



CONFERENCE PROGRAM



In partnership with



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Jorge Tarzijan
Catholic University of Chile
Program Co-Chair



Sergio Lazzarini
Inspira
Program Co-Chair



Luiz Mesquita
Arizona State University
Program Co-Chair

Dear Colleagues,

We are delighted to co-organize this special conference with the theme "From Local Voids to Local Goods: Can Institutions Promote Competitive Advantage?" The focus of the conference is related to the broad issue of collective action by multiple players, either coordinated through central governments or through bottom-up indigenous institutional systems, and its relationship with the attainment of sustained competitive advantages. This field of research encompasses a broad set of themes, ranging from the resource munificence of surrounding environments to the emergence of communal and public resources, the promotion of vibrant entrepreneurial ecosystems, as well as the design of indigenous institutional systems to coordinate investments in joint sources of competitive advantage. By engaging in a dialogue between researchers and practitioners we hope to shed light on this key issue.

This conference will bring together academics and top executives to share perspectives and confront rigorous research with real world experience. In addition to offering participants the opportunity to interact in a pre-conference workshop, plenary panels, and formal presentations, the conference will include an off-site dinner event to enjoy the beautiful Chilean vineyards and wine. The meetings will be held at the world-class facilities of the School of Management of the Pontificia Universidad Católica de Chile (PUC). PUC has been widely recognized as a premier center of education and research in Latin America. Its School of Management was not only a pioneer in the region for having received its AACSB accreditation many years ago, but also continues to be a center of reference in Chile, having educated prominent leaders in business and government.

The location of the conference also offers many attractive features. Santiago is one of the most modern Latin American cities, full of life, and with world-class infrastructure and telecommunications. Santiago is also an especially charming city to visit because of its closeness to many of the country's tourist attractions such as its famous vineyards, and the port of Valparaíso (declared a World Heritage Site, in 2003, by the United Nations), as well as short access to other equally charming Chilean destinations, such as San Pedro de Atacama, Patagonia, and the Easter Islands.

The special conference will offer you an opportunity to engage with senior scholars and practitioners during what we expected will be an exciting set of sessions as well as to learn more about the intriguing city of Santiago and Chile. Welcome to Santiago and PUC Chile!

Jorge Tarzijan
Sergio Lazzarini
Luiz Mesquita



Dear Conference Participant:

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

A recent stream of strategy research has examined how institutional voids pose fundamental challenges for industrial development in emerging markets and bring detrimental effects to the competitiveness of local firms. Yet, in many countries, policymakers, to various degrees and levels, have adopted a rather positive agenda to try and foster local firms through the provision of public resources such as investments in infrastructure, specialized industrial policies, and knowledge-generation systems. The theme of this Special Conference "From Local Voids to Local Goods: Can Institutions Promote Competitive Advantage?" examines these challenges and hopes to advance discussion on this topic by gathering a group of established scholars and practitioners in Santiago, one of the most modern Latin American cities.

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 Program Chairs Jorge Tarzijan, Sergio Lazzarini and Luiz Mesquita, this event would not be a reality.

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

Marjorie Lyles
President

Nikolaus Pelka
Executive Director



A Professional Society for the Advancement of Strategic Management

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

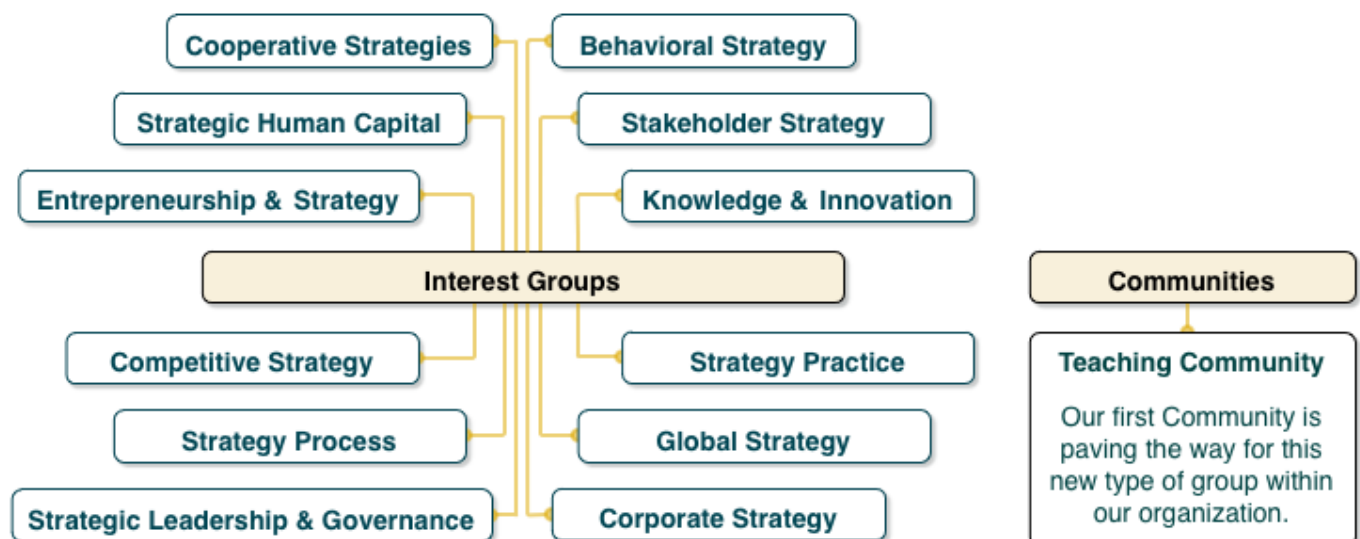
The SMS holds an annual meeting at various sites around the world, typically alternating between North America and Europe; some past locations included Amsterdam, Baltimore, Barcelona, Berlin, Boston, Chicago, London, Mexico City, Montreal, Orlando, Paris, Philadelphia, Phoenix, San Francisco, San Juan, Stockholm, Toronto, Vancouver, Vienna, San Diego, Washington DC, Rome, Miami, Prague, Atlanta and most recently, Madrid. 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, Glasgow, Tel Aviv, Copenhagen and Sydney.

PUBLICATIONS

The Strategic Management Society is proud to be involved with Wiley 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.

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

2014	MADRID
2013	ATLANTA
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

SPECIAL CONFERENCES

2014 SYDNEY, AUSTRALIA Strategic Management in the Asian Century: Dealing with Dynamism, Diversity and Development	2012 GUANGZHOU, CHINA Competing and Cooperating in and for China
2014 COPENHAGEN, DENMARK Micro-Foundations for Strategic Management Research: Embracing Individuals	2012 SINGAPORE Globalisation Of Innovation Strategies: Novel Moves for a Global Game
2014 TEL AVIV, ISRAEL Startup and Restart Strategies	2011 SAN DIEGO, USA CK Prahalad: Reaching Over Boundaries and Expanding Possibilities
2013 MOHALI, INDIA Strategic Leadership: An Emerging Market Perspective	2011 RIO DE JANEIRO, BRAZIL Latin America's Burgeoning Strategic Role in Global Development
2013 GLASGOW, SCOTLAND Strategy in Complex Settings	2010 LAPLAND, FINLAND Intersections of Strategy Processes and Strategy Practices
2013 LAKE GENEVA, SWITZERLAND Strategizing Practices from the Outliers: Enabling "Big Bang" Innovations	2008 HYDERABAD, INDIA Emerging India: Strategic Innovation in a Flat World
	2007 CATANIA, ITALY New Frontiers in Entrepreneurship: Strategy, Governance and Evolution

UPCOMING CONFERENCES



Recommended Dress

Business casual attire is recommended for all conference sessions.

Thursday, Friday and Saturday 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.

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.

Santiago Evening Events

THURSDAY, MARCH 19, 2015

The conference will open with a cocktail reception on the Pontifical Catholic University of Chile campus.



FRIDAY, MARCH 20, 2015

On Friday evening, conference attendees will visit the Santa Rita vineyards for a memorable journey through Chile's wine-making tradition and cultural heritage. The winery, located at the foot of the Andes Mountains, is surrounded by vineyards, national monuments, and century-old parks. The guided tour will start in the vineyards at the heart of the Maipo Valley, continue through the wine-making and aging cellars, and pass by the bottling plant. After the guided tour, conference attendees will enjoy an indelible dinner in the famous Doña Paula Restaurant, an 18th century colonial farmhouse that is now a national monument. The evening will end with a visit to the Andean Museum, which exhibits over 2,000 archeological and ethnographical objects from Chilean cultures.

SATURDAY, MARCH 21 2015

The closing cocktail reception will be held in an exclusive club located high above the city. From here attendees will have a birds eye view of the wonderful city of Santiago.



JOIN THE CONVERSATION



@Strategic_Mgmt



Group: Strategic Management Society



Channel: Strategic Management Society

The individuals listed below worked with the Conference Theme Track Chairs Peter Klein, Felipe Monteiro, Aldo Musacchio and Sandro Cabral to review proposals for the conference. We appreciate and gratefully recognize the amount of time and effort spent making this a successful event.

