CONFERENCE PROGRAM

SMS SPECIAL
CONFERENCE

June 20–22, 2013

GLASGOW

SMS | Strategic Management Society

J. Igancio Canales
University of Glasgow
Conference Co-Chair

Robert MacIntosh
Heriot-Watt University
Conference Co-Chair

Donald Maclean
University of Glasgow
Conference Co-Chair

Dear Conference Guests, Contributors and Friends:

We are delighted to welcome you to the first ever SMS Special Conference to be held in Scotland. The conference theme is "Strategy in Complex Settings" and we have attracted a range of high quality submissions which develop this theme. Our daily experience confirms that the world is becoming more complex, interconnected and dynamic. Reflect for a moment on the way in which you made arrangements to attend the conference. From preparing a paper to booking travel and researching the destination, you will likely have interacted with a diverse mix of resources, organizations and individuals. This increased connectedness, fluidity and nonlinearity means not only that some of our tried and tested approaches may have passed their "sell by dates", but also that we are in the process of developing ideas and approaches that may allow strategy to make a telling contribution to many of the complex, multi-faceted, inter-organizational issues now facing our rapidly globalizing societies.

The Glasgow conference brings together researchers and executives to share views on how strategy itself is changing. As a city, Glasgow was at the heart of the industrial revolution and it is therefore an ideal location to contemplate the dramatic changes taking place in the global economy. The three tracks within the conference schedule will create opportunities to examine process, practice and stakeholder perspectives on complex settings. In addition, the conference features Crossroads Sessions to foster conversations that span the boundaries of established interest groups. The plenary sessions feature inputs from recognized scholars on topics ranging from engaging with mess, research process and re-theorizing the corporation as well as views from senior practitioners. Finally, there are opportunities to see some of Glasgow's most historic and best loved venues.

We would like to thank all of the sponsoring institutions that have made this conference become a reality including: Glasgow City Marketing Bureau, Heriot-Watt University, Taylor Clarke, and the University of Glasgow. We would also like to express our gratitude to the many individuals who volunteered their time to serve as Track Directors, workshop organizers and advisors, reviewers, and session chairs and facilitators.

The conference will feature 77 academic papers and participants from 23 countries. This gathering represents an opportunity to pause and rethink some of our assumptions about strategy. We hope that you will find the conversation stimulating, the company agreeable and the hospitality beyond compare.

J. Ignacio Canales

Robert MacIntosh

Donald Maclean

Dear Conference Participant:

We bid you a warm welcome to our Special Conference in Glasgow; we are very happy to have you with us.

This Special Conference will focus on complex, multi-stakeholder settings which feature high levels of ambiguity, non-linearity, uncertainty and interdependence. Our purpose with this conference is to ask whether new approaches to strategy and strategic management are required to deal with such settings.

In contrast to the SMS Annual Conference, special conferences provide a smaller forum for discussion and debate, thus allowing a more in depth examination of a specific topic. They also offer opportunities for members to meet and collaborate, as well as give the SMS the ability to grow our presence in different regions of the world. Thank you again for joining us for this event.

We would like to take this opportunity to thank those instrumental in organizing this conference. Without the hard work of our Program Chairs J. Ignacio Canales, Robert MacIntosh and Donald Maclean this event would not be a reality. We also would like to recognize Glasgow City Marketing Bureau, Heriot-Watt University, Taylor Clarke and University of Glasgow for their generous sponsorship of this event.

We hope that you have an enlightening and enjoyable conference. Please enjoy your stay in beautiful Glasgow!!

Bob Hoskission
President

Nikolaus Pelka
Executive Director
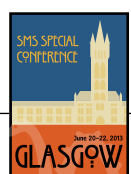
SMS Strategic Management Society

SMS Strategic Management Society

The Strategic Management Society (SMS) is unique in bringing together the worlds of reflective practice and thoughtful scholarship. The Society focuses on the development and dissemination of insights on the strategic management process, as well as on fostering contacts and interchange around the world.

The SMS is membership-based and was founded at an inaugural meeting in London in 1981. Today, it enjoys the support of close to 3,000 members representing over 1,200 institutions and companies in over 80 countries. Our activities are made possible through the dedicated support from hundreds of individuals who take on a variety of responsibilities, volunteering their time and expertise.

MEETINGS

The SMS holds an annual meeting at various sites around the world, typically alternating between North America and Europe; some past locations included Amsterdam, Baltimore, Barcelona, Berlin, Boston, Chicago, London, Mexico City, Montreal, Orlando, Paris, Philadelphia, Phoenix, San Francisco, San Juan, Stockholm, Toronto, Vancouver, Vienna, San Diego, Washington DC, Rome, Miami, and most recently, Prague. Each conference addresses a current theme, with specific tracks addressing sub-themes, and presents multiple sessions by leading experts in the field from around the world.

The SMS has responded to membership interest in special topics through its introduction of a series of smaller, regionally based meetings addressing more specific industry or subject themes. Conferences have taken place in such places as Shanghai, Catania, Rio de Janeiro, San Diego, Singapore, Guangzhou and Lake Geneva.

PUBLICATIONS

The Strategic Management Society is proud to be involved with Wiley & Blackwell in the publication of leading journals and innovative books, which for more than three decades have been vital tools for the benefit of researchers and practitioners in the field. The Strategic Management Journal (SMJ) has since its inception in 1980 been the official journal of the Strategic Management Society. This Class A journal is consistently rated one of the top publications in the management area. We also offer two quarterly journals, the Strategic Entrepreneurship Journal (SEJ) and the Global Strategy Journal (GSJ). The intent is for these two publications to become Class A journals that promote the development and dissemination of advances in the field by maintaining the highest standards of intellectual thought combined with practical relevance, just as their sister publication, the SMJ has done for many years. The SMS Book Series focuses on cutting edge concepts/topics in strategic management theory and practice. The books emphasize building and maintaining bridges between theory and practice. They generate and test theories of strategic management and demonstrate how to learn, understand and apply these theories in practice.

SMS INTEREST GROUPS AND COMMUNITIES (IG&C) The primary purpose of the Interest Groups and Communities within the SMS is to act as a catalyst for building and disseminating new ideas in research, practice, and teaching around a set of core issues in strategic management. Each Interest Group and Community recognizes a major, individual stream of practice and research interest, and aims to serve the needs of members with special interests in this stream of work. Members of the SMS can elect to join up to two Groups and one Community of their choice; additional Interest Groups may be added for a nominal fee.

ANNUAL CONFERENCES

2012   PRAGUE

2011   MIAMI

2010   ROME

2009   WASHINGTON DC

2008   COLOGNE

2007   SAN DIEGO

2006   VIENNA

2005   ORLANDO

2004   PUERTO RICO

2003   BALTIMORE

2002   PARIS

2001   SAN FRANCISCO

2000   VANCOUVER

1999   BERLIN

1998   ORLANDO

1997   BARCELONA

1996   PHOENIX

1995   MEXICO CITY

1994   PARIS

1993   CHICAGO

1992   LONDON

1991   TORONTO

1990   STOCKHOLM

1989   SAN FRANCISCO

1988   AMSTERDAM

1987   BOSTON

1986   SINGAPORE

1985   BARCELONA

1984   PHILADELPHIA

1983   PARIS

1982   MONTREAL

1981   LONDON

RECENT SPECIAL CONFERENCES

2013 LAKE GENEVA, SWITZERLAND
Strategizing Practices from the Outliers: Enabling "Big Bang" Innovations

2012 GUANGZHOU, CHINA
Competing and Cooperating in and for China

2012 SINGAPORE
Globalisation Of Innovation Strategies: Novel Moves for a Global Game

2011 SAN DIEGO, USA
CK Prahalad: Reaching Over Boundaries and Expanding Possibilities

2011 RIO DE JANEIRO, BRAZIL
Latin America's Burgeoning Strategic Role in Global Development

2010 LAPLAND, FINLAND
Intersections of Strategy Processes and Strategy Practices

2008 HYDERABAD, INDIA
Emerging India: Strategic Innovation in a Flat World

2007 CANTANIA, ITALY
New Frontiers in Entrepreneurship: Strategy, Governance and Evolution

UPCOMING CONFERENCES

SMS 33rd ANNUAL INTERNATIONAL CONFERENCE
Atlanta
SEP 28 – OCT 1, 2013

EMERGING india
strategic leadership:
AN EMERGING MARKET PERSPECTIVE
SMS SPECIAL CONFERENCE
DEC 17-19, 2013 • MOHALI, INDIA

SMS Special Conference
Tel Aviv
March 9–11, 2014

SMS SPECIAL CONFERENCE
Copenhagen
June 14-15, 2014

SMS SPECIAL CONFERENCE
GLASGOW
June 20–22, 2015

Recommended Dress

Business casual attire is recommended for all conference sessions.

Thursday and Friday Evening Events

The dress for these events is business casual & conference name badges are required for entrance into the event.

Name Badges

Name badges must be worn by attendees and guests at all times. Your name badge will be your ticket to luncheons and evening events. Access to these functions will be denied if you are without your name badge.

Name Tents

Presenters on the program receive a name tent as part of their registration materials. If you are a presenter, it is your responsibility to bring this name tent with you to your session and to place it in front of you on the speaker's table before your presentation.

Exchange of Handouts and Presentations

Upload and download functionality is available on the conference website and we have invited presenters to make their handouts and presentations available through this mechanism. If presenters have accepted this invitation, you will find a download button next to the presentation on the particular session page of the conference website.

No Smoking Policy

In consideration of all attendees, we request that there be no smoking during all sessions and meal functions.

Thursday Evening: June 20, 2013
Welcome Cocktail Reception at City Chambers

On Thursday evening attendees will be welcomed to Glasgow by the city's Lord Provost during a drinks reception at one of the city's most important and prestigious buildings—Glasgow City Chambers. Situated overlooking George Square in the heart of the city, this grand and imposing building is an impressive symbol of Glasgow's political strength and historical wealth. For over a hundred years since its completion in 1888, it has been home to the successive councils serving the city. After the reception, attendees may want to take a short walk into the adjacent merchants' city area to sample some of Glasgow's vibrant night-life, or enjoy dinner and a drink in one of its many restaurants and bars. There will be shuttle buses provided from the conference hotel to this event.
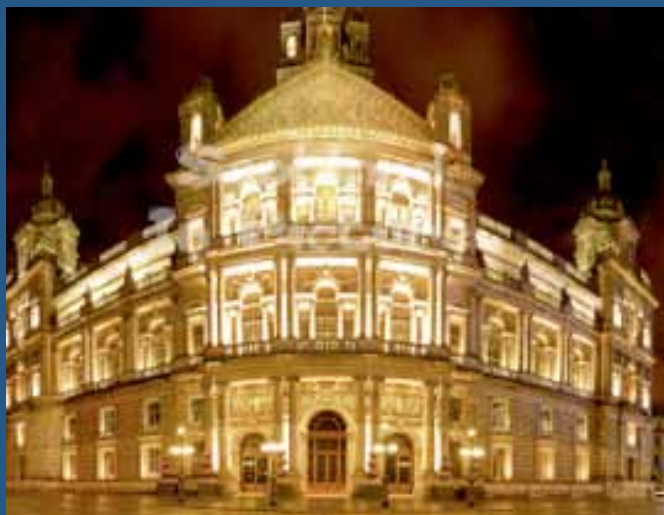
Friday Evening: June 21, 2013
Dinner at the Kelvingrove Art Gallery & Museum

Friday evening will see attendees enjoying a superb dinner—sampling quality Scottish produce and hospitality in the world-famous Kelvingrove Art Gallery. The building houses an internationally significant collection of over 8000 objects in 22 state-of the art galleries with a range of displays including art, natural history, armor and much more. Behind and around the gallery lies Kelvingrove Park—a 34 hectare garden straddling the River Kelvin and containing many monuments including one of Lord Kelvin—the physicist William Thomson who held, for over 50 years, the chair of Natural Philosophy at the University of Glasgow. The main building of the university towers over the park and the art gallery providing a dramatic backdrop to both. After the dinner, attendees may take a traditional nightcap - a dram or two of whisky - in one the many pubs in nearby Byres Road in the fashionable west-end. There will be transportation provided to and from the conference hotel for this event.

