surgery. *Management Science*, **47**: 752-768. [Business Source Premier]
4. Berman, S. L., Down, J., Hill, C. W. L. (2002). Tacit knowledge as a source of competitive advantage in the National Basketball Association. *Academy of Management Journal*, **45**: 13-31. [Business Source Premier]
5. Hoang, H., Rothaermel, F.T. (2005). The effect of general and partner-specific alliance experience on joint R&D project performance. *Academy of Management Journal*, 48 (2): 332-345 [download at <http://mgt.gatech.edu/rothaermel>]

## Session#9

### Strategic alliances and networks

#### Discussion Leaders:

#### Required Readings

1. Gulati, R. (1995). Social structure and alliance formation patterns: A longitudinal analysis. *Administrative Science Quarterly*, **40**: 619-652. [Business Source Premier]
2. Powell, W. W., Koput, K. W., Smith-Doerr, L. (1996). Interorganizational collaboration and the locus of innovation: Networks of learning in biotechnology. *Administrative Science Quarterly*, **41**: 116-145. [Business Source Premier]
3. Gulati, R. (1998). Alliances and networks. *Strategic Management Journal*, **19**: 293-317. [ABI/Inform Complete]
4. Dyer, J. H., Singh, H. (1998). The relational view: Cooperative strategy and sources of interorganizational competitive advantage. *Academy of Management Review*, **23**: 660-679. [Business Source Premier]
5. Stuart, T. E., Hoang, H., Hybels, R. (1999). Interorganizational endorsements and the performance of entrepreneurial ventures. *Administrative Science Quarterly*, **44**: 315-349. [Business Source Premier]
6. Rothaermel, F.T., Deeds, D.L. (2004). Exploration and exploitation alliances in biotechnology: A system of new product development. *Strategic Management Journal*, 25 (3): 201-221.. [download at <http://mgt.gatech.edu/rothaermel>]

## Session#10

### Technology and innovation

#### Discussion Leaders:

#### Required Readings

1. Tushman, M. L., Anderson, P. C. (1986). Technological discontinuities and organizational environments. *Administrative Science Quarterly*, **31**: 439-465. [Business Source Premier]
2. Teece, D. J. (1986). Profiting from technological innovation: Implications for integration, collaboration, licensing and public policy. *Research Policy*, **15**: 285-305. [provide]
3. Tripsas, M. (1997). Unraveling the process of creative destruction: Complementary assets and incumbent survival in the typesetter industry. *Strategic Management Journal*, **18**: 119-142. (Summer Special Issue) [ABI/Inform Complete]
4. Hill, C. W. L., Rothaermel, F. T. (2003). The performance of incumbent firms in the face of radical technological innovation. *Academy of Management Review*, **28**: 257-274. [download at <http://mgt.gatech.edu/rothaermel>]
5. Rothaermel, F.T., Hill, C.W.L. (2005). Technological discontinuities and complementary assets: A longitudinal study of industry and firm performance. *Organization Science*, 16 (1): 52-70. [download at <http://mgt.gatech.edu/rothaermel>]

## Session#11

### Complexity theory

#### Discussion Leaders:

#### Required Readings

1. Arthur, W. B. (1990). Positive feedbacks in the economy. *Scientific American*, **262**: 92-99. [on Arthur's website at Santa Fe Institute: <http://www.santafe.edu/arthur/Papers/Papers.html>]
2. Stacey, R. D. (1995). The science of complexity: An alternative perspective for strategic change processes. *Strategic Management Journal*, **16**: 477-495. [ABI/Inform Complete]
3. Browning, L. D., Beyer, J. M., Shelter, J. C. (1995). Building cooperation in a competitive industry: Sematech and the semiconductor industry. *Academy of Management Journal*, **38**: 113-151. [Business Source Premier]
4. Arthur, W. B. (1999). Complexity and the economy. *Science*, **284**: 107-109. [on Arthur's website at Santa Fe Institute: <http://www.santafe.edu/arthur/Papers/Papers.html>]
5. Anderson, P. (1999). Complexity theory and organization science. *Organization Science*, **10**: 216-232. [Business Source Premier]
6. Brown, S. L., Eisenhardt, K. M. (1997). The art of continuous change: Linking complexity theory and time-paced evolution in relentlessly shifting organizations. *Administrative Science Quarterly*, **42**: 1-34. [Business Source Premier]

## Session#12

### Publishing and reviewing in strategic management research

#### Discussion Leaders:

#### Required Readings

1. Daft, R. L. (1995). Why I recommend that your manuscript be rejected and what you can do about it. In: L. L. Cummings, P. J. Frost (Eds.), *Publishing in the Organizational Sciences*: 164-182. Thousand Oaks, CA: Sage. [provide]
2. Perrow, C. (1995). Journaling careers. In: L. L. Cummings, P. J. Frost (Eds.), *Publishing in the Organizational Sciences*: 203-215. Thousand Oaks, CA: Sage. [provide]
3. Tahai, A., Meyer, M. J. (1999). A revealed preference study of management journals' direct influences. *Strategic Management Journal*, **20**: 279-296. [ABI/Inform Complete]
4. Journal rejection. Example of paper submitted to AMJ ("Process factors in the dissolution of a horizontal network system") and copy of editorial letter and reviews. [provide]
5. From first draft to journal acceptance. Original and revised submissions, editorial and reviewer letters, responses to editors and reviewers, and published paper are made available. Article: Rothaermel, F. T., & Deeds, D. L. (2004). Exploration and exploitation alliances in biotechnology: A system of new product development. *Strategic Management Journal*, **25**: in press. [provide]

#### Recommended Reading

6. Huff, A. S. (1999). *Writing for Scholarly Publication*. Thousand Oaks, CA: Sage. [buy at: [www.sage.com](http://www.sage.com)]

### **Session#13**

#### **Future research in strategic management. Students' choices.**

Each student will be pick their three favorite articles of the seminar, and explain how they open up avenues for future research in general, and their own research, in particular. These articles do not have to be related and may speak to different fields. Each student will take 25 minutes to explain the choices made and how these article will open the path for future work. Support your discussion with overheads, handouts, etc. Discussions should also include what kind of work is expected, and how the discussion and debate in this field is likely to look like in five years, including some thoughts on the prevalent methods. What would it take to make a contribution to this/these field(s)?

### **Session#14**

Student paper presentations and discussions.

**Research Papers due (in hard copy!).**