Sharon Alvarez
University of Denver

Kazuhiro Asakawa
Keio University

Snehal Awate
Indian School of Business

Luis Ballesteros
University of Pennsylvania

Rodrigo Bandeira-de-Mello
Getulio Vargas Foundation

Helena Barnard
University of Pretoria

Janet Bercovitz
*University of Illinois-Urbana
Champaign*

Christiane Bode
INSEAD

Felipe Borini
ESPM

Steven Bradley
Baylor University

Eliane Brito
Getulio Vargas Foundation

Marcelo Bucheli
University of Illinois

Per Bylund
Baylor University

Anthony Cannizzaro
George Washington University

Jorge Carneiro
*Pontifical Catholic University of
Rio de Janeiro*

Lourdes Casanova
Cornell University

Christian Catalini
MIT

Joseph Clougherty
*University of Illinois-Urbana
Champaign*

Raffaele Conti
*Lisbon Catholic School of Business
and Economics*

Nobuaki Costa Ito
Inspira

Chris Coyne
George Mason University

Alvaro Cuervo-Cazurra
Northeastern University

Alvaro Cyrino
FGV-EBAPE

David Deeds
University of St. Thomas

Nicholas Dew
Naval Postgraduate School

Clemente Forero-Pineda
University of the Andes

Esteban García-Canal
University of Oviedo

Aline Gatignon
INSEAD

Ajai Gaur
Rutgers University

Ricard Gil
Johns Hopkins University

Nuno Gil
Manchester Business School

Andrea Goldstein
OECD

Benjamin Gomes-Casseres
Brandeis University

Omrane Guedhami
University of South Carolina

Shon Hiatt
University of Southern California

Richard Hunt
Virginia Polytechnic Institute

Nan Jia
University of Southern California

Yeongsu Kim
INSEAD

Charles Kirschbaum
Inspira

Ilze Kivlenieks
Imperial College London

Christos Kolympiris
Wageningen University

Vikas Kumar
University of Sydney

Sergio Lazzarini
Inspira

Yákara Leite
*University Federal Rural of Semi-
Arid*

G. T. Lumpkin
Syracuse University

Jacob Lyngsie
Copenhagen Business School

Daniel Mack
INSEAD

Mani Mamik
*Management Development
Institute*

Octavio Martinez
University of Toronto - Rotman

Matthew McCaffrey
University of Manchester

Luiz Mesquita
Arizona State University

Mario Mondelli
Economic Research Center (CINVE)

Guilherme Monteiro
Inspira

Francisco Morales
University of Colorado-Boulder

Caterina Moschieri
IE Business School

Sérgio Muritiba
University Nove de Julho, Uninove

Zdenek Necas
INSEAD

Roy Nelson
*Thunderbird School of Global
Management*

Desmond Ng
Texas A&M

Rachel Pacheco
University of Pennsylvania

Ronaldo Parente
Florida International University

Renata Peregrino de Brito
Ibmec - Rio de Janeiro

Alessandra Perri
Ca' Foscari University of Venice

Christos Pitelis
University of Bath

Sharon Poczter
Cornell University

Leandro Pongeluppe
Inspira

Simon Porcher
IAE Paris

Bertrand Quelin
HEC-Paris

Larissa Rabbiosi
Copenhagen Business School

Ravi Ramamurti
Northeastern University

Hector Rocha
IAE Business School

Maria Sylvia Macchione Saes
University of São Paulo

Erica Salvaj
University of Desarrollo

Tino Sanandaji
IFN

Vittoria Giada Scalera
Polytechnic University of Milan

Russell Sobel
The Citadel

Paul Vaaler
University of Minnesota

Jorge Verschoore
University of the Sinus Valley

Yanbo Wang
Boston University

Randall Westgren
University of Missouri

Nan Zhou
Moscow School of Management



THURSDAY, MARCH 19, 2015

08:30 – 15:00	Doctoral Workshop
15:30 – 17:30	Meet the Editors Panel Session
18:30 – 19:30	Opening Cocktail Reception at the Pontifical Catholic University of Chile

FRIDAY, MARCH 20, 2015

08:30 – 09:00	Conference Welcome & Presentations
09:15 – 10:30	Parallel Paper/Common Ground/ Developmental/Panel Sessions
10:30 – 11:00	Morning Coffee Break
11:00 – 12:15	Parallel Paper/Common Ground/ Developmental/Panel Sessions
12:30 – 13:15	Keynote: Institutions and Strategy in Emerging Markets
13:15 – 14:30	Luncheon
14:30 – 15:30	Plenary: Multinationals from Emerging Markets / Latin America
15:30 – 16:00	Afternoon Coffee Break
16:00 – 17:15	Parallel Paper/Common Ground/ Developmental/Panel Sessions
17:45 – 22:30	Off-site Vineyard Tour and Dinner

SATURDAY, MARCH 21, 2015

08:30 – 09:45	Parallel Paper/Common Ground/ Developmental/Panel Sessions
09:45 – 10:15	Morning Coffee Break
10:15 – 11:30	Parallel Paper/Common Ground/ Developmental/Panel Sessions
11:45 – 13:00	Showcase Panels
13:00 – 14:15	Luncheon
14:15 – 15:30	Parallel Paper/Common Ground/ Developmental/Panel Sessions
15:30 – 16:00	Afternoon Coffee Break
16:00 – 17:00	Plenary Panel: Resource Based View: Past, Present & Future
17:30 – 20:00	Closing Cocktail Reception

PHD WORKSHOP

PHD WORKSHOP	Date	Thursday, Mar 19
	Time	08:30 – 17:30
Workshop	Room	Room 62

PhD Workshop

Workshop Organizer

Ronaldo Parente, *Florida International University*

Senior Faculty & Panelists

Robert Hoskisson, *Rice University*

Ronaldo Parente, *Florida International University*

Stephen B. Tallman, *University of Richmond*

Margarethe Wiersema, *University of California-Irvine*

The main objective of the SMS Santiago 2015 Doctoral Workshop is to provide a supportive setting where participants can meet with journal editors, learn about the publication process, understand how to build a successful academic career, receive direct advice on their research project from experience scholars in the field, and broaden their academic network with senior faculty as well as other current doctoral students. The workshop is targeted towards doctoral students interested in the management field and related areas from Latin America and also from other parts of the world. Workshop participants needed to submit applications to attend this workshop.

WORKSHOP SCHEDULE

08:30 – 10:00	Scholar Presentations: "How to Publish in Peer Review Journals" – <i>Bob Hoskisson</i> "Online and Technology in Higher Education: Trends and Implications for your Career" – <i>Ronaldo Parente</i>
10:00 – 10:30	Coffee Break
10:30 – 12:00	Interactive Session Part A: Discussions with faculty and other students to develop your current research project
12:00 – 13:00	Lunch Break
13:00 – 15:00	Interactive Session Part B: Discussions with faculty and other students to develop your current research project
15:00 – 15:30	Coffee Break
15:30 – 17:30	Meet the Editors Session (open to all participants of the Conference) <i>Bob Hoskisson & Margarethe Wiersema from SMJ, Jay Barney (SEJ), and Steve Tallman (GSJ), representing the SMS journals.</i>



SESSION 41

PLENARY TRACK

TRACK P	Date	Thursday, Mar 19
	Time	15:30 – 17:30 h
	Room	Room 41

Plenary Panel

Meet the Editors Panel Session

Co-Chairs

Christian Felzensztein, *Adolfo Ibañez University*
 Sergio Olavarrieta, *University of Chile*
 Ronaldo Parente, *Florida International University*

Panelists

Robert Hoskisson, *Rice University*
 Stephen B Tallman, *University of Richmond*
 Margarethe Wiersema, *University of California-Irvine*

The editors will each exposed their views on what makes for a great scholarly contribution, and delineate the main qualities of papers that get accepted in their journals. They will also take questions directly from the audience.



Christian Felzensztein is a Professor, PhD Director and founding Director of the Research Center for International Competitiveness, Business School Universidad Adolfo Ibañez, Chile. His research includes the study on industry clusters, international entrepreneurship and the international strategy of Latin American SMEs. As Director of the research center he builds international connections with foreign partners in Latin America and abroad. His work has been published in *Entrepreneurship Theory and Practice*, *Long Range Planning*, *Journal of Business Research*, *Small Business Economics*, *Journal of Small Business Management* and *Journal of International Entrepreneurship*, among others. Apart from +30 journal publications, his work has been presented in +60 leading international conferences, including Academy of International Business, BABSON Entrepreneurship Research Conference and Strategic Management Society.



Sergio Olavarrieta is Associate Professor of Marketing and Strategy of the University of Chile. His research and teaching interests include Branding and Strategic Management, having published in prestigious journals such as: *Journal of the Academy of Marketing Science*, *Journal of Business Research*, *Journal of Strategic Marketing*, *International Marketing Review*, *Innovar*, and participates in several Editorial Boards including

ACADEMIA, INNOVAR, Estudios Gerenciales. Today he serves as Associate Dean of the Graduate School of Business and Economics at the University of Chile and is also President of the Chilean Association of Business Schools (ASFAE-Chile). Sergio Olavarrieta has held several senior executive positions including: Former Dean of the Universidad Diego Portales Business School and former Assistant Dean of the Undergraduate Business and Economics Division at the University of Chile.



Ronaldo Parente is associate professor at Florida International University. His research interests include global strategy, multinational management in emerging economies, outsourcing and global supply chains, and knowledge management. His research has appeared in leading academic journals such as *Journal of International Business Studies (JIBS)*, *Journal of the Academy of Marketing Science*, *Journal of Management Studies*, *Journal of International Management (JIM)*, *Technological Forecasting and Social Change*, and *International Business Review*. He currently serves on the ERB of JIBS, *Thunderbird International Business Review*, *Global*

Strategy Journal (GSJ) and *JIM*. He is a board member at the European Academy of International Business (EIBA). He was guest editor of the GSJ 2013 Special Issue, "Strategic Modularity & the Architecture of the Multinational Firm."



Robert E. Hoskisson's research topics focus on corporate governance, acquisitions and divestitures, international diversification, privatization and cooperative strategy. He teaches courses in corporate and international strategic management, cooperative strategy and strategy consulting, among others. He has served on several editorial boards for such publications as the Academy of Management

Journal (consulting editor), *Strategic Management Journal*, *Journal of Management* (associate editor) and *Organization Science*. In addition to co-authoring two books, his research has appeared in numerous leading publications. He is a Fellow of the Strategic Management Society and the Academy of Management.



Stephen Tallman is the E. Claiborne Robins Distinguished Professor of Business at the University of Richmond. He earned his Ph.D. in strategy and international business from UCLA in 1988. He served as chair of the International Management Division of the AoM (1998-99) and of the Global Strategy Interest Group of the SMS (2001-2005). He was elected to the Fellows of the AIB in 2008. He has served on the editorial

review boards of several journals, including *SMJ*, and became an Associate Editor of *SMJ* in 2007. He is currently co-editor of *Global Strategy Journal*. He has authored or edited three books relating to international strategy, and has published numerous book chapters and journal articles in a variety of outlets including *AMR*, *AMJ*, *SMJ*, *JMS*, *CMR*, *MIR*, *JIM*, and *JIBS*. His research interests include global outsourcing, international diversification, industry clusters, knowledge transfer in multinational firms, and international alliances and joint ventures. He has been on the faculty of the University of Hawaii and the University of Utah, and the Cranfield School of Management, and has taught at Warwick University Business School, Judge Institute of Management at Cambridge University, Thunderbird AGSIM, INSEAD, and SDA Bocconi, among others.