2013 SPECIAL CONFERENCE GLASGOW REVIEW COMMITTEE

The individuals listed below worked with the Conference Theme Track Chairs, Tomi Laamanen, Loizos Heracleous, David Seidl, Richard Priem, Robert MacIntosh and Donald Maclean to review proposals for the conference. We appreciate and gratefully recognize the amount of time and effort spent making this a successful event.

Tina Claudia Ambos
Johannes Kepler University Linz

Alexander Zimmermann
University of St. Gallen

Doug Bosse
University of Richmond

Kate Buell-Armstrong
University of Glasgow

Tiffany Bussey
Morehouse College

Ludovic Cailluet
University of Toulouse

J Ignacio Canales
University of Glasgow

Xavier Castaner
University of Lausanne

Namukale Chintu
University of Cambridge

Rashedur Chowdhury
University of Cambridge

Cynthia Clark
Bentley University

Charlotte Cloutier
HEC-Montréal

Paul-Marc Collin
IAE

Jonathan Doh
Villanova University

Steven Floyd
University of Massachusetts - Amherst

Martin Friesl
Lancaster University

Jennifer J. Griffin
George Washington University

Stéphane Guérard
University of Zurich

Wei Guo
Hong Kong Polytechnic University

Jeffrey Harrison
University of Richmond

Clyde Eiríkur
Hull Rochester Institute of Technology

Ingo Kleindienst
WHU - Otto Beisheim School of Management

Markus Kreutzer
University of St. Gallen

Bruce Lamont
Florida State University

Curtis LeBaron
Brigham Young University

Johannes Luger
University of St. Gallen

Shenghui Ma
University of Zurich

David Mackay
University of Strathclyde

Catherine Maritan
Syracuse University

Markus Menz
University of St. Gallen

Lite Nartey
University of South Carolina

Bruno Oliveira
Aston University

David Oliver
HEC-Montreal

Angeliki Papachroni
University of Warwick

Sotirios Paroutis
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Deborah Philippe
HEC-Lausanne

Jonathan Raelin
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Tazeeb Rajwani
Cranfield University

Taco Reus
Erasmus University - Rotterdam

Emmanuelle Reuter
University of St. Gallen

Margaret Roberts
University of Bath

Christine Scheef
University of St. Gallen

Thomas Schlenzig
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Kathrin Sele
University Toulouse 1 Capitole

Anne Smith
University of Tennessee

Virpi Sorsa
Hanken School of Economics

David Souder
University of Connecticut

Paul Spee
University of Queensland

Violetta Splitter
University of Zurich

Sari Stenfors
Stanford University

J W Stoelhorst
University of Amsterdam

Josep Antoni Tribó
Carlos III University of Madrid

Harald Tuckermann
University of St Gallen

Florian Ueberbacher
University of St. Gallen

Dominik van Aaken
University of Munich

Wouter Van Bockhaven
University of Antwerp

Rick Vogel
Zeppelin University

Natalia Vuori
Aalto University

Timo Vuori
Hanken School of Economics

Heli Wang
Singapore Managemet University

Xena Welch Guerra
University of St. Gallen

Felix Werle
University of Zurich

Sean Wise
Ryerson University

Carola Wolf
Aston University

Bill Wooldridge
University of Massachusetts - Amherst

Robert Wright
Hong Kong Polytechnic University

Basak Yakis-Douglas
University of Oxford

★ SPECIAL CONFERENCE GLASGOW BEST PROPOSAL PRIZE

The Strategic Management Society is pleased to present one outstanding proposal with the Special Conference Glasgow Best Proposal Prize. Finalists will be informed before the conference and will be highlighted in the Program Booklet. The winner will be announced at the conference and will be presented with a commemorative certificate. The Prize Committee will base their decision on the following criteria:

Soundness of the conceptual development

Originality and new contribution(s)

Appropriate methodology well applied

Relevance to management practice

Relevance to the conference key themes

THURSDAY, JUNE 20, 2013

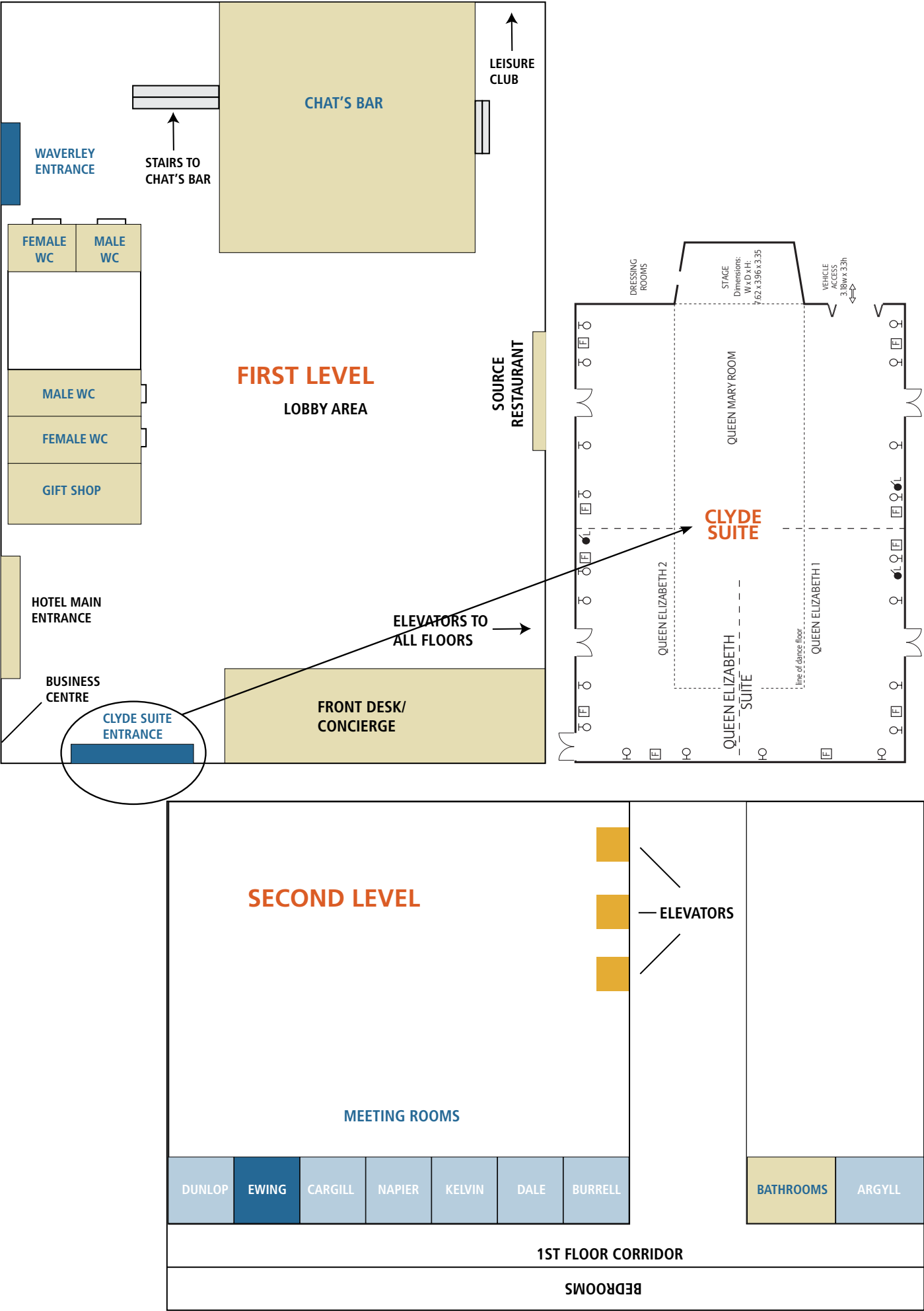|	
08:15 — 12:00	Pre-conference Doctoral Workshop at University of Glasgow
12:30 — 13:45	Luncheon
13:45 — 15:00	Conference Welcome & Plenary Panel: Strategy and Coping in Complex Settings: Stories, Heuristics and Mess
15:00 — 15:30	Coffee Break
15:30 — 16:45	Parallel Paper / Common Ground/ Panel / Developmental Sessions
17:00 — 18:15	Crossroads Session: Growth and Other Performance Objectives
19:00 — 20:00	Welcome Cocktail Reception at City Chambers

FRIDAY, JUNE 21, 2013

09:00 — 10:15	Parallel Paper / Common Ground/ Panel / Developmental Sessions
10:15 — 10:45	Coffee Break
10:45 — 12:00	Plenary Panel: Dealing with Strategy in Complex Settings – Some Insights from Strategists
12:00 — 13:15	Luncheon
13:15 — 14:30	Parallel Paper / Common Ground/ Panel / Developmental Sessions
14:45 — 16:00	Plenary Panel: Research Process and Engaging with Practitioners in Complex Settings
16:00 — 16:30	Coffee Break
16:30 — 17:45	Parallel Paper / Common Ground/ Panel / Developmental Sessions
19:00 — 21:00	Dinner at the Kelvingrove Art Gallery & Museum

SATURDAY, JUNE 22, 2013

09:00 — 10:15	Parallel Paper / Common Ground/ Panel / Developmental Sessions
10:15 — 10:45	Coffee Break
10:45 — 12:00	Plenary Panel: Dealing with Strategy in Complex Settings – Some Insights from Strategists
12:00 — 13:15	Luncheon

HOTEL DIAGRAMS

FIRST LEVEL

LOBBY AREA

WAVERLEY ENTRANCE

CHAT'S BAR

LEISURE CLUB

STAIRS TO CHAT'S BAR

FEMALE WC

MALE WC

MALE WC

FEMALE WC

GIFT SHOP

SOURCE RESTAURANT

HOTEL MAIN ENTRANCE

ELEVATORS TO ALL FLOORS

BUSINESS CENTRE

CLYDE SUITE ENTRANCE

FRONT DESK/ CONCIERGE

CLYDE SUITE

DRESSING ROOMS

STAGE Dimensions: W x D x H: 7.62 x 3.96 x 3.35

VEHICLE ACCESS 3.8w x 3.3h

QUEEN MARY ROOM

QUEEN ELIZABETH 2

QUEEN ELIZABETH SUITE

line of dance floor

QUEEN ELIZABETH 1

SECOND LEVEL

ELEVATORS

MEETING ROOMS

| DUNLOP | EWING | CARGILL | NAPIER | KELVIN | DALE | BURRELL | | BATHROOMS | ARGYLL |

1ST FLOOR CORRIDOR

BEDROOMS

SESSION 8
PLENARY TRACK

TRACK P		**Date**	Thursday, Jun 20
		Time	13:45 – 15:00 h
Plenary Panel		**Room**	Queen Mary Suite

Conference Welcome & Plenary Session I: Strategy and Coping in Complex Settings: Stories, Heuristics and Mess

Co-Chairs
    Robert MacIntosh, *Heriot-Watt University*
    Donald Maclean, *University of Glasgow*

Panelist
    Marjorie Lyles, *Indiana University*
    Ian Mitroff, *University of Southern California*

Either We Learn to Manage Complex, Messy Systems or They Will Continue to Mismanage Us:

Increasingly, all of the crucial problems of societies are parts of complex, messy systems. There are no such things as simple, isolated problems that have a separate existence and hence can be analyzed independently from all the other problems and the messes of which they are a part. A "mess" is a complex system of problems that are so highly intertwined such that no individual problem can be taken out of the mess and studied independently from all the other problems without fundamentally distorting both the nature of the particular problem and the entire mess. Unlike simple exercises, messes do not have nice, neat solutions. As a result, there are no algorithms that guarantee solutions; there are only heuristics for coping with them as best we can. One either learns to manage the problems that compose messes in concert--as parts of a complex whole--or one does not manage them at all. Further, all messes are interconnected. For example, the Financial Mess is inextricably intertwined with the Education Mess, the Crime Mess, the Housing Mess, etc. Finally, the current education system is not only a mess, but unfortunately, like most messes, it does not prepare people for coping with messes! In short, from top to bottom, the current education system is hopelessly out of touch with the nature of the world, i.e., reality.

Robert MacIntosh is Professor of Strategy at Heriot-Watt University and head of the School of Management and Languages there. He trained as an engineer and has researched strategy development and strategic change for twenty years in a range of public, private, large and small organizations. He has published extensively in top rank journals including Strategic Management Journal. He sits on the board of the Glasgow Centre for Population Health and has acted as a consultant for a wide range of organizations. His latest book "Managing Change as Enquiry and Action" is published by Cambridge University Press.