Margarethe F. Wiersema holds the Dean's Professorship in Management at the Paul Merage School of Business at the University of California, Irvine. Her research underscores the importance of senior management and especially the CEO in influencing the strategic direction of an organization. She is a member of the SMS Board of Directors and served as the Chair for the SMS Corporate Strategy and Governance Interest Group.

In addition, she is on the editorial board of the *Strategic Management Journal* and has published in numerous leading publications. In 2005, she co-chaired the 2nd Annual Doctoral Workshop at the SMS conference in Orlando, Florida. Margarethe Wiersema received an MBA in 1977 from the University of Michigan and a PhD in Strategic Management from the University of Michigan in 1985.

18:30 – 19:30

OPENING COCKTAIL RECEPTION AT THE PONTIFICAL CATHOLIC UNIVERSITY OF CHILE

SESSION 48

CONFERENCE WELCOME & PRESENTATIONS

TRACK P	Date	Friday, Mar 20
	Time	08:30 – 09:00 h
Special Panel	Room	Aula Magna Room

Conference Welcome & Presentations

Session Chair

Jorge Tarzijan, Catholic University of Chile

Sergio Lazzarini, Insper

Luiz Mesquita, Arizona State University

Panelists

Kathleen Eisenhardt, Stanford University

Robert Hoskisson, Rice University



Luiz F. Mesquita is an Associate Professor of Strategic Management at the W.P. Carey School of Business, Arizona State University, and has a Joint Appointment at Insper Institute of Education and Research, in São Paulo, Brazil. He received his Ph.D. in Business Strategy, and a Masters Degree in Agricultural Economics from Purdue University. His research examines inter-organizational coordination in contexts of cooperation and competition; his latest research endeavors look more closely at the institutional antecedents of multi party collective action. His research has appeared in leading outlets, such as the Academy of Management Journal, Academy of Management Review, Strategic Management Journal, and Harvard Business Review. Luis Mesquita teaches or has taught courses in business and corporate strategy, as well as global strategy and Entrepreneurship in Executive and Masters Programs in Argentina, Brazil, India, and the United States.



Jorge Tarzijan is a Full Professor of Strategy at the School of Management, Pontificia Universidad Catolica de Chile. He received his Ph.D. in Managerial Economics and Strategy from the Kellogg G.S.M. Northwestern University and a Master degree from Katholieke Universiteit Leuven (Belgium). He does research on Corporate Strategy, with particular emphasis on firms' boundaries, relational

contracts, and the determinants of the firm's internal organization. He has published in Strategic Management Journal, Journal of Economic Behavior and Organization, Industrial and Corporate Change, Journal of Business Research, B.E. Journal of Economic Analysis and Policy, and Harvard Business Review, among others. He is the Co-Chair of the Santiago SMS Conference (March, 2015). He is also the author of two Strategy textbooks (in their third and fourth editions) and has been a Visiting Scholar and Instructor at Harvard University.



Sergio G. Lazzarini (PhD, 2002, Washington University in St. Louis) is a Professor of Organization and Strategy at Insper Institute of Education and Research, a private business school in Brazil. He does research on strategic management, with particular emphasis on how emerging market contexts affect business strategy, and the organization of the public-private interactions. While visiting Harvard University

in 2010, he wrote the book *Capitalismo de Laços* (Capitalism of Ties, Campus Elsevier, 2011), which describes public-private interactions in Brazil; and he just finished a new book (with Aldo Musacchio) on the evolution of state capitalism (*Reinventing State Capitalism: Leviathan in Business, Brazil and Beyond*, Harvard University Press, 2014). He has also published in several journals such as Strategic Management Journal, Academy of Management Journal, Organization Science, Strategic Entrepreneurship Journal, Journal of Economic Behavior and Organization, Journal of Law, Economics and Organization, Journal of Management Studies, and Public Choice, among others.



Kathleen M. Eisenhardt is the S. W. Ascherman M.D. Professor and Co-director of the Stanford Technology Ventures Program at Stanford University. She is the coauthor of *Competing on the Edge: Strategy as Structured Chaos*, which won the George R. Terry Book Award. Kathleen Eisenhardt conducts research at the nexus of strategy and organization theory with particular emphasis on entrepreneurial firms and

high velocity markets. Among her awards are the Dan and Mary Lou Schendel Best Paper Prize from SMS, and the Scholarly Contribution to Management award from AOM. She is a Fellow of the Strategic Management Society and Academy of Management, and has served as a Fellow of the World Economic Forum (Davos) and the Clinton Global Initiative.



Robert E. Hoskisson's research topics focus on corporate governance, acquisitions and divestitures, international diversification, privatization and cooperative strategy. He teaches courses in corporate and international strategic management, cooperative strategy and strategy consulting, among others. He has served on several editorial boards for such publications as the Academy of Management Journal (consulting editor), Strategic Management Journal, Journal of Management (associate editor) and Organization Science. In addition to co-authoring two books, his research has appeared in numerous leading publications. He is a Fellow of the Strategic Management Society and the Academy of Management.

SESSION 39

STRATEGIC ENTREPRENEURSHIP

TRACK A	Date	Friday, Mar 20
	Time	09:15 – 10:30 h
	Room	Room 32
Common Ground		
Facilitator	Maria Sylvia Macchione Saes, <i>University of São Paulo</i>	

Entrepreneur-Centred View of Incubator Value and Incubator-Networking Processes

Catarina Roseira, *University of Porto*
 Carla Ramos, *Inspire*
 Francisco Maia, *University of Porto*
 Stephan Henneberg, *Queen Mary University of London*

The view held by incubated entrepreneurs of the expected incubator value, has not received much attention in the literature. Moreover, despite recognized as cornerstone for entrepreneurial action, little is known on networking processes in Networked Incubators (NIs). We empirically address these two aspects in one university NI. In what concerns incubator value, findings show that entrepreneurs hold high expectations for the dimensions of Legitimacy/Credibility, Infrastructure, and Networking, but low expectations on Business Support. We also found low levels of Networking, raising questions regarding effectiveness of NIs. Factors that impact the value and effectiveness of networking processes within NIs were identified.

Entrepreneurial Pivoting: Evolving Towards a Viable Business Model

Michael Leatherbee, *Stanford University*
 Riitta Katila, *Stanford University*

The concept of business models as a relevant phenomenon has made important strides in the strategy and organizations literature. However, it is still a fledgling subject in academia. Much work is yet to be conducted to validate its significance in mainstream management literature. The goal of our research is to provide the scholarly literature an empirical piece that dives into the micro-level phenomenon of business model evolution. In particular, we aim to analyze entrepreneurial pivoting by answering the question of what teams are the best at testing business model assumptions and conducting the necessary changes in their business model designs. We study 46 early stage entrepreneurial teams participating in I-Corps, a recent policy launched by the U.S. Government.

Factor Market Imperfections and Pre-Entry Experience: Employee Spinoffs in the Bangladesh Garment Industry

Romel Mostafa, *University of Western Ontario*

Do the advanced economy regularities on employee spinoffs hold in an emerging economy where factor market imperfections are pronounced? A theoretical framework is developed to explain the conditional roles of capital and labor market imperfections on the formation, generation and performance of spinoffs. Consistent with the theoretical predictions, evidence from the evolution of the Bangladesh garment industry indicates that spinoffs were established with limited capitalization and became prevalent later in the evolution of the industry; otherwise, they followed the advanced economy regularities. The findings of the paper suggest that the spinoff process can be an effective mechanism for inter-firm knowledge transfer even in an economy with deep institutional voids. They also suggest that institutions can influence when and what type of organizations come into existence.

Local Reach of Global Infrastructures: The Case of IdeaSquare at CERN

Said Yami, *University of Montpellier 1*
 Markus Nordberg, *CERN*
 Marzio Nessi, *CERN*

The IdeaSquare initiative actually undergoing in CERN allows examining how local firms, in particular SMEs, can collaborate to make better use of Research Infrastructures and offer competitive advantage in Europe. This innovative practice leans on the creation and organization of a cooperative context characterized by openness and voluntary action, where IdeaSquare plays the role of structural node and facilitator of the learning process. Hence, more is required than a pre-condition of

absorptive capacity from external actors. Beyond the description of the organization modalities of the partnership, it also touches the necessity of opening science outcomes and the new knowledge that it generates faster to reach the interested actors (whether based on profit or not) which are the true source of innovation and growth for future.

Performing Without a Net: Thriving in an Environment of Imitative Hypercompetition

Jamal Shamsie, *Michigan State University*
 Donald Conlon, *Michigan State University*

Most studies have focused upon innovation-based hypercompetition rather than imitation-based hypercompetition. Yet appropriating value is much more challenging in the later type of hypercompetition because of the threat of rapid imitation in various forms. In this paper, we study Nollywood, the prolific video-film industry in Nigeria to learn how firms manage to make profits in such a hypercompetitive setting. We show that, in fact, such a context leads to the emergence of a large number of directors who engage in continuous experimentation by working with different producers and screenwriters. Through such an effort, they are able to maintain or even increase the quality of their offerings over time.

The Organizational Performance and the Relationship with Corporate Entrepreneurship and Institutional Entrepreneurship

Airan Arinê Possamai, *Regional University of Blumenau*
 Marianne Hoeltgebaum, *Regional University of Blumenau*
 Mohamed Amal, *Regional University of Blumenau*
 Barbara Kobuszewski Volles, *Regional University of Blumenau*

This article proposes a construction of a theoretical review from Corporate Entrepreneurship (CE), Institutional Entrepreneurship (IE) and Organizational Performance (OP). In order to identify and discuss the relation, between indicators of CE and OP and indicators of IE and OP. This study presents the dimensions, the definitions and the relationships of each indicator with OP. The literature shows two different relationships: The relationship between the indicators of CE (proactivity, innovativeness and risk taking) with OP and the relationship between the indicators of IE (regulatory, cognitive and normative) with OP. OP is presented with the indicators of return on assets (ROA), profitability and sales growth. The relationships between all indicators are presented with a theoretical framework. For this study were selected 72 organizations, mostly born globals.