Donald Maclean received his PhD from the University of Cambridge and spent ten years working in the global optoelectronics industry before joining the University of Glasgow in 1993 where he is now a professorial research fellow. He is currently researching strategic management in complex inter-organizational settings, rules-based strategic management, and action-theory in dynamic capabilities. He has published extensively on strategy, complexity theory and research process in a range of journals including the Strategic Management Journal, The Journal of Management Studies, Organization Studies and Human Relations. He has been active in SMS since 1993 presenting and reviewing, and will co-chair the special conference in Glasgow in June 2013. He has extensive experience of industry through management posts and on-going consultancy: for BT& Du Pont he ran the Advanced Products Business which commercialized the parent companies' optoelectronic technologies, and he is currently the strategy leader for the Institute of Directors in Scotland.

Marjorie Lyles is OneAmerica Chair in Business Administration and Professor of International Strategic Management at the Indiana University Kelley School of Business. Marjorie Lyles' research addresses organizational learning and innovation, international strategies, joint ventures, and alliances, particularly in emerging economies. She has over 100 articles and chapters. Her work has appeared in top academic journals such as SMJ, SEJ, ASQ, JIBS, OSci, AMR, JMS and AMJ. She is a SMS and AIB Fellow. Lyles & Salk (1996) on learning in IJVs won the JIBS Decade Award 2006. She has also received two NSF grants. She has consulted with USIA, World Bank, USAID, UNDP and private firms in Malaysia, Hungary, Vietnam, Poland, China and Indonesia on international strategies, educational projects, and needs assessment for management. Marjorie Lyles has served SMS in many roles: 2009 Program Co-Chair of the Annual Conference in Washington, D.C., Board of Trustees of the Strategic Management Foundation; Consulting Editor for Global Strategy Journal; co-founder and Chair for the Knowledge and Innovation Interest Group, and over twenty years of attending and reviewing for the Annual Conference and the Strategic Management Journal.

Ian Mitroff is an Adjunct Professor in the College of Environmental Design, University of California, Berkeley. He is also a Senior Investigator in the Center for Catastrophic Risk Management, University of California, Berkeley. He is Professor Emeritus from the Annenberg School of Communication and the Marshall School of Business, University of Southern California, where he was the Harold Quinton Distinguished Professor of Business Policy. He is the President of the consulting firm Mitroff Crisis Management. He is regarded as the founder of the discipline of Crisis Management. He was the founder and director of the USC Center for Crisis Management. Known for his thinking and writing on a wide range of business and societal issues, Ian Mitroff is the author of 30 previous books, including "Swans, Swine, and Swindlers: Coping with the Growing Threat of Mega Messes and Mega Crises," "Dirty Rotten Strategies: How We Trick Ourselves and Others into Solving the Wrong Problems Precisely," "A Spiritual Audit of Corporate America," "Smart Thinking for Crazy Times," "The Essential Guide to Managing Corporate Crisis," "The Unbounded Mind" and "Managing Crises Before They Happen." With his wife Donna Mitroff, his latest book is, "Fables and the Art of Leadership: Bring the Wisdom of Mister Rogers to the Workplace."

SESSION 39
CAPABILITIES AND AMBIDEXTERITY

TRACK A		Date	Thursday, Jun 20
		Time	15:30 – 16:45 h
Paper		Room	Queen Elizabeth 1

Session Co-Chair	Gwendolyn Lee, *University of Florida*

Adaptation on Dynamic Competitive Landscapes: A Panel Study of Within-Industry Diversification and Value Creation/Destruction

Gwendolyn Lee, *University of Florida*

At the Glasgow special conference, we hope to engage an exciting discussion with the ABC communities about strategy in complex settings. With this proposal, we would like to add to the conversations on evolutionary economics, where NK fitness landscapes have been used to simulate the design of complex systems as a trial-and-error process for adaptation towards local optima. Interdependencies, or the lack of modularity, among a system's elements have been argued and shown that optimization of product design is a difficult task. We enrich these conversations by showing how interconnection of resources and capabilities interact with organizational-level as well as industry-level of modular structure. As such, we contribute by providing a framework on how firms create/destroy value through adaptation on dynamic competitive landscapes.

Configure Exploitation and Exploration

Tung-min Hung, *CTBC Investment Co.*
Yi-Ju Lo, *Yuan Ze University*

This paper has elucidated the interplays among a profit-seeking firm's efforts in building various initiatives of exploration, exploitation, and firm performance. Based on the endogenous growth theory, this paper has decomposed the internalization and interaction level analysis of organizational capabilities. While the existing capability research mainly provides where, what, and how a firm creates abilities to sustain competitive advantage, this paper advances that the evolutionary change of business configurations through internalization and interaction process is the key to the understanding of organizational capabilities. By explicitly explaining the elements of dynamic generation and digestion as the directions from building competencies to substantiating competencies, this study proposes that exploration is essential to the constitution of business initiatives. Concurring with the notion of balanced growth, further, this paper postulates that only by integrating efforts of building exploration and efforts of leveraging exploitation can a firm achieve better economic performance.

Social Capital, R&D Alliance, and Ambidexterity

Biao Sun, *Xi'an Jiaotong University*
Yi-Ju Lo, *Yuan Ze University*

A major challenge for managers is to cope with multiple paradoxical tensions under increasingly complex circumstances. Building upon social capital and ambidexterity literature, this paper identifies two elemental combinations that meet the requirements of alliance ambidexterity by considering the interplay between exploitative type and exploratory type architectures. This paper ultimately proposes that R&D alliances can excel at both co-exploitation and co-exploration through managing three paradoxes: cognitive social capital vs. technological diversity, structural social capital vs. interfirm modularity, and relational social capital vs. contracts.

SESSION 20
STRATEGY PROCESSES IN COMPLEX SETTINGS

TRACK A		Date	Thursday, Jun 20
		Time	15:30 – 16:45 h
Developmental		Room	Ewing Room

Session Chair	Laura B. Cardinal, *University of Houston*

Crictical Suppier Management Capabilities Used to Cope with "Wicked Problems"

Beverly Tyler, *North Carolina State University*
Sinéad Roden, *City University London*

Many theoretical perspectives have contributed to our understanding of how firms recognize and respond to crises or "wicked problems". In this paper we integrate behavioural perspectives, dynamic capability and social capital theories, to hypothesize how preparedness and adaptive capabilities enable a firm to resiliently respond to a supply chain crisis. More specifically, we propose that a crisis planning capability associated with search and selection, and an ability to cooperate with the supplier during crises, positively impact disruption recovery. Furthermore, we hypothesize that the ability to managing during times of crises mediates the relationship between firms' crisis planning capability and recovery and between a cooperative crises capability and recovery.

Farm Management, Wicked Problems, Facilitated Learning and Strategic Planning

John Noonan, *Curtin University*
Christine Storer, *International Institute of AgriFood Security*
Roy Murray-Prior, *Agribiz RD&E Services*
Bella Butler, *Curtin University of Technology*

We report a strategic planning processes undertaken by some 400 SME farm businesses in Western Australia (WA) in 2010-11. The processes, part of a Farm Business Resilience (FBR) program, were designed to address the impacts of climate change and other wicked problems. South-West WA, one of the world's first areas to be substantially influenced by climate change, is now highly impacted area and forecast to worsen. Significant attitudinal and behavioural change in businesses and individuals are evident as a consequence of participation in the FBR program, which successfully employed a 'facilitated learning journey', where other approaches have had only modest influence.

Strategic Choices of Women and Men in Top Executive Positions

Anna Witek-Crabb, *Wroclaw University of Economics*

Differences between women and men continue to arouse interest and provide canvas for spinning anecdotes and setting off exciting debates. The hackneyed approach to gender places women on Venus and men on Mars, suggesting that the disparities between them are so big that the agreement requires balancing of measures, exercises, and even the involvement of translators. Beliefs prevalent in the general consciousness impinge on how professionally active women who hold executive positions are perceived, attributing to them features that are traditionally associated with the social role of mothers and hearth guardians. From these widely shared convictions emerges an image of the female manager with a different profile of behaviors and predispositions than that of the male manager. The article presents considerations and analysis of how people in top executive positions, both men and women, make their strategic choices.

The Strategic Planning Proces in Complex Settings: The Case of Construction Professional Service Firms

Roisin Murphy, *Dublin Institute of Technology*
Iain Henderson, *Heriot-Watt University*

The construction sector is hugely complex and in Ireland, has undergone significant change since 2007. There remains a paucity of empirical research investigating the process by which strategy is developed within PSFs under such conditions. The aim of this paper is to discuss the challenge of strategic planning and in researching strategy in PSFs in such an environment; and by so doing contribute to the understanding of strategy in complex settings. Some key findings include: Principals of PSFs think and act in a strategic manner however in an unsystematic way and often unbeknown to themselves; In nearly half of the PSFs studied

which lacked a systematic process, it was found that strategic planning processes were beginning to emerge, driven primarily by the turbulent environment within which they are operating.; The turbulent economic and industry conditions have increased reliance on environment analysis prior to determining the generic strategy.

The Strategic Roles of Middle managers in the Strategy Process of Firm Partnerships

Konstantinos Tsanis, *University of Edinburgh*
Brad MacKay, *University of St Andrews*

The important role of middle managers and their political activities in the strategy process of single companies is well recognized in single companies, but its still not very clear in more modern forms of organisations, such as international partnerships. Adopting and integrating understandings from partnership formation and strategy process research into our strategy process framework, we investigate the roles and activities of different types of middle managers in the pre-formation, formation, implementation and evaluation phases of IPs, focussing on their formal and informal activities. Our qualitative process study of four high technology international partnerships focuses on the activities and perceptions of the middle managers reveals they do not only initiate and manage the development of these opportunities and partnerships, but manipulate their firms' strategies towards them. These managers' informal activities and the search for their own interests can impact strategic processes in different ways.

The Strategy Process in Complex Settings: Revisiting Schendel and Hofer

Craig Robinson, *Heriot-Watt University*
Iain Henderson, *Heriot-Watt University*

This paper develops an analytical model of the strategy process which can be used in complex settings. It has been constructed as part of a wider research project on strategy in the oil and gas industry. A model of the strategy process, as proposed by Schendel and Hofer (1979) is enhanced and expanded using more recent research in the strategic management field. An operational framework for field research on strategy processes in complex settings is then developed from the model and an example of its use in field research on strategy is presented.

SESSION 19
DEVELOPING STRATEGIZING CONCEPTS

TRACK B		Date	Thursday, Jun 20
		Time	15:30 – 16:45 h
Paper		Room	Waverly Suite
Session Chair		George Burt, *University of Stirling*	

Process of Becoming: A Relational Turn in Scenario Planning

George Burt, *University of Stirling*
Anup Nair, *University of Strathclyde*

Scenario planning emanates from 'strategy' rooted in a 'substantive' mode of thinking that unproblematically presumes an organization-environment dichotomy. By viewing stability and change as antitheses where one works at the expense of the other, such a conceptualization does not account for the counter-intuitive and unintended consequences of planned action. We therefore propose an alternative mode of theorizing which draws inspiration from a processual worldview. We develop and apply this understanding to scenario planning at a leading Scottish whisky producer. In doing so, we expose the limitations of traditional scenario planning. Then by applying 'relational thinking', we address these limitations and demonstrate how a processual re-conceptualizing not only revitalizes scenario planning but also furthers its functional utility while designing goals, actions and aspirations for organizations.

Strategic Discipline in Technology Ventures

Enrico Forti, *University College London*
Simcha Jong, *University College London*

Few businesses start with a systematic and disciplined strategy. Although issues related to the management of continuity and change are well documented in mature corporations, transitions between strategic postures in the early years of technology ventures have received less attention. We position the concept of strategic discipline as a top management team (TMT) capability and develop propositions regarding the management of paradoxical tensions and transitions across key decision domains: technology and marketing. We illustrate our framework through case studies on cell therapy companies, highlighting pitfalls and opportunities in managing continuity and change over time, within and across decision domains.

Strategizing in Complex Settings: Discourse on Dynamic Capabilities of Latvian Privately Run Higher Educational Institutions

Andrejs Cirjevskis, *RISEBA*

The demographic decline, economic uncertainty and high unemployment rate are complex settings of the privately run Higher Education Institutions (HEI) industry in Latvia.The aim of the paper is to identify strategies that privately run HEI might pursuit in complex setting sustaining competitive advantages. Author has applied the dynamic capabilities framework as a theoretical foundation and propounded two research questions. To answer first research question what educational philosophies have been adopted by many privately run HEIs: customer or product oriented approach towards students, the survey of students' opinions (n=52) among Latvian privately-run HEIs was conducted. Having answered on second research question about how to sustain competitive advantages in complex settings, the necessity of product oriented approach and determined dynamic capabilities for such strategic move were identified.

Systematic Review of Research on Value Co-creation in Social Media

Balaji Gopalan, *University of Vaasa*
Marko Kohtamäki, *University of Vaasa*

Research literature on strategy and value co-creation in social media is growing but is quite dispersed. Our systematic literature review examines ten years of prior empirical and conceptual research by conducting a causal analysis of the perceived antecedents, processes and outcomes of value co-creation within the context of social media. The findings enable us to assess existing research on the interdepending processes and outcomes of product, service or content engagement in social media and its relevance to existing strategic perspectives on value creation by elaborating on specific attributes for strategic management planning and strategy implementation in information management, business research, psychology, decision support, advertising and marketing, and e-commerce.

Keywords: value co-creation, value creation, social media, innovation

SESSION 36
STAKEHOLDERS MANAGEMENT, POWER AND LEGITIMACY

TRACK C		Date	Thursday, Jun 20
		Time	15:30 – 16:45 h
Common Ground		Room	Queen Elizabeth 2
Facilitator		Steven Floyd, *University of Massachusetts - Amherst*	

A Systems Perspective on Resource Creation and Competitive Advantage in a Complex World

Jeffrey Harrison, *University of Richmond*

The resource-based perspective argues that competitive advantage is associated with characteristics of the resources a firm possesses. In spite of its logical simplicity and empirical support, it suffers from some practical limitations. We present an alternative, but complementary perspective of how resources influence competitiveness. Called the resource creation system perspective, it is founded on the idea that firm resources are highly interdependent. A firm's weakest resource area may be holding back resource creation in the entire organization. Furthermore, resources are co-created through cooperative processes that link internal and external stakeholders. The resource creation system perspective embraces firm heterogeneity and systems complexity, and may potentially provide direction to managers with regard to where they should focus their time and attention.

CEO Legitimacy: The Complexity of Managing Multiple Audiences

Shenghui Ma, *University of Zurich*
Stéphane Guérard, *University of Zurich*
David Seidl, *University of Zurich*

Being considered legitimate is critical for CEOs to gain support and endorsement in their work. In order to create, maintain or enhance their legitimacy, CEOs rely on various strategies. However, managing legitimacy might be a challenging task for CEOs considering the heterogeneity of internal and external audiences who may have competing demands. This paper develops a model that accounts for how CEOs strategically manage their legitimacy when facing a complex network of audiences having distributed interests.

Customer Orientation as a Strategic Orientation for Manufacturing Companies - A Complex Responsive Processes Approach

Jean Louis Steevensz, *Open University*

Customer orientation has been discussed for decades and although the beneficial effects of a customer-centric approach are widely emphasized in the academic literature, not many firms practice such a strategy in a systematic and effective manner (Bonacchi, Perego, 2011). A different way of putting the customer at the center of attention can be achieved by viewing our day-to-day commercial experience seriously from a complex responsive process perspective (Stacey, Griffin, Shaw, 2000). This approach differs from the systems thinking as it focuses on human behavior and interaction. This paper proposes a way to study customer centricity from within the complex responsive processes approach, leading to insight into the communication, interaction and emergence of employees involved in customer interaction. The study will be performed in a way that it bridges theory and praxis and thus will shed light on customer orientation in practice at individual employee level.

Looking Backwards to Move Forwards? On Retroduction as a Contemporary Approach to Researching Strategy

David Mackay, *University of Strathclyde*

This proposal suggests that retroduction represents an under-utilised but potentially potent and "Academics, Business and Consultants" (ABC) inclusive mode of reasoning for approaching contemporary strategy research. Retroductive approaches to researching strategy are argued to have potential to generate explanations which might underpin the proposal of 'theory as elucidation' engage ABCs in a mutually respectful and advantageous investigative process without compromising the potential for generation of outcomes according to the needs of each; and complement and catalyse extant, dominant deductive and inductive strategy research approaches. On this basis retroduction is nominated as a means by which to start addressing the much lamented gap between strategy theory and practice.

Matchmakers or Wedding Guests? Exploring Financial Analysts' Assessments of M&A Decisions

Ann-Christine Schulz, *Free University of Berlin*

Over the past decades an enormous amount of research has analyzed the reasons and motives of mergers and acquisitions as well as their consequences for firm performance and other outcomes. However, research in this area has largely overlooked the potential role of external institutional pressures, such as financial analysts. This is a surprising finding since prior research has emphasized that pressure from the capital market has become increasingly influential for firms' actions and strategies in recent decades. In this paper we therefore begin to address the topic by empirically exploring whether and how financial analysts reacted to the announcement of significant M&A announcements in the pharmaceutical industry, how they evaluated the strategic actions and whether their assessment were influential for adjacent M&A activity.

Stakeholder Governance in Canada's Energy Pipeline Sector

Nancy Higginson, *University of Calgary*
Harrie Vredenburg, *University of Calgary*

Energy security and sustainability are two of the most critical and fundamentally interdependent issues of our time. The Canadian oil sands – the second largest oil reserves in the world after Saudi Arabia – are a key resource in this debate. Efforts to fully develop them, however, have met with strong and vocal opposition from many divergent stakeholder interests. In recent years, the Canadian energy pipeline sector has become a high-profile proxy in this dialogue, particularly for its efforts to expand capacity through projects in the U.S.A. (Keystone XL) and western Canada (Northern Gateway and Trans Mountain). This paper presents a conceptual model of stakeholder governance in the Canadian pipeline sector through the lens of Complex Adaptive Systems Theory.

SESSION 37
PLENARY TRACK

TRACK P		**Date**	Thursday, Jun 20
		Time	17:00 – 18:15 h
Special Panel		**Room**	Queen Mary Suite

Crossroads Session: Growth and Other Performance Objectives

Session Chair

　J Ignacio Canales, *University of Glasgow*

Until the 2007 credit crunch the most common aspiration of any organization or any country for that matter was growth. Such growth objectives could be seen as the ultimate aspiration of any business strategy. However, given the times we live in now, growth may not always be a feasible aspiration. Then what should strategy look at as "the" performance objective or what can substitute for growth as a legitimate aspiration? Within this thought space we invite you to share ideas from you research area of expertise and bring them to the Glasgow SMS Conference.

SESSION 14
STRATEGY EXECUTION AND COMPLEXITY

TRACK A		
	Date	Friday, Jun 21
	Time	09:00 – 10:15 h
Paper	Room	Queen Elizabeth 1
Session Chair	J Ignacio Canales, *University of Glasgow*	

Determinants of The Quality of Strategic Decision Implementation: An Empirical Investigation

Said Elbanna, *United Arab Emirates University*
Ioannis Thanos, *University of Glasgow*
Mustafa Colak, *United Arab Emirates University*

Our knowledge of the determinants of quality of decision implementation has been very incomplete. Most current process studies focus on the formulation stage of a decision, and ignore implementation processes and outcomes, although decision success is a function of both the formulation and the implementation. By drawing on a sample of 116 firms in a non U.S. setting, the paper tests whether the features of important team processes (i.e., participation, trust), implementation (i.e., its uncertainty, its speed) and organizational (i.e. past performance) exert an influence on the quality with which decisions are implemented. The findings indicate that this quality is positively related to trust, participation and past performance and negatively to implementation uncertainty. The implications of these findings for theory and practice are discussed.

Encouraging the Spontaneous Emergence of Autonomous Cross-Business Strategic Initiatives in Multi-Business Corporations

J Ignacio Canales, *University of Glasgow*
Adrian Caldart, *AESE School of Management and Business*
Robert Chia, *University of Glasgow*

We explore the question of how business unit level strategic initiatives emerge spontaneously to generate sustainable competitive advantage within the context of multi-business corporations. Findings show that such 'bottom-up' initiatives are able to create cross-business synergies even in the absence of any specific strategic direction or intervention on the part of corporate headquarters. Four factors appeared to encourage and foster the development of such autonomous cross-business collaboration: a sense of urgency conveyed through its modus operandi at the broader level of the firm; the existence of a few broad-based but strongly-stated corporate guidelines; the existence of an established set of cross-business integrating mechanisms; and, an organisational culture that encourages and promotes inter-business collaboration.

The Role of Personified Replication For Undermining Strategy Implementation by Corrupting Organizational Culture in Complex Settings

Penka Petrova, *World Business Web Association*
Rossen Kazakov, *BGPharma*

Main mechanisms that support resistance to strategy implementation and change were identified by the literature to pertain to culture factors related to group behaviour. However, it is seldom acknowledged that individual behavior based on personal interest and culture (individual morale, set of values) enforces the above process. No research to our knowledge, have shown that inadequate set of values pertaining to the senior managers' culture and identity leads to corruption of common healthy values and interpersonal relations. We performed a behavioral simulation experiment coupled with a system dynamics model. The results give evidence for the existence of a "personified replication" phenomenon which influences organizational culture to the extent to shake it out of balance by corrupting its set of values.

Using Complexity Theory to Better Match Strategy Processes to Environmental Complexity

Richard Busulwa, *University of South Australia*
Bruce Gurd, *University of South Australia*

Although a stream of successful strategy execution frameworks have been put forward over the last thirty years, 60 to 90 percent of strategy execution efforts still fail. Complexity within an organization's internal and external environment is one of the top cited challenges. Using complexity theory, this paper explains how complexity affects the effectiveness of the strategy process in use. Our model suggests that the key strategy processes articulated in the literature exist across a continuum such that each process results in better strategy execution effectiveness in particular environments but average to poor effectiveness in others. The model further proposes that organizations may achieve better strategy execution effectiveness by dynamically matching the type of strategic management process in use to the complexity of their environment.

SESSION 29
CONCEPT DEVELOPMENT IN ADAPTATION AND COMPLEXITY

TRACK B		
	Date	Friday, Jun 21
	Time	09:00 – 10:15 h
Common Ground	Room	Ewing Room
Facilitator	Loizos Heracleous, *University of Warwick*	

An Empirical Study of the Mediating Effect of Knowledge Management on Product Innovation

Mario Donate-Manzanares, *University of Castilla-La Mancha*
Jesus David Sanchez de Pablo, *University of Castilla-La Mancha*
Fatima Guadamillas Gomez, *University of Castilla-La Mancha*

This paper analyses the role of a knowledge-oriented leadership for the implementation of Knowledge Management initiatives in technology-intensive firms and its effect on innovation results. From the knowledge-based view of the firm seven hypotheses were established and statistically tested using the Partial Least Squares (PLS) technique in a sample of 111 Spanish companies selected from technological industries. Survey methodology was used with the aim to gather data about knowledge management (KM) practices and organizational aspects in these firms. Overall, this paper provides empirical evidence of a moderating effect of KM practices on the relationship between a knowledge oriented leadership and innovation outcomes. In line with previous literature we suggest that although KM practices are important on their own for innovation purposes, when leadership is properly carried out the innovation capacity of the firm will be more successfully exploited.

Company Vision, Mission, Environment and Stategies on Performance of Nigerian Global System for Mobile Telecommunication Industry

Adebisi Abayomi, *University of Lagos*
Akpoyomare Oghojafor, *University of Lagos*

Global System of Mobile Telecommunication (GSM) technology began in Nigeria in the year 2001 as a result of poor telecommunication services rendered then by the single National carrier; Nigerian Telecommunication Limited (NITEL). Against this background the study was conceived to measure the extent of adoption of strategic management elements in the GSM sector and the resultant effect on performance of service providers. Data were collected from MTN and AIRTEL. 200 copies of a questionnaire were administered on the service providers using cluster sampling technique and 396 copies on subscribers of the service providers in South-west state capitals in Nigeria. Techniques used included Logit, Multiple regression and others. Findings revealed strategic vision, environmental factors and choice of strategy as factors determining GSM service providers' performance.