SESSION 29

LOCATION AND GEOGRAPHY

TRACK A	Date	Friday, Mar 20
	Time	09:15 – 10:30 h
	Room	Room 41
Paper		
Session Chair	Michael Leiblein, <i>Ohio State University</i>	

Are Governance and Location Choices Interdependent?

Michael Leiblein, *Ohio State University*
 Marcus Möller Larsen, *Copenhagen Business School*
 Torben Pedersen, *Bocconi University*

This paper examines decisions regarding the organization and location of economic activity. The paper accounts for the possibility that similar factors may simultaneously affect organizational- and location-decisions. The paper uses data from a comprehensive sample of exchanges involving public and private global semiconductor firms over the 1990 to 2005 time period. The results indicate that these decisions are highly interdependent, that exchange-, firm-, and location-factors are associated with both organizational- and location-decisions, and that organizational- and location-decisions are at least partially substitutable. Overall, the paper contributes by suggesting how business organizations trade-off the benefits of control and directed adaptation offered by hierarchical forms of organization with the benefits of rich communication offered by local organization in difficult contracting situations.

Decoding Entrepreneurship in Emerging Markets: Reflections from India

Shounak Roy Chowdhury, *O P Jindal Global University*
Brajesh Kumar, *O P Jindal Global University*

Indian rural market functioning remains an enigma. Despite efforts, even established Indian companies have not cracked the direct penetration code. Consequently, penetration strategies have revolved around creating collaborating with local entrepreneurs. The adeptness of local entrepreneurs stem from their better understanding of local market dynamics and their ability to reduce transactional costs. Increasingly, these 'local entrepreneurs' are foraying beyond their traditional markets by leveraging their unique community based systems. Our paper provides insights on the social systems, particularly business syndicates, which enables these entrepreneurs to operate in emerging markets and are facilitating their expansion in the global arena. Anecdotal evidences from the study challenges established thought on the rationale existence of unrelated businesses, and the roles of personal relations and corruption in creating successful venturing.

Enhancing Local Entrepreneurship Ecosystems: Policy and Cultural Legitimacy for Entrepreneurship

José Ernesto Amorós, *Universidad del Desarrollo*
Boyd Cohen, *Universidad del Desarrollo*
Vesna Mandakovic, *Universidad del Desarrollo*

Public policy could play a significant role in terms of the design of appropriate institutional and regulatory conditions to support entrepreneurship, especially in developing countries. One aspect is how certain programs can enhance the domestic legitimacy for entrepreneurship and then dynamism the creation of new ventures. We analyze the Chilean entrepreneurship ecosystem and its significant growth in terms of quantity and quality. Our interests lie in understanding how entrepreneurship policy and programs, specifically the unique Startup Chile, may impact the culture towards entrepreneurship. Using longitudinal data from different sources, we evaluate the changes on entrepreneurship legitimacy, attitudes and creation of new firms. Our results support that the introduction of Startup Chile, increase significantly the interest in Chile as an entrepreneurial ecosystem.

How Locations and Institutions Matter: A Systematic Review of Institutional Locational Advantages

Róisín Donnelly, *Bentley University*

Dunning's 1998 article on location being a neglected factor in international business (IB) research demonstrated the imperative of refocusing research in light of changing IB trends. Concurrently, the institution-based view of IB strategy became an increasingly important aspect of locational decisions. This systematic literature review chronicles institutional locational advantages in MNE investment decisions answering "how do institutions matter in relation to locational advantages for MNE investment?" In descriptive and thematic analyses, conceptual and empirical findings since 1998 are presented. The institutional locational variables and methodologies employed are presented. A framework is developed illustrating the levels at which institutional locational advantages can be construed, from firm-specific advantages to regional advantages. This framework identifies some areas that have received less attention and potential future research avenues are proposed.

SESSION 40

INSTITUTIONS AND LOCAL ENTREPRENEURSHIP

TRACK A	Date	Friday, Mar 20
	Time	09:15 – 10:30 h
Developmental	Room	Room 62

Session Chair Page West, *Wake Forest University*

Does University Knowledge Transfer to Individuals Intensify their Perceptions-Intentions Relationship toward Entrepreneurship?

Ignacio Mira Solves, *Miguel Hernandez University*
Jesús Martínez-Mateo, *Miguel Hernandez University*
José-María Gómez, *Miguel Hernandez University*
Antonio Verdu, *Miguel Hernandez University*

Universities transfer knowledge to society, constitute a specific socio-cultural context surrounding individuals during an important stage

of life, and the role of this context in fostering entrepreneurship is increasingly recognized. The aim of this research is to identify the degree to which university students or recent graduates translate the knowledge received in creating their own firms by testing a model of perceptions and intentions toward entrepreneurship that has been widely recognised in entrepreneurship research. Analysing data from the Global Entrepreneurship Monitor (GEM), we find that perceptions and intentions toward entrepreneurship differ significantly in university students and recent graduates and occur more frequently in this group than in the rest of the population. The perceptions-intentions relationship seems not, however, to be intensified by belonging to this group.

Entrepreneurial Policy: Catalyst or Barrier to High Technology Cluster Emergence in Developing Contexts?

Brett Anitra Gilbert, *Rutgers University*

City officials around the world are implementing various initiatives to support emergence of high technology clusters. Prior research in this area commonly focuses on the characteristics necessary for such regions, without consideration of the conditions in place within the region before, at or during policy implementation, and whether the desired outcome could result. This research examines current efforts underway in Johannesburg, South Africa to support emergence of a high technology cluster region. It illuminates regional policy initiatives that are necessary to support emergence of high technology entrepreneurs and clusters in developing country contexts.

Formulating and Implementing a Strategy to Foster Entrepreneurs in the Unique Context of Mexico (despite local voids)

Carlos Ruiz, *IPADE*
Marcus Dantus, *Startup Mexico*

SUM (Startup Mexico) is the first innovation campus for entrepreneurs (in Mexico); conceived as a "super hub", includes: newly created, high-impact companies, seed capital funds, corporate implants and services for entrepreneurs, all under one roof, creating a new type of ecosystem that fosters collaboration and innovation. Here we present the concept and how was designed (taking into account Mexican conditions) the idea wasn't to create another "Silicon Valley" but to achieve a "bridge" for the 45 countries with which Mexico has free trade agreements so they can pass through Mexico to get to another country, taking advantage of Mexican "opportunities": a 3,169km border with the US, huge number of engineers, and a "population bonus." This is a clear case in which various institutions promote smart growth companies (despite "local voids").

If at First You Don't Succeed, Don't Try Again: A Review of Enterprise Policy, Business Failure, and Re-Start

Orla Byrne, *University of Bath*
Norin Arshed, *Heriot-Watt University*

Business failure is a common occurrence. While every entrepreneur aims to be successful, it is an unfortunate reality that many ventures fail. Yet, business failure does not mark the end. Instead, it can hold wider economic and social impacts through knowledge spillover and greater market efficiencies. Failure can also create individual learning opportunities for the entrepreneur, often leading to subsequent entrepreneurial success with future businesses. Yet, little is known about how these macro and micro benefits are realised. This paper explores existing enterprise policy strategies and initiatives and asks if enterprise policy can play a greater role in facilitating this process. Taking an institutional theoretical approach, we set an agenda for future research in this area.

The Decision Processes of Vietnamese Micro-entrepreneurs: An Inductive Study

Gui Deng Say, *University of Minnesota*
Daniel Forbes, *University of Minnesota*

This study seeks to better understand how entrepreneurs in a developing country make decisions about their ventures. To this end, we conducted interviews with small-scale entrepreneurs, or "micro-entrepreneurs", in rural Vietnam. We are analyzing those interviews in an effort to inductively identify constructs and relationships relevant to understanding entrepreneurial decision making in this context. One early-stage finding that has emerged from our



analyses is that physical health is highly salient to understanding how these entrepreneurs make decisions. This contrasts with much prevailing theory on individual-level entrepreneurial decision making, which has tended to pay very little attention to the role of individual health or wellness in entrepreneurial behavior.

Wine Tourism and Territory: The Vale dos Vinhedos (RS/Brazil) Case

Janaina Macke, *Faculdade Meridional (IMED)*

Adilene Alvares Mattia, *University of Caxias do Sul*

Three elements of local development rise from tourism: the society, the environment and the economy, which are integrated and reinforce each other, in the context where social and cultural diversity and the productive differentiation should be used as empowering resources for transformations and local development. The Vale dos Vinhedos (Brazil) region has transformed into the most important oenology park of the country, and besides being a wine producer, also stands out as an oenology tourism region. This study aims to analyse the territorial development of Vale dos Vinhedos, connecting the concepts of territory and territorial resources to the tourism life cycle model. From the analysis of the life cycle, we can verify that Vale dos Vinhedos is on the "Development" stage, meaning that the number of tourists is still rising, although at a slower pace.

SESSION 10

ORGANIZATION AND CONTEXT OF EMERGING MARKET FIRMS

TRACK B	Date	Friday, Mar 20
	Time	09:15 – 10:30 h
Paper	Room	Room 31
Session Chair	Lilac Nachum, <i>City University of New York</i>	

Bad Neighbors as Comparative (Dis)Advantage

Rodrigo Wagner, *Tufts University*

Rodrigo Miranda, *University of Chile*

Rule of law impacts comparative advantage, easing growth in industries that need specialized procurement, arguably because these industries need better contract enforcement to avoid holdups (Nunn, 2009). But most countries in the world are smaller than the natural size of the market for "nearby" suppliers and customers. Countries like Israel, Chile or Finland have neighbors with significantly worse rule of law than themselves. We argue the latter is a comparative disadvantage for specialized manufacturing. Empirically, we shows neighbors' institutions are at least as important for comparative advantage as own country institutions, even controlling by many other determinants. Policies improving contract enforcement have cross-border externalities regarding the pattern of specialization. In some contexts, analysts using the Khanna-Palepu (2010) framework should also look at neighbors' institutional voids.

Diversity Management in three Latin American Countries: Complementary Views from Institutional Theory and Resource-Based Theory

Andrés Raineri, *Pontifical Catholic University of Chile*

The influence of the institutional context on diversity management (DM) in the countries of Chile, El Salvador and Guatemala is analyzed using an Institutional Theory and Resource-Based Theory background. Previous literature suggests that these countries' institutional context is characterized by the presence of legislation that inhibits discrimination, low levels of DM professionalization, and cultural traits that undervalue diversity as an asset. A multi-method approach, including focus groups, a survey, and web page content analysis, is used to analyze the institutional context, the diversity issues organizations' face, and the DM practices firms use. Results suggest perceptions of discrimination at the workplace in these countries, while DM seems to be in its early stages of development, firms concentrating in fighting discrimination, facilitating inclusion, and pursuing external legitimacy.

Firm Internationalization and the Mobility of Corporate Political Ties: A Political Markets Perspective

Rajeev Sawant, *Baruch College*

Andrei Panibratov, *St. Petersburg University*

Lilac Nachum, *City University of New York*

Marina Latukha, *St. Petersburg University*

Drawing on a political markets perspective, we theorize that corporate political ties (CPT) consists of conceptually distinct archetypes. These archetypes, interpersonal relationships (relational political ties or RPT) and organizational linkages with political actors conceptualized as knowledge political ties (KPT), affect how firms capture value from political ties and differentially affects firm internationalization choices, firm exports and foreign direct investment (FDI). The nature of political market transactions, transaction cost politics, demand and supply side incentives constrains the ability of the firm to appropriate value from RPT and leads the firm to appropriate value domestically, through greater export intensity. KPT, as a firm specific capability, is not so constrained and is mobile internationally leading to value appropriation through FDI. Our results broadly support these predictions.

Organizational Capabilities Structured by Transactive Memory System (TMS) in Subsidiary Organization

Angel Gonzalez, *Komatsu Holdings South America Ltda*

J Ignacio Canales, *University of Glasgow*

This paper brings together organizational capabilities and transactive memory systems (TMS), as microfoundations of dynamic capabilities. Subsidiary process for development of capabilities remains relatively unexplored. Understanding such process can shed light on the genesis, effects and consequences of subsidiary capabilities over time. In doing so, this study explores the relationship between a microfoundation of dynamic capabilities and organizational capabilities in a subsidiary where we focus on an in-depth case study of a product support group (PSG) developed by a subsidiary of Komatsu in Chile. Preliminary results defined a product support group as an organizational mechanism that promotes the ability of the subsidiary to build, integrate, reconfigure and transferred technical knowledge into the MNC.

SESSION 20

MANAGERIAL PERFORMANCE

TRACK D	Date	Friday, Mar 20
	Time	09:15 – 10:30 h
Paper	Room	Room 61
Session Chair	Sandro Cabral, <i>Federal University of Bahia</i>	

Accuracy and Confidence in Predictions of Applicants' Performance: The Detrimental Effects of Unstructured Interview Information

Edgar Kausel, *University of Chile*

Satoris Culbertson, *Kansas State University*

Hector Madrid, *Pontifical Catholic University of Chile*

We examined the accuracy and confidence of managers' estimates (n = 116) of applicants' subsequent job performance. We varied the information shown to these decision makers. Some of them were presented with information about applicants based solely on standardized tests of cognitive and noncognitive abilities. Others were presented with this same information, but in addition with ratings on unstructured interviews. We found that those presented with interview information were less accurate but more confident than those who did not receive these ratings. These results are consistent with previous findings showing that unstructured interviews are poor in predicting employee job performance. They also extend them, however, in that managers are better off not using interviews at all when hiring people.

Should Senior Managers be Transparent? Effects of Information-sharing on Individual Middle Manager's Ambidextrous Performance

Juan-Pablo Torres, *University of Chile*

Camilo Drago, *Diego Portales University*

Claudio Aqueveque, *Adolfo Ibañez University*

The present study reports the results of a simulation based research conducted to determine the impact of senior managers' share of mental models with middle managers decision making performance. In particular, we analyzed how senior manager's knowledge transference impacts on middle manager's individual ambidexterity, characterized as the duality of exploiting current resources to perform good financial results and mastering new strategies to avoid a potential company default. Our results suggest that when senior managers share mental models with middle managers, these last managers increase their cognitive ability to perform short-term managerial tasks (exploitation) and to deal with the future by trying to decrease the probability of the firm's default (exploration).

The Prodigal Sons: Returning CEOs, Learning Paths, and Firm Performance

Paul Ferreira, *University of Geneva*

Sebastian Raisch, *University of Geneva*

Studying the sequencing and timing of CEOs' learning experiences throughout their careers, we conceptualize a taxonomy of sequence patterns. In particular, we identify the returning CEO's path – defined as an employee who leaves a focal firm, works for one (or more) outside firm(s), and then returns to the focal firm to eventually take on the CEO position. Drawing upon the absorptive capacity literature, we provide theoretical arguments and find strong empirical evidence, that returning CEOs outperform alternative learning paths. Our main contribution to the upper echelons theory is to provide a temporal solution to the change-stability paradox that underlies decisions on inside versus outside CEO successions. Thus, we reveal the complementarities between a CEO's inside and outside experiences, which allows for a richer duality perspective.

When Do CEOs Matter?: Exploring the Interplay of Organizational and Environmental Factors

Paul Ferreira, *University of Geneva*

Aldo Musacchio, *Brandeis University*

Claudia Martins, *Noble*

Assuming that firms pursue profit maximization objectives, managerial discretion theory suggests a negative relationship between firms with divergent goals and CEO discretion. Drawing upon the corporate governance and stakeholder literatures, we argue that in firms with divergent goals stakeholders may also afford their CEOs with greater discretion. We then show under which conditions – when stakeholder complexity increases or environmental munificence decreases – CEOs will have greater effects on firm performance as a result of conflicting organizational goals. We empirically test and find evidence for our arguments on a matched sample of state-owned enterprises and private firms from 1973 to 1993 in Brazil. Our main contribution is to improve the understanding of managerial discretion theory by proposing novel interactions between organizational-level factors and the environment.

10:30 – 11:00

MORNING COFFEE BREAK



SESSION 6

INTERNATIONALIZATION OF EMERGING MARKET FIRMS

TRACK B	Date	Friday, Mar 20
	Time	11:00 – 12:15 h
Common Ground	Room	Room 32
Facilitator	Joan E Ricart, <i>IESE Business School</i>	

Competitiveness, Profitability and Growth in an Emerging Economy Context

Renata Peregrino de Brito, *Ibmec - Rio de Janeiro*
 Luiz Brito, *Getulio Vargas Foundation*
 Rafael Goldszmidt, *FGV-EBAPE*

This study analyzes the competitiveness of Brazilian companies over the past 15 years by combining indicators of profitability and growth performance. We argue that competitiveness has broader impacts on firm-level performance and that growth-oriented strategies are particularly important in the context of emerging economies. Using a longitudinal approach, we apply a hierarchical method to estimate firm-level combined performance and analyze the trajectory of competitive advantage strategies. Our results do not support the idea of a hypercompetitive tendency or the decreasing profitability among Brazilian firms. Regarding growth-oriented strategies, the comparison with U.S. database, demonstrate that Brazilian competitive strategies were more concentrated in profit results, despite of growth opportunities. Finally, we discuss the shortcomings of the analysis of only profitability measures as a single indicator of competitiveness.

Distance's Perspectives to International Location Decisions: Implications for Emerging Countries

Claudio Conti, *FGV-EBAPE*
 Ronaldo Parente, *Florida International University*
 Flavio Vasconcelos, *FGV-EBAPE*

The concept of distance has been widely used for international location decisions, but with mixed empirical results. We compare five distance perspectives and match their distance dimensions with industry, ownership, and type, motive, and timing of internationalization to indicate the suitability of the five distance perspectives to the study of those particular issues. We also propose that distance, representing disadvantages of host countries for location decisions, should be used in conjunction with attractiveness factors. Inappropriate selection of the distance perspective and neglect of attractiveness factors may help explain mixed empirical results in prior studies. We also suggest distance perspectives most suitable to investigate location decisions of emerging countries' multinationals and explain how a search for attractiveness factors distinguishes internationalization of emerging and advanced countries.

Embedding Swedish R&D units in the Brazilian system

Henry Lopez-Vega, *Linköping University*
 Fredrik Tell, *Linköping University*

Recently, MNCs have decided to establish R&D subsidiaries in the so-called BRICS countries but their use and benefits has not been fully explored. The specific purpose of this manuscript is to explore patterns in how Swedish MNCs use subsidiaries in Brazil to initiate and establish their R&D activities. This manuscript addresses these issues by exploring how a group of Swedish MNCs: initiated R&D activities in Brazil and developed both internal R&D as well as open innovation practices. Our findings reveal MNCs employ different subsidiary roles from minimal R&D activities to globally integrated R&D units. Within this spectrum subsidiaries employ different R&D strategies to connect with local scientific- and market partners and contribute back differently to MNCs' global R&D activities.

Internationalization Strategies under Institutional Uncertainty: The Case of EMNC

Mauricio Losada Otalora, *Externado University of Colombia*
 Veneta Andonova, *American University - Bulgaria*

The purpose of this study is to examine the relationship between institutional uncertainty at home, firm resources and the choice of resource acquisition vs. resource exploitation strategy abroad in the case of EMNC. Building on concepts from a resource-based view of a firm and institutional theory, we propose that the perceived institutional

uncertainty at home interacts with firm resources to inform the choice between resource acquisition and exploitation strategy and the subsequent decisions such as speed of investment, entry mode and host country. Results of structural equations model indicate that if firms rely on technological resources they are driven abroad by institutional uncertainty and their speed of investment is high.

Studying Emerging Country Multinationals to Disclose the Evolution towards International Management Models

Afonso Fleury, *University of São Paulo*
 Maria Tereza Fleury, *Getulio Vargas Foundation*

Despite the seminal works of authors like Bartlett and Ghoshal, (1986), Nohria and Ghoshal (1997), Doz, Santos and Williamson (2001), among others, a framework for effective implementation of a firm's international operations is unavailable in the existing literature. Those authors deployed key concepts such as coordination, configuration, subsidiary role, amongst others, but they failed to reveal the dynamic interrelationships between the concepts. This paper focuses on emerging country multinationals and their recent internationalization process to uncover evolutionary patterns of managing international operations networks. For that aim a specific analytical framework, linking International Business and International Operations Management concepts, is developed and applied to emerging Brazilian multinationals. The outcomes allow for the identification of key decisions in the planning and implementation of international operations networks.