Coping with Complex Work Systems in the Engineering Sector - A Dynamic Capability Perspective

Uta Wilkens, *Ruhr-University Bochum*
Thomas Suesse, *Ruhr-University Bochum*
Ksenia Mänz, *Ruhr-University Bochum*

The development from production selling to solution selling is challenging due to a considerable increase of complexity. Heterogeneous fields of expertise need to be integrated and a customer-driven flexibility of the business model increases the coordination requirements of such work systems. According to this background we ask: What are the prerequisites for coping with new complex work systems in the engineering sector? We present data from a case study analysis and from a graduate survey in Germany in order to specify critical processes, structures and competencies. The analysis refers to the dynamic capability approach (DCA) as theoretical framework. Especially the findings concerning required competencies advance the microfoundation of the DCA.

Home-Country Policy Reforms and the Birth of Multinationals: Determinants of International Expansion in the Electricity Sector

Sinziana Dorobantu, *New York University*
Bennet Zelner, *University of Maryland*

Why do some firms internationalize in response to home-country institutional reforms and home-market competition, while others continue to refrain from competing in the global arena? We argue that cross-national institutional differences and the level of domestic competition explain why some countries are more likely to foster the development of multinational companies, while companies' history and their market positions further explain why firms from the same home market have different propensities to invest abroad. We investigate home-country and firm-level influences on the decision to internationalize using a new dataset of domestic and cross-border investments in the global electric power industry.

Strategic Adaptation and Development in Times of Financial Crisis: Exploring the Case of RBS

Veselina Stoyanova, *Univeristy of Edinburgh*

Although strategy as practice research has enhanced the understanding of organizational practices as being institutionalized in organizational processes, there is still a level of abstraction when discussing how decisions are made, new strategic practices adapted in complex settings under complex circumstances. This paper tries to shed light on strategy as practice research in complex settings by exploring how organizations adapt and develop when they are under turbulent changing environment such as financial crises. The study explores the research question through a process research, grounded theory methodology based on case study approach for the time period (2004-2012) focusing on the Royal Bank of Scotland Group (RBS).

SESSION 28

STRATEGIZING MICRO-PRACTICES

TRACK B		Date	Friday, Jun 21
		Time	09:00 – 10:15 h
Paper		Room	Queen Elizabeth 2

Session Chair	Carlo Bagnoli, *University of Venice Ca' Foscari*

Complicated, Compliant, and/or Complex? Strategizing Practices of Successive Business School Deans

Julie Davies, *Association of Business Schools*

The study explores the strategizing practices of seven successive upper middle managers in a single knowledge intensive business unit in a multi-unit organisation, i.e. business school deans. The research links macro context to changing micro practices over five decades as the industry matures and its legitimacy is questioned. What are the practices of these hybrid individuals and how do they evolve new business models and professional practices post the 2008 crisis? We apply constructivist grounded theory to analyse 65 in-depth interviews over three years. Drawing on Floyd and Wooldridge's typology of middle management roles in strategy, we reflect on compliance, complicated and complex issues. Findings suggest the more successful deans lead at the edge of chaos, leverage scholarly practices and focus on executing strategy.

Strategic Participation and Agency at the Edge of Chaos: The No-Huddle Offense in American Football

Richard Hunt, *University of Colorado-Boulder*

It is increasingly presumed that broader participation in the formulation of strategy has a net positive effect. Since the basis for this assertion is more conceptual than empirical, this presumption deserves scrutiny, especially under conditions of environmental dynamism. Answering the call for compelling empirics that better elucidate participative and non-participative practices, this study draws upon a novel database consisting of 45,168 plays from American football games involving teams using a "No-Huddle" offense. Following increasing interest regarding agency among strategy-as-practice scholars, I examine the side-by-side emergence of hegemonic and discursive strategic practices in response to environmental dynamism. Contrary to prior studies, which used simulations, self-report surveys and retrospective accounts, I find that even at "the edge of chaos" organizations successfully pursue both hegemonic and discursive alternatives.

Strategy Map as Visual Artifact for Strategy-Making in Complex Settings

Filippo Zanin, *University of Udine*
Carlo Bagnoli, *University of Venice Ca' Foscari*
Maurizio Massaro, *University of Udine*

Strategy-As-Practice emphasizes strategy as a social accomplishment situated in practical activities where material objects, such as visual representations, can be crucial for understanding how strategic processes and decisions are enabled. Artifacts in form of strategy maps are considered useful tools to visualize strategy and make the epistemic nature of the strategy-making evident. The empirical research has not systematically analyzed the dynamics between strategy visualization tools and strategy-making in complex setting. In order to fill this gap this paper analyzes the use of visual representations in the strategic processes within Ca' Foscari University of Venice, a multi-stakeholder domain where internal and external forces interact in a dynamic and ambiguous way. We seek to explore how strategy maps shape the strategy processes mobilizing knowledge across boundaries

Unpacking the 'Messiness' in Strategy-Making: Linking Micro-Level Marketing Initiative Implementation Activities to Evolution in Macro-Level Strategic Direction

Sarah Browne, *Dublin Institute of Technology*
Katrina Lawlor, *Dublin Inatitute Technology*

Despite management's need for guidance on strategy-making, strategy research predominantly centers on organization-level, quantitative investigations of what strategy-making should be. These macro-level, formal typologies and models, are 'ideals' of strategy-making and are a marked contrast to the 'messy' reality of strategy-making at the micro-level. This qualitative study opens up this under-explored 'messiness', by examining micro-level implementation activities across several strategic marketing initiatives in a dynamic retail organization. The aim of this paper is to add to our understanding of how strategy-making actually unfolds in complex organizational settings, by exploring how interactive activities at the micro-level lead to modification of organizational strategy at the macro-level. Our findings have implications for strategy-making practice and also open up the integrative perspective of strategy-making for further theory development.

SESSION 21

STAKEHOLDER COOPERATION, CONFLICT AND COMPETITION

TRACK C		Date	Friday, Jun 21
		Time	09:00 – 10:15 h
Paper		Room	Waverly Suite

Session Chair	Jill Brown, *Lehigh University*

Alliance Capability, Governance Mechanisms and Stakeholder Management in Complex Settings

Rakesh Basant, *Indian Institute of Management-Ahmedabad*
Rajnish Rai, *Indian Institute of Management-Ahmedabad*

In today's business environment, inter-firm alliances of simultaneous cooperation and competition (IASCC) have become very important for enhancement of internal resources as well as market shares of firms. Evidence suggests that majority of the alliances today occur between competitors or within the same industry. Given the increasing importance and complexity of IASCC, issues of stakeholder management and governance structures in such alliances need to be more clearly understood. Using primary data collected from Indian firms in different sectors, this paper explores the antecedents of governance mechanisms in IASCC from a stakeholder perspective by viewing alliance partners as stakeholders.

Stakeholder Characteristics in Rapid Acquisition

Michael Meyer, *Lean Advancement Institute*
Jayakanth Srinivasan, *MIT*

The number of Joint Urgent Operational Needs has exploded with the Global War on Terror and the campaigns in Iraq and Afghanistan. The challenge to smaller urgent programs is the programs are not large enough to obtain top priority for all stakeholders. Even if the entire stakeholder landscape agreed to the urgency of the requirement not all stakeholders can or will increase their urgency the same amount. Four critical stakeholder attributes are examined in rapid acquisition: Cachet, Advocacy, Operational Need and Optempo. A method of dynamic tracking of these four stakeholder attributes is presented along with data from three rapid acquisition programs confirming the importance of Cachet, Advocacy and Operational Need to the success of rapid acquisition programs.

Stakeholder Dominance: Empirical Evidences

Joao Mauricio Boaventura, *Univeristy of Sao Paulo*
Rodrigo Bandeira de Mello, *Getulio Vargas Foundation*
Mario Monzoni, *Getulio Vargas Foundation*
Roberta Simonetti, *Getulio Vargas Foundation*

This study addresses the controversy between the proposition of the intrinsic value of stakeholders and the instrumental perspective of the theory. The phenomenon of the stakeholder dominance is studied: the ability of a stakeholder to obtain resources to meet its demands in a preferential way in relation to others. Three specific objectives are defined: empirically verify whether the dominance occurs, the hierarchy of stakeholders in the dominance, and if the stakeholder's power is associated with the hierarchy. The sample covers 137 Brazilian companies in the period from 2008 to 2010. The results indicate the existence of dominance in the following hierarchy: employees and shareholders; community, society, customers and environment; diversity, and suppliers. No significant association between power and dominance was found.

Stakeholder Power and Intrafirm Co-opetition in Hybrid Nonprofit/For-Profit Hospitals

Jill Brown, *Lehigh University*
Peter Gianiodis, *Clemson University*
Michael Santoro, *Lehigh University*

Stakeholder pressures can disrupt established power dynamics within organizations and precipitate organizational change. We outline the stakeholder pressures and power dynamics behind one U.S. hospital's structural change from a nonprofit organization to a hybrid nonprofit/for-profit hospital. We expand upon a framework of stakeholder bargaining power (Coff, 1999) to explain the resultant state of intrafirm co-opetition and autonomous governance structure within the new multiunit hospital. We posit that intrafirm co-opetition facilitates a cycle of structural change when powerful internal stakeholders have autonomy and can vie for more rent-sharing, knowledge-sharing and nonpecuniary rewards.

FRIDAY 09:00 – 10:15

SESSION 34
PLENARY TRACK

TRACK P	Date	Friday, Jun 21
	Time	10:45 – 12:00 h
Plenary Panel	Room	Queen Mary Suite

Plenary Session II: Dealing with Strategy in Complex Settings – Some Insights from Strategists

Co-Chairs

Robert MacIntosh, *Heriot-Watt University*
Donald Maclean, *University of Glasgow*

Panelists

Kate Buell-Armstrong, *University of Glasgow*
Harry Burns, *Scottish Government*
Sandy Rowan, *Pointer Security*

Kate Armstrong, Harry Burns and Sandy Rowan are senior figures in corporate, public and family organizations respectively. In this plenary, these three strategists will share their experiences of leading strategy development processes which engage a range of stakeholders both inside and beyond their organizations. Each of the panellists lead organizations facing rapidly changing environments and multiple possible interpretations of purpose. The panellists will discuss their views on the leaders role in framing and developing strategy in contexts which range from improving health, social and economic outcomes for the population of Scotland to the impacts of technology on business models and industry boundaries. This plenary represents an opportunity to link theory and practice and will feature discussion of themes such as learning, compassion and leadership from a strategist's perspective.

Robert MacIntosh *is Professor of Strategy at Heriot-Watt University and head of the School of Management and Languages there. He trained as an engineer and has researched strategy development and strategic change for twenty years in a range of public, private, large and small organizations. He has published extensively in top rank journals including Strategic Management Journal. He sits on the board of the Glasgow Centre for Population Health and has acted as a consultant for a wide range of organizations. His latest book "Managing Change as Enquiry and Action" is published by Cambridge University Press.*

Donald Maclean *received his PhD from the University of Cambridge and spent ten years working in the global optoelectronics industry before joining the University of Glasgow in 1993 where he is now a professorial research fellow. He is currently researching strategic management in complex inter-organizational settings, rules-based strategic management, and action-theory in dynamic capabilities. He has published extensively on strategy, complexity theory and research process in a range of journals including the Strategic Management Journal, The Journal of Management Studies, Organization Studies and Human Relations. He has been active in SMS since 1993 presenting and reviewing, and will co-chair the special conference in Glasgow in June 2013. He has extensive experience of industry through management posts and on-going consultancy: for BT& Du Pont he ran the Advanced Products Business which commercialized the parent companies' optoelectronic technologies, and he is currently the strategy leader for the Institute of Directors in Scotland.*

Kate Buell-Armstrong *helped to found Admiral Group Plc after working on the launch of Churchill Insurance as their Systems Development Manager. This was after 10 years working as an IT consultant in Australia and the Far East for companies as diverse as Cathay Pacific, IBM, TNT, Reserve Bank of Australia and Shell. At Admiral she managed the launch of their brands Diamond and Elephant.co.uk and acted as Marketing Director until 2002 when she set up the team to launch Confused.com. She remained as 'Confused Managing Director' until 2006 when she retired from full-time work although continuing to provide coaching and mentoring for Admiral's burgeoning world-wide management team. She also retained a non-executive role on the subsidiary board that oversees Confused and its European expansion and recently joined the board of the US subsidiary company. In in her spare time she is currently writing up her PhD thesis at Glasgow University.*