SESSION 9

INSTITUTIONS AND EMERGING MARKETS

TRACK B	Date	Friday, Mar 20
	Time	11:00 – 12:15 h
Paper	Room	Room 41
Session Chair	Aldo Musacchio, <i>Brandeis University</i>	

A North-South-South Framework of Industrial Development: Experimentation in and Internationalization across Mobile Telecommunications Markets of Africa

Romel Mostafa, *University of Western Ontario*
 Mohammad Jahanbakht, *Carnegie Mellon University*
 Francisco Veloso, *Lisbon Catholic School of Business and Economics*

Research suggests that adaptations of advanced economy business models to challenging BoP market conditions usually involve experimentation. We analyze the conditions under which local entrepreneurs can learn about business models and the incentive of local firms and multinational enterprises to carry out experiments for BoP adaptations. We test our framework's hypotheses on firm entry and performance on the evolution of the mobile telecommunications industry across Africa. Contrary to one-directional investment flow from the North to the South, our findings suggest a two-step industrialization process. The spillover of knowledge from the North sows the seed of a few entrepreneurial firms in the South, which actively experiment, and through discoveries of adaptation strategies, gain ownership advantages and internationalize across BoP markets, catalyzing the growth of the industry.

Creating Shared Value in Global Value Chains: The Case of Impact Sourcing

Chacko Kannothea, *University of Massachusetts-Boston*
 Stephan Manning, *University of Massachusetts-Boston*

In this article we contribute to understanding opportunities and challenges of hybrid organizations in global business contexts. We examine how geographic positioning in global value chains affects the ability of hybrid organizations to create 'shared value' in pursuing both business and social objectives. Our case are Impact Sourcing Service Providers (ISSPs) – outsourcing firms that deliver low-cost services to global clients while giving employment and training opportunities to disadvantaged staff. We find that distance to global clients and degree of local business sophistication affect business options of ISSPs, pressure to grow and commitment to the social mission. Findings have important implications for research on creating shared value and hybrid business models in global outsourcing and beyond.

Entrepreneurship and Desperate Poverty: Biopharmaceutical Innovation in China, India, and Brazil

Peter Klein, *University of Missouri*

Anita McGahan, *University of Toronto*

Poverty is linked to pervasive underlying health problems, including infectious diseases rare in wealthy countries. Prior research has documented that leading biopharmaceutical firms have not invested comprehensively in diseases that mainly affect patients in developing countries. Theory suggests that indigenous firms may have a greater incentive to invest in diseases that primarily affect poor patients than large biopharmaceutical multinationals. In this paper, we provide empirical evidence from three countries where poverty is prevalent—Brazil, China, and India—that a growing number of indigenous biopharmaceutical companies are investing in innovation on diseases that primarily affect the poor. Using a unique, hand-collected dataset, we show that indigenous biopharmaceutical firms are most productive when they co-specialize to maximize knowledge spillovers and minimize competition for funding and knowledge workers.

Fill in the Institutional Voids in Cross-Border Exchange: The Role of the State and an Inter-Group Contracting Theory

Danqing Wang, *The University of Hong Kong*

Sherban Leonardo Cretoiu, *Dom Cabral Foundation*

Subramanian Rangan, *INSEAD*

Aldemir Drummond, *Dom Cabral Foundation*

This paper identifies institutional voids in cross-border exchanges and explores potential responses from the state and transnational firms. Using a longitudinal case study of several Brazilian transnational firms' expansion into Mozambique from 1998 to 2012, it investigates how the states of Brazil and Mozambique, through the highest official channels, i.e. Presidential meetings, forge cordial inter-state relationship to serve as relational governance for transnational firms, which attenuates the problem of institutional voids at the inter-national level as well as the voids in the host and home country. The case also reveals that those transitional firms have facilitated the governance formation by conducting non-market strategies. The paper contributes to literature of institutional voids, the role of the state and also international business.

SESSION 27

GOVERNMENTS, PUBLIC POLICY AND INDUSTRIAL DEVELOPMENT

TRACK C	Date	Friday, Mar 20
	Time	11:00 – 12:15 h
Developmental	Room	Room 62
Session Chair	Luis Ballesteros, <i>University of Pennsylvania</i>	

Beyond Private and Public Healthcare: A Longitudinal Examination of UK Fertility Clinics

Mihaela Stan, *University College London*

This study contributes to research on hybrid organizations operating at the crossroads of the private and public domains of action. Using fertility clinics as our empirical context, we benefit from a longitudinal dataset measuring clinical variables for the public, private, and hybrid clinics in the UK. We test a set of propositions to examine how contractual agreements between private clinics and the National Health Service (NHS) usher in spillover effects that are unattainable within the two polar modes of care. We find that compared to the private clinics, hybrids perform worse in terms of treatment success but have superior output quality, and are more compliant and technologically intensive; however, hybrid clinics still have higher treatment success rates than the NHS clinics in the sample.

Economic Affiliation and Corporate Provision of Collective Goods

Luis Ballesteros, *University of Pennsylvania*

When firms decide to engage in the provision of collective goods that foster, maintain, or restore the welfare of a market system (i.e., to behave pro-socially), they may consider the strategic importance of such goods for their market operation. If so, pro-social behavior should be directly associated with the reliance of the firm on a market and its

collective goods. I test variance in economic affiliation as an identification mechanism of firms' proneness to behave pro-socially by building on the literature on club goods. As an empirical setting, I use philanthropic responses of corporations of 63 countries to 3,371 sudden natural disasters that affected 49 countries in the period 2003-2013. In addition to finding support of the main causal relationship, I show that firm's social standing and market fragmentation affect positively such relationship, which is inversely associated with the level of local institutional development and the intervention of governmental agencies.

Resource Orchestration in Cities: A Dynamic Capability-Based Approach Towards Building Resilient Cities

Nadja Berseck, *Berlin Institute of Technology*

Triggered in part at least by the global economic crisis, the topic of urban economic resilience is attracting burgeoning academic attention. However, fairly limited attention has been paid to developing a more forward-looking, strategic perspective on resilience in order to understand how policy-makers can proactively manage and shape the ability of a system to adapt to, and allow for further changes. Urban policy-makers need dynamic capabilities to lead adaptation processes. We use the theory of resource orchestration to develop a process model of conscious dynamic capability building within which strategic policy action at the city level can be understood. We explore resource orchestration efforts across the adaptive cycle in order to comprehend how policy-makers can strategically shape broader evolutionary trajectories to build more resilient cities.

Strategy and Governance in the Brazilian Beef Industry

Thiago Carvalho, *University of São Paulo*

Maria Sylvia Macchione Saes, *University of São Paulo*

The expansion of meat production in Brazil in recent years, the growth and industry concentration (acquisitions, mergers), have led national family companies to adopt strategy of growth that has necessarily had an impact on the capital structure (governance) and decision making of agents. Governance becomes important in the analysis of investment in these companies. What does this composition imply in terms of business strategy? In some Brazilian beef industry, there is in the composition of shareholders, the figure of the family who is own the largest chunk of shares and therefore has power over the company and the government, with its strategic interests. The main objective of this work is to understand the dynamics of relationships and strategies among agents who manage these firms.

Strategy does Enhance Efficiency and Performance: The Case of IPU's in the Public Provision of Healthcare Services

Francisco Rocha-Gonçalves, *University of Lisbon*

Jose Pontes, *I.P.O.*

Vitor Da Conceição Gonçalves, *University of Lisbon*

The current discussion on the economic sustainability of welfare promotes a strong attention to the efficiency of the provision of public services in general, and to the public provision of health care services in particular. The aim of this work is to evaluate the implementation of Integrated Practice Units (as in Porter, ME, , particularly the Breast Clinic of the Portuguese Institute of Oncology, analyzing outcomes such as the number of new patients, medical consultations of breast pathology, and multidisciplinary consultations. The results demonstrate an added value for the patient, improved access, as well as gains in production and more quality. Simultaneously, we have implemented other organizational enhancers such a novel information system in the hospital, in order to support from an IT point of view this transformation. We conclude that we have improved our outcomes after the implementation of the IPU's.



SESSION 15

ALLIANCES AND NETWORKS

TRACK D	Date	Friday, Mar 20
	Time	11:00 – 12:15 h
Paper	Room	Room 31

Session Chair Erica Salvaj, *University of Desarrollo*

Business Groups' Corporate Networks and Long Term Performance

Erica Salvaj, *University of Desarrollo*
 Juan Pablo Couyoumdjian, *University of Desarrollo*
 Jean Sepulveda, *Univeristy of Desarrollo*

One of the most relevant economic actors in emerging economies are business groups (BGs). Literature on BGs describes several underlying conditions that explain BG's survival and performance. However, previous research ignored corporate networks as a relevant explanatory variable of the performance of BGs. Specifically, interlocking directorates (IDs), represent a common non market strategy used by BGs to achieve their goals. Evidence is insufficient to support claims that corporate networks are an advantage of groups in all contexts. The general goal of this paper is to close this gap in the literature studying the effect of IDs on the survival of BGs and the BGs' affiliates performance in Chile from 1970 to 2010.

Centrality, Performance, and Institutions: Do Institutions Constrain the Dark Side of Social Capital?

Remzi Gozubuyuk, *Ozyegin University*
 Murat Ünal, *IE University*
 Carl Joachim Kock, *IE Business School*

In this paper we extend the theory on centrality by theorizing the conditions under which centrality has negative consequences. We argue that in the absence of effective institutions, replication of expressive ties in the boards will increase whereas the replication of instrumental ties will decrease, and due to lack of control and monitoring networks will serve more effectively as tools for class cohesion (Useem, 1982) which will allow individuals in the network to extract benefits in the expense of other stakeholders leading to negative performance effects from centrality. We test our hypotheses in the network of Shariah Scholars in the Islamic Finance Industry. We found that better institutions favor instrumental ties in board tie formation and reduce the negative effects of centrality.

Orchestrating Transactions in a Network: Strategic Contributions of a Third-Party Organization

Anne-Ryslene Zaoual, *Lille 1 University*

Within networks, orchestrating and coordinating interorganizational relationships are strategic issues. In some cases, firms entrust tasks to an institutionalized third party organization. We need a better understanding of this form of network governance, especially its impact on the transactions. Through a qualitative multiple case study, we explore three eco-industrial networks which are orchestrated by a network administrative organization (NAO). In these networks, transactions involve collective waste-management services and/or flows' exchanges between firms in order to increase their performance. Our results suggest that a third party organization highlights potential connections and makes them a reality. It contributes to transactions by performing several tasks on the behalf of the network members. As a facilitator, it assumes transactions costs through its absorptive capacity.

TMT's Influence on Portfolios of Vertical Alliances: A Mediation Model

Paolo Aversa, *City University London*
 Simone Santoni, *City University London*
 Luiz Mesquita, *Arizona State University*
 Alessandro Marino, *LUISS Guido Carli University*

Vertical alliances uniquely foster firm performance, but they also imply important governance issues, especially when firms enhance their search for innovation. What is missing in the extant literature is an explanation of why some firms extensively rely on heterogeneous sets of vertical alliances while others do less. This study aims to contribute to fill the gap

by drawing upon the Upper Echelons (UE) perspective and articulating the role of top management teams (TMT) in shaping a firm's portfolio of vertical alliances. Our longitudinal analysis of vertical alliance activity in the Formula 1 industry (1992-2010) TMT diversity of cognitive resources has a direct, positive effect on vertical alliance variety and a negative effect which is mediated by innovation search.

SESSION 17

REGIONAL FEATURES AND NON-MARKET STRATEGIES

TRACK D	Date	Friday, Mar 20
	Time	11:00 – 12:15 h
Paper	Room	Room 61

Session Chair Sergio Lazzarini, *Inspere*

Corporate Social Responsibility: Review

Edmundo R Lizarzaburu, *ESAN*

As a consequence of extremely competitive markets, companies must endeavor to reveal a picture of themselves as highly socially responsible enterprises. The increasing academic interest in Corporate Social Responsibility has led the development of a set of definitions regarding the concept. Nowadays, extant literature presents substantial evidence that CSR activities can play a significant role in enhancing a firm's value (Mahfuja, 2013). In this scenario, the following paper examines the broad progress of the ideas behind the concept though its origins and evolution in a country focus approach, practices implementation and literature available from different authors over the time. Also, we outline a set of core elements that many scholars associate this term with and finally we develop a special focus towards the stakeholders approach among all theories available on this matter.

Estimating Costs At The Bottom Of The Pyramid: Data From Logistical Services In Brazilian Slums

Sergio Lazzarini, *Inspere*
 Luiz Fernando Turatti, *Inspere*
 André Luís Duarte, *Inspere*
 Lars Sanches, *Inspere*
 Nobuiki Costa Ito, *Inspere*
 Leandro Pongeluppe, *Inspere*
 Gustavo Pistili, *Inspere*

Although the growing attention to strategies crafted to cater at the Bottom of Pyramid (BoP), there is a lack of understanding of how companies should approach this particular market when faced with important voids in infrastructure. We thus ask: how do firms address the logistical difficulties of distributing products at the BoP? We measure logistical costs to deliver products inside Brazilian slums compared to regions in their immediate vicinity. We collected a large database with information on delivery price and delivery time using e-commerce sites, and then used matching techniques to compare differences inside and outside slums. Our results indicate that, on average, firms discriminate deliveries inside slums mainly in terms of delivery time. Our data also show large heterogeneity in firm-level strategies.

Territory, Strategic Resources, Value Creation and Competitive Advantage: A Comparative Study Between Wine Clusters from Brazil and Chile

Adilene Alvares Mattia, *University of Caxias do Sul*
 Janaina Macke, *Faculdade Meridional (IMED)*
 Daniel Miranda, *University of Valparaíso*
 Eduardo Arbugeri, *University of Caxias do Sul*

The importance of clusters resides on the role they play on the creation and sustaining of competitive advantages: this study presupposes that the local (territorial) resources influence the value of the internal resources of a company inserted on a cluster. From this premise stems that the process of creation and sustaining of competitive advantages cannot be adequately analyzed without the use of a framework that explicitly treats the accessible resources of the cluster and, because they are agro-industrial companies, also the country's accessible resources, since both types affect the value of the internal resources of the company. In that

sense, the sources of competitive advantages are associated to the strategic resources that the companies have or can access – the articulation between the place, its agents and its processes.

Unbundling the Non-Market Strategy System: The Role of Government Failures and Organizational Failures

Guilherme Monteiro, *Inspira*

Silvia Caleman, *Federal University of Mato Grosso do Sul*

The objective of this research note is to bring new insights for the study of non-market strategies. We base our analysis on two interconnected aspects: government failures and organizational failures. In our model, government failures have a dual influence on non-market strategies. On the one hand, government failures are the underlying condition for the design of non-market strategies focused on the influence of the political process. On the other hand, government failures are the basis for the occurrence of organizational failures, which motivate the adoption by firms of non-market strategies focused on the leverage of its competitive position. This jointly conceptualization of non-market strategy opens room to managerial insights related to the development of the firms' non-market strategy system.

SESSION 42

PLENARY TRACK

TRACK P	Date	Friday, Mar 20
	Time	12:30 – 13:15 h
Presentation	Room	Aula Magna Room

Plenary Keynote: Institutions and Strategy in Emerging Markets

Session Chair

Sergio Lazzarini, *Inspira*

Speaker

Tarun Khanna, *Harvard University*

A thriving stream of research in strategic management has examined how institutional voids, a term coined by Tarun Khanna and Krishna Palepu in an article in 1997, helps understand the fundamentals of emerging markets. The voids refer to the absence of specialized intermediation that compromises the coming together of would-be buyers and would-be sellers, thus making markets 'emerging' rather than 'emerged.' The voids are a double-edged sword, both forcing managers and entrepreneurs to adapt their business model, but also themselves the target of opportunities for entrepreneurs, policymakers and investors. This plenary keynote will discuss the state-of-the-art of theory and of practice, with a particular focus on addressing the especially insidious institutional voids that prevent four of the world's seven billion currently disenfranchised people from engaging with the economic mainstream.



Sergio G. Lazzarini (PhD, 2002, Washington University in St. Louis) is a Professor of Organization and Strategy at Inspira Institute of Education and Research, a private business school in Brazil. He does research on strategic management, with particular emphasis on how emerging market contexts affect business strategy, and the organization of the public-private interactions. While visiting Harvard University in 2010, he wrote the book *Capitalismo de Laços* (Capitalism of Ties, Campus Elsevier, 2011), which describes public-private interactions in Brazil; and he just finished a new book (with Aldo Musacchio) on the evolution of state capitalism (*Reinventing State Capitalism: Leviathan in Business, Brazil and Beyond*, Harvard University Press, 2014). He has also published in several journals such as *Strategic Management Journal*, *Academy of Management Journal*, *Organization Science*, *Strategic Entrepreneurship Journal*, *Journal of Economic Behavior and Organization*, *Journal of Law, Economics and Organization*, *Journal of Management Studies*, and *Public Choice*, among others.



Tarun Khanna is Director of Harvard University's inter-disciplinary South Asia Institute, and the Jorge Paulo Lemann Professor at the Harvard Business School. An expert on emerging markets, he writes extensively in economics strategy and management journals, is an occasional newspaper columnist, and was recently elected a Fellow of the Academy of International Business and a Young Global Leader by the World Economic Forum. Tarun Khanna is the author of *Billions of Entrepreneurs: How China and India are Reshaping their Futures, and Yours* (Harvard Business Press, 2008), and coauthor of *Winning in Emerging Markets: A Roadmap for Strategy and Execution* (Harvard Business Press, 2010), both translated into multiple languages. He serves as a board member of several publicly traded and venture-backed companies worldwide, as well as of non-profits in the U.S. and India.

13:15 – 14:30
LUNCHEON

SESSION 44

PLENARY TRACK

TRACK P	Date	Friday, Mar 20
	Time	14:30 – 15:30 h
Plenary Panel	Room	Aula Magna Room

Multinationals from Emerging Markets / Latin America

Session Chair

Luiz Mesquita, *Arizona State University*

Panelists

Margaret Peteraf, *Dartmouth College*

Margarethe Wiersema, *University of California-Irvine*

As developing economies in Latin America opened up to the global economy in recent years, a number of local firms not only survived battles for dominance and defense of their local markets. But many of them also expanded abroad, not merely through exports but importantly through foreign direct investments and partnerships, to become fully fledged multinational enterprises in their own right, and turned into formidable companies. Companies such as LAN, Arcor, Gerdau, and Bimbo, among many, have become formidable “challengers” in the global arena. Why have these firms gone global so aggressively? What competitive advantages do they enjoy? What are the origins of these sources of advantage (e.g., market-based, resource-based, institutional-based)? Professors Margaret Peteraf and Margarethe Wiersema will each expose their views on the matter, and take questions from the audience.



Luiz F. Mesquita is an Associate Professor of Strategic Management at the W.P. Carey School of Business, Arizona State University, and has a Joint Appointment at Insper Institute of Education and Research, in São Paulo, Brazil. He received his Ph.D. in Business Strategy, and a Masters Degree in Agricultural Economics from Purdue University. His research examines inter-organizational coordination in contexts of cooperation and competition; his latest research endeavors look more closely at the institutional antecedents of multi party collective action. His research has appeared in leading outlets, such as the *Academy of Management Journal*, *Academy of Management Review*, *Strategic Management Journal*, and *Harvard Business Review*. Luis Mesquita teaches or has taught courses in business and corporate strategy, as well as global strategy and Entrepreneurship in Executive and Masters Programs in Argentina, Brazil, India, and the United States.



Margaret Peteraf is the Leon E. Williams Professor of Management at the Tuck School of Business at Dartmouth. She is a member of the SMS Fellows Group and has served as Chair of the Competitive Strategy Interest Group. She has also served on the Academy of Management's Board of Governors, is a past Chair of the BPS Division of the Academy, and is presently on 9 editorial boards, including the *Strategic Management Journal*, the *Academy of Management Review*, and *Organization Science*. She is best known for her work on strategic group identity, the resource-based view, and dynamic capabilities. Her 1993 SMJ paper, “The Cornerstones of Competitive Advantage: A Resource-Based View”, won the The Dan and Mary Lou Schendel Best Paper Prize in 1999 for its contribution toward the development of the strategic management field.