Harry Burns *graduated in medicine from Glasgow University in 1974. He trained in surgery in Glasgow and developed a research interest in the metabolic consequences of illness and injury. He was appointed Honorary Consultant Surgeon and Senior Lecturer in Surgery in the University Department of Surgery at the Royal Infirmary in Glasgow in 1984. Working with patients in the east end of Glasgow gave him an insight into the complex inter-relationships between socioeconomic status and illness. He completed a Masters Degree in Public Health in 1990 and shortly afterwards was appointed Medical Director of The Royal Infirmary. In 1994, he became Director of Public Health for Greater Glasgow Health Board, a position he occupied until 2005. During his time with Greater Glasgow Health Board he continued research into the problems of social determinants of health but also worked on measurement of outcomes in a variety of clinical conditions, including cancer. In 1998, he took a part-time appointment with the Health Department in the Scottish Government and worked for 3 years as lead clinician in Scotland for cancer care. In the course of this work he developed Managed Cancer Networks and helped re-organise cancer services in Scotland. In 2005, he became Chief Medical Officer for Scotland where his responsibilities include aspects of public health policy and health protection. He also has policy responsibility for sport in Scotland.*

Sandy Rowan *is CEO of Pointer Ltd. He joined the business in 1991 as branch manager for its Glasgow branch. He was appointed Managing Director in 1999. Over the last 13 years Pointer has expanded into overseas markets in the Far and Middle East, grown its range of service offerings to include fire and integrated security systems as mainstream products, and developed considerable expertise in the successful delivery of complex installation projects in the UK, Oman and Thailand. Sandy Rowan graduated from Edinburgh University in 1983 with an MA in Economic History and worked for Austin Rover and Mercedes Benz UK before joining Pointer. He has been a director of the Scottish Business Crime Centre since 2006.*

SESSION 40
ASPIRATIONS, GOVERNANCE & CONTROL

TRACK A		Date	Friday, Jun 21
		Time	13:15 – 14:30 h
Common Ground		Room	Ewing Room
Facilitator		Tomi Laamanen, *University of St. Gallen*	

An Agenda for Organizational Control Research: Looking through the Kaleidoscope of the Past and Present

Laura B. Cardinal, *University of Houston*
Markus Kreutzer, *University of St. Gallen*

During the past 50 years, a substantial array of research on organizational control has been conducted in management. In spite of its historical prominence in strategic management and organization theory, control research has not been sufficiently cumulative. Organizational forms and environments have changed dramatically since theories concerning organizational control were developed, yet our theories and empirical research have not kept pace with the dramatic changes of our twenty-first century. The purpose of this review is to make sense of this old, but fragmented research and to identify building blocks, critical relationships, trends, and a roadmap for future research.

Bright Side of Internal Capital Market: Value Creation by Business Groups

Indrajit Mukherjee, *XLRI Xavier School of Management*
Apalak Khatua, *XLRI Xavier School of Management*

Business groups exhibit complex organizational structure. The dominant view about the same is that the structure is a tool of minority shareholder's wealth expropriation. The other view is the internal capital market hypothesis predicting efficient resource allocation using the structure. However, empirical study of the efficient internal capital market hypothesis of business group is sparse and the support of the hypothesis is very weak. This paper tests the hypothesis by developing a model of value creation by business group which is different from the trend in the extant literature. The empirical evidence shows that business groups transfer resources between its affiliates in a particular pattern and creates value for the minority shareholder.

Changing the How: Technological Performance, Slack, and the Firm's Portfolio of Strategic Means

Ithai Stern, *Northwestern University*
Razvan Lungeanu, *Northwestern University*
Edward Zajac, *Northwestern University*

In this paper we introduce the concept of a portfolio of strategic means and examine how technology intensive firms change their portfolios' composition in response to poor technological performance. In particular, we examine how a firm's technological performance interacts with slack financial resources to influence portfolio diversification and similarity. Our main premise is that the type of change a firm is likely to make in response to poor technological performance will depend on the slack financial resources it has; a firms with slack financial resources is likely to increase the portfolio's diversification and invest in new means, while a firms with little or no slack is likely to decrease the portfolio's diversification and center on the means with which it is most familiar. We test our hypotheses using a sample comprising all US public pharmaceutical firms between 1993 and 2006. The results support our premise.

Dealing with a Wicked (Complex and Recurrent) Problem: How Do Acquirers Deal with Unsatisfactory Performance

Xavier Castaner, *University of Lausanne*
Güldem Karamustafa, *HEC-Geneva*
Jeff Davis, *Orabrush Inc.*

According to the behavioral theory of the firm, aspiration gaps lead to problemistic search unless aspirations are adjusted down. However, we know little about problemistic search other than that search tends to be more or less local. We investigate the process of dealing with an aspiration gap in the context of an acquisition in which there is no aspiration adjustment, i.e. P&G acquisition of Wella. Our longitudinal case study reveals interesting cognitive and behavioral responses to unsatisfactory (M&A) performance by acquiring managers. From our study, we develop several propositions regarding responses to aspiration gaps. We contribute

to behavioral theory of the firm and the decision-making literature more broadly regarding how organizations deal with unsatisfactory performance as well as more specifically to M&A implementation research.

Relationship between Network Heterogeniety and Alliance Performance

Sanjay Dhir, *FORE School of Management*
Swati Chaurasia, *Indian Institute of Management-Lucknow*

Extant literature on Strategic Alliances reveals contradicting results of alliance network heterogeneity effect on alliance performance. This paper uses two different lenses – Transaction Cost and Social Network, to derive a model with competing propositions of the effect of alliance network heterogeneity on alliance performance and proposes to use a latent variable structural equation modelling approach for future testing on a sample of Indian firms.

Stuck in the Middle

Can Uslay, *Rutgers University*
Ekaterina Karniouchina, *Chapman University*
Ayca Altintig, *Claremont Graduate University*
Martin Reeves, *Boston Consulting Group*

Porter's (1980, 1985) notion of generic strategies remains one of the key frameworks of corporate strategy. However, no consensus has emerged on the empirical validity of Porter's arguments. Using a longitudinal sample over four decades, we examine the stuck-in-the-middle proposition, and find overwhelmingly supportive evidence. Firms that are stuck-in-the-middle find themselves at significant disadvantages that persist across industries and decades. We also find that specialists' financial performance does not follow the diminishing market share function implied by Porter (1980, 1985) and Sheth and Sisodia (2002). We use industrial organization and marketing insights to augment theory and provide managerial implications.

SESSION 15
STRATEGIC ISSUE AND COMPLEXITY

TRACK A		Date	Friday, Jun 21
		Time	13:15 – 14:30 h
Paper		Room	Queen Elizabeth 1
Session Chair		Marjorie Lyles, *Indiana University*	

Real Options and their Role in Contemporary Strategic Planning

Aleksandra Sus, *Wroclaw University of Economics*

Modern business world doesn't keep pace with changes in the environment. Science is trying to minimize the gap between what is happening on the pages of books, and what is happening in strategic reality of an organization. Decisions consistent with the assumptions of classic theory of organization and management are not right; in turn, decisions made ad hoc are only associated with high level of risk, and that means costs for management. So are there any planning methods in the contemporary world which will not only fulfill cognitive gap, but that will contribute to the success of the organization? This article presents a real options approach as a concrete tool supporting the functioning of the organization and poses the question whether it is possible to talk about "planning" when decisions are made in real time.

Stimuli as Antecedents of Decision Speed and Decision Process

Markus Goelz, *University of Melbourne*
Thomas Osegowitsch, *University of Melbourne*
Andre Sammartino, *University of Melbourne*
Sachiko Yamao, *University of Melbourne*

In this study we draw on strategic decision process theory to examine the role played by different stimuli in shaping the subsequent decision-making process and, hence, decision-making speed. We address this question qualitatively in the setting of foreign market selection of seven German solar firms. After identifying three main types of stimuli (policy change, personal contacts, and market potential) we examine the effect of these stimuli on information search, information sources, information analysis and decision speed. Based on our findings we develop propositions that suggest a significant influence of stimuli on the decision-making process and the speed with which decisions are made. These propositions will be further tested quantitatively in a study that is currently been undertaken.

FRIDAY 13:15 – 14:30

The Effect of Dispersion of Power on the Interpretation of Complex Strategic Issues

Christine Scheef, *University of St. Gallen*

Exploring how the dispersion of power affects the interpretation of complex strategic issues, this study elaborates on the dependencies created by complex strategic issues and suggests the cross-functional dispersion of power on strategic activities as central mechanism enabling a firm to develop a comprehensive and unified interpretation of the strategic issue. Using a large-scale survey, the study develops and will test hypotheses on the positive effect of dispersion of power on issue interpretation outcomes. Further, we expect a stronger effect of slowly evolving and contextual strategic issues. The study contributes to the sensemaking literature by challenging the implicit assumption that "meanings survive as a result of voting" (Weick, 1995) and to the strategic issue literature by studying the dependencies created by specific issue characteristics.

BUILDING AND EMPLOYING DYNAMIC CAPABILITIES

TRACK B		Date	Friday, Jun 21
		Time	13:15 – 14:30 h
Paper		Room	Queen Elizabeth 2
Session Chair	Donald Maclean, *University of Glasgow*		

Dynamic Capability and Superior Firm Performance in the UK Media Industry

John Oliver, *Bournemouth University*

The past decade has seen a transformation in the way many television broadcasters have managed their businesses. This paper examines the 'dynamic capability' of two UK television broadcasters and their ability to adapt and transform themselves in such a complex setting. Using Comparative Financial Analysis and Content Analysis this paper compares each company's historical performance over time, whilst also providing inter-company comparisons. It also illustrates how the strategic management of firms can be significantly different for two companies operating in the same industry. This research demonstrates an original contribution to knowledge by providing evidence of the dynamic capability performance effects of significant players in UK Media Industry, and extends the limited debate in literature on how to measure dynamic capability and superior firm performance.

Mediation as a Strategic Enabler: Overcoming Complexity from Within

Sebastien Picard, *ESCP Europe*
Mar Pérezts, *ESCP Europe*
Veronique Steyer, *ESCP Europe*

This proposal considers one of the key challenges of complex organizational settings and environments for strategy-making. The question of how to synchronize multiple and often conflicting logics remains crucial when strategic decisions must be made. The organizational capability of mediation has been recently developed as a concrete way to effectively "muddle through" such situations, instead of working against them, denying them or submitting to choice. An in-depth case of a French Global Firm in the vaccine industry – characterized by a number of sensitive strategic implications – provides the empirical grounding to explore the micro-foundations of mediation. Based on action net theories, we develop a framework of mediation as strategic knotting, to enact coherence between multiple and conflicting logics, characterizing complex firms.

Navigating in the modern MNC: The Emergence of a Pilot Subsidiary Role

Marty Reilly, *Dublin Institute of Technology*
Pamela Sharkey Scott, *Dublin Institute of Technology*
Vincent Mangematin, *Grenoble School of Management*

As multinational corporations (MNCs) shift from networks of miniature replica subsidiaries to value chains fine sliced across the globe, the impact of these changes on how subsidiaries contribute to the organization has been largely overlooked. Departing from the current perspectives of subsidiary initiative and entrepreneurship, we explore the impact of a narrow focus on subsidiary capacity to contribute to the MNC using multiple case studies within the Information Communications and Technology Industry. Drawing on both lead user and capability lifecycle

theories, we uncover a Pilot subsidiary role, where a unit strategically positions as a test bed for capability development within its organization, engaging in the risky strategy of constantly developing and diffusing capabilities to the wider MNC. The implications of our findings for theory and practice are then discussed.

Using Complexity Theory to Understand Dynamic Capability

Donald Maclean, *University of Glasgow*
Robert MacIntosh, *Heriot-Watt University*
Kate Buell-Armstrong, *University of Glasgow*

Complexity theory offers us an interesting perspective for better understanding how dynamic capability is operationalised and can contribute to competitive advantage within the firm. We contend that a hierarchy of dynamic capability exists within a firm and at its nth level this capability comprises an interacting set of simple rules that are subject to both positive and negative feedback. We use an inductive case study to illustrate our arguments but will need more data to explore the extent to which our observations are generalizable.

STAKEHOLDERS, TIMING, COMPLEXITY AND MATERIALITY

TRACK C		Date	Friday, Jun 21
		Time	13:15 – 14:30 h
Paper		Room	Waverly Suite
Session Chair	Nol Groot, *Open University Netherlands*		

First Impressions: Stakeholder Networks, Proactive Engagement and Stakeholder Opinions of Corporations

Sinziana Dorobantu, *New York University*
Witold Henisz, *University of Pennsylvania*
Lite Nartey, *University of South Carolina*

Stakeholders receive information about a firm's activities through the media, from other stakeholders, and from the company. We study the relative weight of four different mechanisms through which stakeholders form their opinion of corporations: rational processing of media information; sifting of information received through social networks; following of opinion leaders; and impression formation through interaction with the company. We design our analysis to assess the relative importance of the four mechanisms using data from 4,652 social, political and economic stakeholders (government representatives, communities, non-governmental organizations, unions, etc.) that have voiced a position in relation to one of 26 gold mining projects around the world. We pay special attention to the impact of corporate proactive behavior in the domain of stakeholder engagement.

Issue Materiality and Stakeholder Theory

Cynthia Clark, *Bentley University*
Jennifer J. Griffin, *George Washington University*
Andrew Bryant, *George Washington Univeristy*

Whereas stakeholder theory asserts that managers should devote attention to each of the firm's stakeholders - balancing multiple concerns of conflicting stakeholders. Extant literature focuses on the dynamics and relative importance of the stakeholder groups yet it underemphasizes the characteristics of the issue of concern to a given group. Issues management, on the other hand, focuses primarily on issues, their importance and likely firm responses. By combining stakeholder theory and issues management we seek to better understand a firm's response to an issue when an issue has certain and unique characteristics: a constrained set of responses in a limited timeframe. In this setting, we ask which issues are material to a firm.

Organizing and Complex Corporate Strategic Impact of Local Strikes and Labor Actions of Cleaning Staff

Nol Groot, *Open University Netherlands*
Kees Blokland, *Dutch Railways*

In many boardrooms strategy is considered to be a central responsibility. There are also organizations in which strategy is considered to be the result of social interactions between many people in daily practice. But what will happen when boards of corporations are challenged by (cleaning) staff not directly employed by them. In literature these emerging actions are called organizing. There is not much strategy literature on how to deal with complicated unexpected organizing events, with players who do not stop at the boundaries of their own firms. In this article the authors will explain how a social interaction view on complexity theory can help managers to better understand the strategic consequences of unexpected boundary-less challenges and how in the described case the challenges are met.

The Timing and Spacing of Corporate Environmental Actions: From Weak to Strong Sustainability?

Deborah Philippe, *HEC-Lausanne*
Tima Bansal, *University of Western Ontario*

This study explores how organizations understand their complex relationships with the natural environment. Drawing on a longitudinal, qualitative analysis of the environmental discourses of 9 Canadian organizations from 1986 to 2010, we investigate which sustainability paradigm (weak or strong) they embrace when making sense of their interactions with the natural environment. We find that those that embrace a strong sustainability paradigm are better able to draw temporal or spatial connections with the society in which they are embedded and in so doing develop new capacities for learning and change.

SESSION 10
PLENARY TRACK

TRACK P		Date	Friday, Jun 21
		Time	14:45 – 16:00 h
Presentation		Room	Queen Mary Suite

Plenary Session III: Research Process and Engaging with Practitioners in Complex Settings

Chair

Robert MacIntosh, *Heriot-Watt University*

Speaker

Jean Bartunek, *Boston College*

There are many challenges when conducting research in a complex setting, not least the realization that there may be more going on than first meets the eye. In this plenary, Professor Jean Bartunek will explore one such research project. Its beginning was straightforward enough. The principal of Lomond School in the USA contacted Dr. Sharp, a well-known Professor who had recently published a book on bilingual education. The principal needed help. Forty Portuguese speaking students, most of them newly arrived from Brazil, had enrolled in the school. More were coming. By law Lomond School had to offer a transitional bilingual education program. Could Dr. Sharp help the school implement a sophisticated and effective program? Could she help develop proper assessment tools? What a golden opportunity. The researcher was being invited by the school to implement a change project based on her own model and to develop assessment tools for it, all with publication in mind. However, process of conducting the research slowly uncovered layers and layers of complexity. The plenary will give an overview of the impact of such complexity on the research, and Professor Bartunek will discuss both the conduct and outcomes of research in the types of complex settings which practitioners often encounter.

Robert MacIntosh *is Professor of Strategy at Heriot-Watt University and head of the School of Management and Languages there. He trained as an engineer and has researched strategy development and strategic change for twenty years in a range of public, private, large and small organizations. He has published extensively in top rank journals including Strategic Management Journal. He sits on the board of the Glasgow Centre for Population Health and has acted as a consultant for a wide range of organizations. His latest book "Managing Change as Enquiry and Action" is published by Cambridge University Press.*

Jean Bartunek *is the Robert A. and Evelyn J. Ferris Chair and Professor of Management and Organization at Boston College. Her PhD in social and organizational psychology is from the University of Illinois at Chicago. She is a past president and fellow of the Academy of Management, and in 2009 she won the Academy of Management's Career Distinguished Service award. Jean Bartunek has published more than 125 journal articles and book chapters, as well as five books. She is currently an associate editor of the Academy of Management Learning and Education and the Journal of Applied Behavioral Science. She co-edited a 2012 special topic forum on compassion and care in organizations in the Academy of Management Review. Her research interests focus primarily around organizational change, broadly conceived, and academic-practitioner relationships.*

PROCESSES OF GOING INTERNATIONAL

TRACK A		Date	Friday, Jun 21
		Time	16:30 – 17:45 h
Paper		Room	Waverly Suite
Session Chair	Steven Floyd, *University of Massachusetts - Amherst*		

Internationalisation by Reputation: Relationship and Reputation Building Processes in Professional Service Firm Internationalisation

Deirdre Canavan, *Dublin Institute of Technology*
Pamela Sharkey Scott, *Dublin Institute of Technology*
Vincent Mangematin, *Grenoble School of Management*

Using a behavioural process approach within the field of international business theory, this study explores the internationalisation process of professional service firms (PSFs). It focusses on reputation and relationship building processes as these are already identified in literature as critical for PSF internationalisation, yet little insight is provided on how these resources accumulate. An in-depth qualitative study of the internationalisation process of five architectural firms was conducted. These firms had longstanding track records in international markets across multiple locations. The paper's main contribution is the development of a conceptual framework for PSF internationalisation which identifies both the stages and the interplay between relationship and reputation building during the internationalisation process. This framework identifies eight internationalisation stages and includes four phases of international reputation building. The paper concludes with theoretical and practical implications.

New Venture Internationalization as a Rite of Passage: Unpacking Transitional Vulnerabilities

Shameen Prashantham, *University of Nottingham*
Steven Floyd, *University of Massachusetts - Amherst*

To help explain why some international new ventures (INVs) survive while others don't, we open the blackbox of how a new venture becomes an INV. We suggest new venture internationalization is akin to a rite of passage i.e. a transitional process of social actors to a new status, involving a between-and-betwixt "liminal" phase characterized by both ambiguity and liberation. Thus liminality is a double-edged sword and holds the potential danger of transitional vulnerabilities – premature entry, liminal overreach and persistence despite failure – for aspiring INVs. These actions could thwart liminal learning outcomes that are vital for the successful accomplishment of internationalization.

Reverse Innovation and IPLC Theory: Towards a Typology of Innovation Diffusion and a Strategy Cycle

Nebojsa Radojevic, *HEC-Montreal*
Patrick Cohendet, *HEC-Montreal*
Thierry Burger-Helmchen, *University of Strasbourg*

Reverse innovation refers to innovations diffusing from emerging to developed economies, which allegedly contradicts the International Product Life Cycle (IPLC) theory. As a broader strategic approach, reverse innovation challenges Western multinationals to consider local realities of emerging markets, innovate specifically for countries like India and China, and additionally introduce resulting innovations to developed markets. Our analysis finds that the IPLC theory and reverse innovation are complementary rather than contradictory, particularly regarding underlying diffusion patterns. Consequently, we identify ideal types of international innovation diffusion paths and connect them with literature on generic internationalization strategies. Finally, our work indicates global cycles of innovation diffusion paths and generic strategies. Going rapidly through diffusion stages and alternating appropriate strategies may give multinational enterprises a significant source of comparative advantage.

The Realization of Strategic Inter-organizational Embeddedness in a Complex Entrepreneurial Environment

Stoyan Stoyanov, *University of Edinburgh*

Transnational entrepreneurship (TE) has emerged as a distinct attribute of globalization and international business. The changing nature of the business and the development of new processes and practices have required the advancement of academic literature through further investigating the nature of strategy development in small transnational entrepreneurial companies. The importance of these entities lies in their ability to operate under the detrimental impact of pending liabilities of newness and foreignness. Illuminating the strategies, which constitute TEs' ability to develop in such complex settings, has been the focus of the proposed research paper. The paper reveals the underpinnings of a paradigm that remains relatively unexplored – how transnational entrepreneurship manage to establish inter-organizational embeddedness through which to engage in the actual business environment of the host country.

EVOLUTIONARY CONCEPTS

TRACK A		Date	Friday, Jun 21
		Time	16:30 – 17:45 h
Paper		Room	Queen Elizabeth 1
Session Chair	Ithai Stern, *Northwestern University*		

Evolutionary Concepts and Business Strategy

Ewa Stanczyk-Hugiet, *Wroclaw University of Economics*

Evolutionary economics is a promising economic theory, particularly from the viewpoint of strategic management. Since adoption of evolutionary mechanisms in the task of explaining problems of strategic nature is not self-evident, this paper presents arguments for employing the evolutionary paradigm in the area of strategic management. A model of normative strategies is presented, in the context of conditions accompanying weak and strong emergence. The results indicate that, in the face of strong emergence, organizations should foster more adaptive behaviours.

In Search of a Governance Model for the Complex System of Knowledge Economy

Dario Peirone, *University of Torino*
Angelo Miglietta, *IULM*

In this research we draw a dynamic model of governance for the knowledge network of firms. The ability to react rapidly to changes in markets cannot be based only on specialized employees, with no interaction between corporate value creation and the characteristics of economic systems. Competitive firms need complex multi-stakeholders relationships developed in chains and networks, avoiding path dependence. We attempt to outline a formal model to assess the evolution of firms' social capital toward value creation at three different levels: firm-level, network-level, general economy-level. This dynamic model doesn't define a benchmark or a precise forecasting property, but it draws a "schema" to help understanding some complex strategic settings, analyzing if and how some network ties can create value or chaos, producing or dissipating resources in the medium-long term.

Pragmatic Organisation Theory: Combining Theories & Bridging Epistemological Gaps

Birgit Kleymann, *Catholic University of Lille*

The epistemology of Organisation Theory needs to become simultaneously more heterogeneous and more interconnected. After an introductory plea for a tearing down of the epistemological fortresses which up to now hinder the evolution of pragmatic, non-ideological inter-disciplinary research, the paper will discuss some features of complex, evolving social systems, and suggest the (re-)combination of theoretical frameworks to develop a conceptual toolbox that could contribute to a scholarship dedicated to understanding emergent complex social phenomena. The suggestion made is that a combination of Institutional Theory and the Resource (Inter-)Dependence Perspective, expressed in the terminology of Systems thinking (coupling; closure; attractors etc) can be useful as an tool for the analysis of relatively complex, evolving social systems.

Shadows of the Past: Path Dependence of TV on its Sub-systems, Complements and Substitutes

Mahua Guha, *University of North Carolina-Chapel-Hill*

In this study, I examine two levels of path-dependence in the television technological system: How does the development of television (TV) core components affect the development of peripheral components? and How does the development of complement and substitute technologies affect the development of television technology? Results from the empirical analysis using US patents from 1975 to 2004 indicate that: the development of TV periphery technologies is path dependent on the

development of TV core technologies, and even after controlling for its own prior history, the development of TV system is path dependent on the development of its complement technologies. However, there is weak evidence of the path dependence of TV system on the development of its substitute technologies.

STRATEGIZING THROUGH TOOLS AND CONCEPTS

TRACK B			Date	Friday, Jun 21
			Time	16:30 – 17:45 h
Common Ground			Room	Ewing Room
Facilitator		David Seidl, *University of Zurich*		

Crossing Firm Boundaries to Innovate: How the Modes of Innovation Interact

Clyde Eiríkur Hull, *Rochester Institute of Technology*

This research empirically examines how firms can most effectively renew their product lines, focusing on whether different sources of new products supplement or supplant each other. Transaction cost economics suggests hypotheses on how three modes of innovation – internal, cooperative, and external innovation – interact with one another. Results based on data collected from 199 publicly held firms provide support for patterns of strong interdependency among the modes, and for these relationships to vary significantly between companies high and low on learning capability, risk-taking, resource mobility, and age. Cooperative innovation, which creates shared value for participating organizations, emerges as potentially the most effective approach to innovating in settings of increasing complexity.

Practices of Service Innovation for Strategic Positioning

Katja Maria Hydle, *BI Norwegian Business School*
Karl Joachim Breunig, *BI Norwegian Business School*
Tor Helge Aas, *Norwegian School of Economics*

The paper explores practices of service innovation in scale intensive service firms and questions the effects on strategy. Following the practitioners explanations of their practices when conducting service innovation projects, first order themes are exposed, which in turn are clustered into second-order themes. These themes show strategy-making of the service firms being identifying needs, assuring support and dividing work. Viewing the practices performing the service innovation, and using the practitioners' language of identifying needs, assuring support and dividing work, we bring strategy-making as activities and concepts back to the practitioners.

Strategic Flexibility and Counterintuitive Decisions: SMEs in a Chaotic Business Environment

Michal Szymanski, *University of Victoria*

There is an ancient Chinese curse that says „may you live in interesting times" and the time now is interesting indeed. While the global economy is experiencing one of the most difficult periods in modern history, large number of companies regardless of size, country of origin and industry have gone bankrupt. Those who survived the initial phase of the crisis have to adjust to new market conditions and reorganize their structures. Our understanding of the nature of strategic decisions in times of economic turmoil is still limited. The following research proposal addresses this problem and seeks to set up a concise research agenda for further detailed study of SMEs' survival chances in a new chaotic business environment.

Structuring the Void: The Role of Material Objects as Temporal Structures for Inter-Organizational Strategizing

Felix Werle, *University of Zurich*
David Seidl, *University of Zurich*

Taking a practice perspective this research explores the practices and structures which are generated through the inter-organizational strategizing among organizations which are driven by understanding the issue of 'water'. It is water as an epistemic object that organizations strive to understand which starts the inter-organizational collaboration and strategizing. The epistemic object triggers these actors to establish the necessary structures (such as workshops and using of methodological tools) which allows them to work together and hence enables and

mediates the inter-organizational strategizing process.

Syndication, Social Network, and Performance: Evidence from Leveraged Buyout Syndication

Betty Wu, *University of Glasgow*

I examine how educational profiles of top management teams, in particular MBA graduates potentially with strong alumni networks, might influence syndication decisions. Using a sample of 941 LBO deals, I find that MBAs are not prone to syndication. When they syndicate, MBAs tend to work with their cohorts, especially when agency costs exist. There is a non-linear relationship between syndication and performance, indicating inherently different natures of deals. MBAs perform better in non-syndicated deals but not in syndicated ones. It thus suggests that MBAs are good at pre-deal screening and would seek outside expertise when needed. Overall, my findings show that syndication makes deals that otherwise might be impossible. Moreover, MBA networks seem able to facilitate information flows and alleviate agency costs associated with co-investors.

Wicked Problems as Proprietary Knowledge Problems: An Empirical Study of Hydraulic Fracking

Richard Hunt, *University of Colorado-Boulder*

Drawing upon extensive, multi-faceted data from the hydraulic fracturing industry, this empirical study demonstrates that wicked problems can be constructively addressed as proprietary knowledge problems. Using the public disclosure practices of energy producers, this study assesses the extent to which the cooperative use of knowledge results in improved coping mechanisms for dealing with wicked problems. The study reveals that a comprehensive, collaborative disclosure strategy is more effective than a competitive approach in mitigating the effects of four key stakeholder knowledge problems: ambiguity, complexity, uncertainty and equivocality. Despite the short-term risks and costs associated with sharing proprietary knowledge, cooperative disclosure strategies offer firms numerous benefits, including: reduced stakeholder discontent, shorter permit processing times, fewer regulatory citations and significantly less pressure from environmental lobbying.

INTER-ORGANIZATIONAL STRATEGIZING: JOINT VENTURES AND STRATEGIC ALLIANCES

TRACK B			Date	Friday, Jun 21
			Time	16:30 – 17:45 h
Paper			Room	Queen Elizabeth 2
Session Chair		Robert MacIntosh, *Heriot-Watt University*		

Dynamic Capabilities, Decision Making Patterns: The Case of Asian-Pacific Shipping Groups

Andrejs Cirjevskis, *RISEBA*

The empirical research is based on two case studies research carried out in Chinese and Singaporean based shipping groups. Having analyzed case studies the research question has been defined as follows: how dynamic capabilities actually operate in successful shipping groups and contribute to their competitive advantage? The paper has theory focus, describes innovative practice of successful Asian-Pacific shipping and logistic companies and takes the form of demonstration. The research contribution demonstrates how the dynamic capabilities serve to generate competitive advantages. The author is going to make a longitudinal study on current topic.

Strategic Alliance Portfolio: Establishing a Dedicated Function & the Resulting Engagement as an Effective Diagnostic Mechanism in Complex Settings

Bradley Niblett, *The Michener Institute for Applied Health Sciences*
Robert MacIntosh, *Heriot-Watt University*

As the global competitive environment becomes increasingly complex and volatile, more and more organizations are looking to networks as a means of complementing skills, resources, agility and capabilities. Senior scholars argue that this raises the importance of creating shared value. From a study of the healthcare industry, this paper explores the role of alliance portfolios in the development of dynamic capabilities. Specifically, the paper examines capabilities in innovation and commercialization and, using a grounded-theory methodology to compare one successful and one

less successful alliance experience, we develop insights about the ways in which a firm's alliance portfolio can facilitate the creation of new dynamic capabilities. We suggest that alliance portfolios can generate dynamic capabilities which in turn result in new market opportunities, ultimately leading to competitive advantage.

The Role of Resources Deployment in Exploration Exploitation Alliance Formation

Franky Supriyadi, *Prasetiya Mulya Business School*
Susan Cohen, *University of Pittsburgh*

In complex setting, effective collaborative arrangements could potentially improve firms' competitive position and performance. This study investigates the influence of resources deployment such as R & D and marketing resources on the propensity of a firm to engage in either exploitation or exploration alliances. We argue that high investment in R&D has a strong positive effect on the tendency of a firm to establish explorative alliances, while high commercialization orientation positively influence the decision to involve in exploitation alliances. Our preliminary analysis in US electronic industry shows consistent results with these ideas. We theorize that while developing new knowledge and its commercialization can be performed in-house, firms may benefit more by expanding these activities through collaboration with other firms.

Value Creation in Indian Bilateral Cross-Border Joint Ventures: A System Dynamics Approach

Sanjay Dhir, *FORE School of Management*
Amita Mital, *Indian Institute of Management-Lucknow*
Samir Srivastava, *Indian Institute of Management-Lucknow*

The purpose of the study is to propose a system dynamics model for 'Value Creation' in Indian bilateral cross border joint ventures by focusing on dynamics of partner's asymmetric motives coupled with partner selection criteria, partner's characteristics and institutional arrangements. The study presents a closed loop feedback perspective of value creation in joint ventures which is often neglected in extant research. The dynamics of asymmetric motives and its determinants has also been ignored in previous studies. The paper fills the above gaps, develops a conceptual model and thereafter proposes an integrated modeling framework, using system dynamics. The proposed framework is first of its kind to combine descriptive modeling with proposed optimization technique and statistical analysis.

SESSION 38
PLENARY TRACK

TRACK P		**Date**	Saturday, Jun 22
		Time	09:00 – 10:15 h
Special Panel		**Room**	Queen Mary Suite

Crossroads Session: Ecosystems and Business Models

Session Chair

Richard Priem, *Texas Christian University*

Within this thought space we invite to think of the interactions that occur between these two concepts. These interactions are central to the Glasgow SMS. We invite you to look at the concepts of business models and ecosystems and contrast them from the point of view of your research expertise. Questions might include: How much traction do these concepts have in explaining the phenomena you study? Or How could one contrast inward-looking business models versus outward looking ecosystems?

Very briefly business ecosystems can be described as all that encompasses the economic community that produces goods and services of value to customers. "Over time, they coevolve their capabilities and roles, and tend to align themselves with the directions set by one or more central companies." (Moore, 1993: 26). Conversely, one description of business models is the rationale of how an organization creates, delivers, and captures value. Since the process of business model construction is part of business strategy a significant amount of work has addressed this concern.

SESSION 11
PLENARY TRACK

TRACK P	Date	Saturday, Jun 22
	Time	10:45 – 12:00 h
Presentation	Room	Queen Mary Suite

Plenary IV: Retheorizing the Corporation from a Practice Perspective: What do Corporations Really Do?

Co-Chairs
Loizos Heracleous, *University of Warwick*
David Seidl, *University of Zurich*

Speaker
Roy Suddaby, *University of Alberta*

The primary function of the corporation is changing. Originally understood as a means of maximizing shareholder value, the corporation is now decried as a "psychopath" and encouraged to adopt a broader social purpose that attends to the interests of all stakeholders. Between these two Manichean views, however, lies an empirical reality in which the modern corporation has quietly adopted many of the core behaviors and attributes that were once attributed to the nation-state. Many of these activities are unrelated to their core economic function. For example, Fortune 500 corporations have world-class museums and art collections, and universities that engage in pure research. They have armies and police forces that are often contracted by government providers. In short, the modern corporation appears to be appropriating many of the roles and responsibilities that we once assumed to be part of the function of government. This lecture will summarize ongoing research on the "secret" life of the corporation with a view to re-theorizing the role of the corporation based on an empirical understanding of what corporations really do.

Loizos Heracleous *holds a Chair in Strategy and Organization at Warwick Business School and is Associate Fellow at Said Business School and Green Templeton College at Oxford University. He earned his PhD at the University of Cambridge. His research interests revolve around organizational aspects of strategy, organizational discourse and corporate governance. He received 3 research awards from the US Academy of Management and in addition to 6 books he has published over 50 research papers in journals such as the Academy of Management Journal, Academy of Management Review, MIS Quarterly, Strategic Management Journal, Harvard Business Review, MIT Sloan Management Review, Journal of Management Studies, Organization Studies and Human Relations. He serves on the editorial boards of 5 journals, including the board of the Academy of Management Journal. Loizos Heracleous received several teaching excellence awards and is an experienced executive development practitioner with 15 years' experience, having worked with senior executives of blue-chip organizations including Rolls Royce, IBM, Tata, Total, Credit Suisse, Bank of China, Standard Chartered Bank, Kingfisher Airlines, MAN, and Singapore Institute of Directors.*

David Seidl *is Full Professor of Organization and Management at the University of Zurich. He studied Management and Sociology in Munich, London, Witten/Herdecke and Cambridge. He earned his PhD at the University of Cambridge in 2001. He is currently Past Division Chair of the Interest Group "Strategizing Activities and Practices" at the Academy of Management, Coordinator of the EGOS Standing Working Group on "Strategizing: Activity and Practice" and a Member of the EGOS Executive Board. He also sits on several Editorial Boards including Organization Studies (Senior Editor), Journal of Management Studies, Scandinavian Journal of Management, Strategic Organization and Organization. Current research focuses on strategy as practice, corporate governance and philosophy of science, which has been published widely in leading international journals. David Seidl has (co-) produced several books, including The Cambridge Handbook of Strategy as Practice (Cambridge University Press, 2010), and several Special Issues, including a Special Issue of Human Relations (2007) on "Strategizing: The Challenges of a Practice Perspective".*

Roy Suddaby *is a Professor of Strategy and Organizations at the Alberta School of Business, University of Alberta, where he holds the Eldon Foote Chair of Law and Society. He is a Visiting Professor at the University of Uppsala, Manchester Business School and Copenhagen Business School. Roy Suddaby serves on the editorial boards of several leading management journals including the Academy of Management Review, where he is currently the Editor. His research focuses on processes of organizational, institutional and societal change and has been published in leading management journals including the Academy of Management Review, the Academy of Management Journal, Administrative Science Quarterly and Accounting, Organizations and Society. His research has won a variety of awards including the Best Paper awards at the Academy of Management Journal, Administrative Science Quarterly and, most recently the 2012 Grief Research Impact Award.*

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