Margarethe F. Wiersema holds the Dean's Professorship in Management at the Paul Merage School of Business at the University of California, Irvine. Her research underscores the importance of senior management and especially the CEO in influencing the strategic direction of an organization. She is a member of the SMS Board of Directors and served as the Chair for the SMS Corporate Strategy and Governance Interest Group. In addition, she is on the editorial board of the *Strategic Management Journal* and has published in numerous leading publications. In 2005, she co-chaired the 2nd Annual Doctoral Workshop at the SMS conference in Orlando, Florida. Margarethe Wiersema received an MBA in 1977 from the University of Michigan and a PhD in Strategic Management from the University of Michigan in 1985.

15:30 – 16:00

AFTERNOON COFFEE BREAK



SESSION 8

INNOVATION IN EMERGING MARKETS

TRACK B	Date	Friday, Mar 20
	Time	16:00 – 17:15 h
Paper	Room	Room 41

Session Chair Luiz Brito, *Getulio Vargas Foundation*

A Bottom-Up Process View of Open Innovation Adoption: A Case of Beauty in Emerging Markets

Henry Lopez-Vega, *Linköping University*
Wim Vanhaverbeke, *Hasselt University*

This article contributes the open innovation strategy literature focusing on the relevance of open innovation programs e.g. Connect+Development, GE's ecomagination initiative. In this article, we study how the R&D unit, of a the largest cosmetics firm in Brazil (Natura Cosmetics S.A.), changes its open innovation strategy for 13 years to start and, after some time, increase the collaboration with science- and market-based partners. This study presents the strategic and cognitive process involved in the implementation of a collaborative strategy. Specifically, our contribution informs about when and how open innovation programs could lead to enact a new innovation strategy. More generally, this paper contributes to previous open innovation literature showing a strategic change process, from closed innovation to open innovation. We suspect that the empirical setting of this paper opened new opportunities to further open innovation research in emerging markets and non-technological industries.

Bridging Local Institutional Voids and Resource-Constraints for Global Markets: The Case of Frugal and Reverse Innovation

Stephan Winterhalter, *University of St. Gallen*

While extant research on "reverse innovation" has focused on describing this new phenomenon, it remains unclear how firms can organize for reverse innovation. Based on case studies at four Western multinationals, I argue that reverse innovations should be differentiated between "good-enough" and "frugal innovations". This distinction reveals that good-enough and frugal innovations differ regarding their target markets, capacity to bridge institutional voids and resource-constraints, and reverse transfer potential to developed markets. Contrary to extant research, I argue that local R&D is no prerequisite for good-enough or frugal innovation and find that firms tend to innovate for frugal innovation in more separated and autonomous settings than for good-enough innovation. This study deepens our understanding of reverse innovation and provides the ground for future large-scale studies.

Market Openness, Absorptive Capacity, and Innovation: Exploring Learning by Exporting in an Emerging Economy

Zhenzhen Xie, *Tsinghua University*
Jiatao Li, *Hong Kong University of Science and Technology*

Research on "learning by exporting" argues that exporters tend to be more innovative than domestic players, as they get access to overseas knowledge that is not available in the domestic market. Building on the organizational learning theory, this paper suggests that the effectiveness of learning by exporting may depend on the openness of the domestic market in two opposite ways. Market openness may facilitate learning by reducing the difficulties in transferring, sharing and integrating the knowledge acquired from overseas markets. On the other hand, market openness may deter learning by exporting as it provides alternative sources of overseas knowledge and may make the knowledge learned from exporting redundant. An empirical study with data on Chinese manufacturers with at least US\$600,000 annual sales during 2005-2007 found that market openness generally reduces rather than enhances the effectiveness of learning by exporting.

Ownership, Knowledge "Stickiness", and Value Appropriation: When Do Emerging Markets Benefit from Inventive Activity?

Sharon Matusik, *University of Colorado-Boulder*
Michael Heeley, *Colorado School of Mines*
José Ernesto Amorós, *Universidad del Desarrollo*

As developing economies increasingly turn to policies to stimulate entrepreneurship and innovation, the question of what the benefits are from these efforts becomes more and more important. For example, what drives whether the value from innovations stay in the home country, or are appropriated outside of the home country? In this study, we find that local ownership (rather than foreign ownership), as well as an applied science foundation and a local inventive team all contribute to local (rather than non-local) value appropriation from innovation. We discuss implications for theory related to knowledge spillovers and for policy.

SESSION 5

CLUSTER AND INTERNATIONAL COMPETITIVENESS

TRACK B	Date	Friday, Mar 20
	Time	16:00 – 17:15 h
Panel	Room	Room 61

Session Chair

Christian Felzensztein, *Adolfo Ibáñez University*

Panelists

José Ernesto Amorós, *Universidad del Desarrollo*
Jose Brache, *Universidad Adolfo Ibáñez*
Cristian Geldes, *Universidad de La Serena*
Cesar Pino, *Universidad Adolfo Ibáñez*

We present the latest findings of the Research Center for International Competitiveness UAI. Specifically, we discuss our studies in the topics of industry clusters, firm innovation and international competitiveness of SMEs from different South American countries. One key line of research is on geographical co-location (industry clusters) and the company's engagement with a local trade association on the firm's international scope. Other inter-related research study is the role of firm-level innovation on the performance of exporting firms in emerging economies. Our studies analyze the effects of non-technological innovations on market performance of exporting firms in Colombia, Peru and Chile. Our studies contributes to the field of strategic management and international competitiveness as well as the design of new public policies.

SESSION 26

HOW GOVERNMENTS AND NATIONAL INNOVATION SYSTEMS AFFECT THE ACQUISITION OF CAPABILITIES

TRACK C	Date	Friday, Mar 20
	Time	16:00 – 17:15 h
Common Ground	Room	Room 32

Facilitator Erica Salvaj, *University of Desarrollo*

Government Matters? The Role of Public Policy at the Export Diversification of Brazilian Machinery Builders

Diego Bonaldo Coelho, *ESPM*
Moacir Oliveira Jr., *University of São Paulo*
Feliipe Borini, *ESPM*

This paper investigates the role of the Brazilian government in the internationalization of national enterprises, aiming to analyze whether its public support instruments can be considered, from the perspective of executives (policymakers), a specific and relevant resource in the process of international business integration characteristic of the origin. We chose to study the diversification of markets through exports in the Brazilian industry of capital goods. The methodology consists of a survey applied to 104 enterprises in the sector, using linear regression as the technique of analysis. The results indicated that the government has a certain participation in the diversification of destinations, even in situations unexpected by the regulations of the instruments offered: large and potentially experienced enterprises.

How Does a National Strategy Influence Inter-Organizational Strategies?: A French Case Study

Anne-Sophie Thelisson, *Montpellier Business School*

This article presents a French case study with a multilevel analysis of institutional logics in the context of the merger to support a national strategy for territorial development. This study contributes to the institution-based view by highlighting how the combination of State, market and corporate logics led to a merger that advanced a national policy for territorial development. Our analysis identifies institutional logics at two levels: the macro level to determine how the combined logics produced an inter-organizational strategy, and the micro level to determine how these logics were expressed within the new organization and influenced the firm's strategic choices during post-merger integration.

How does Privatization Improve Firm Performance?

Sharon Poczter, *Cornell University*

While privatization has long since been a central policy for promoting increased competitiveness, little is known about which aspects of this multilevel process actually impact firm performance, as transferring ownership and control to private investors simultaneously involves addressing several of these channels at once. Examining the minority privatization of Indonesian limited liability industrial firms from 1990-2005, difference-in-differences estimates indicate that monitoring changes alone increase productivity by nine to 13 percent, controlling for cross-sectional, time-invariant firm characteristics and selection. Thus, governments interested in increasing the productivity of state-owned enterprises through privatization may do so simply by increasing monitoring, without relinquishing control or changing support.

Institutional Design for Concessions

Jose Miguel Sanchez, *Pontifical Catholic University of Chile*
Rodrigo Harrison, *Pontifical Catholic University of Chile*
Roberto Muñoz, *Technical University Federico Santa María*

In this paper, we develop an analytical model that allows us to conduct an integral and unified evaluation of concession contracts in developing countries, where institutional failures are critical determinants for a successful implementation. The analysis is focused on the identification of a social goal and then on its implementation through a process of role assignment to institutions, in the presence of sector specific contextual variables affecting the way how a concession instrument performs. We found that the institutional design is critical to explain the failure or success in the application of the concession model. We then test the model in different sectors in Chile, where a model based on private provision of the services through concessions contracts has been used for more than twenty years. Some important policy implications arise to improve the institutional design of those sectors.

The Influence of Institutional Effectiveness: Operating Freight Railroads in Mexico vs. the US

Andreas Hartmann, *Monterrey Institute of Technology*
Laura Zapata, *Monterrey Institute of Technology*

This paper explores the concept of institutional voids in the context of the regulatory and competitive situation for freight railroad companies in Mexico compared to its major trading partner, the US. Although the Mexican government tried to reproduce the structure of the US industry after the 1980 Staggers Rail Act, institutions are not functioning in parallel, forcing market participants to adapt differing business strategies. Interview data will show how business leaders within the Mexican railroad industry deal with current conditions and impending regulatory risk. The authors conclude by presenting a more nuanced framework of institutional voids in the context of an emerging economy partially integrated with an advanced economy.

University-Industry Relationship: A Key aspect to Support Chilean Economic Development

Fabiola Cabrera, *Complex System Institute of Valparaíso*
Juan Felipe Espinosa-Cristia, *Pontifical Catholic University of Valparaíso*

Chile presents a decreasing economic complexity that lead to a lack of economic development opportunities based on a productive diversification strategy. Economic complexity is based on knowledge creation and use. In fact, knowledge is the key factor of economic development. Economic structures are subject of change with the generation of knowledge.

That is knowledge based innovation and competitiveness as the basis of economic development. A crucial aspect of this knowledge generation is the university-industry relationship. In this paper the authors show that universities are excellent articulators –nodes in the network- that contribute to the coordination and reduce blind spots and bottlenecks in the national Innovation System (NIS). As a consequence, industry-university link must be a preferential focus and starting of NIS public policies.

SESSION 14

INNOVATION AND PERFORMANCE

TRACK D	Date	Friday, Mar 20
	Time	16:00 – 17:15 h
Paper	Room	Room 31
Session Chair	Roberto Vassolo, <i>Austral University</i>	

Foreign Ownership, Market Concentration and Innovation Performance in an Emerging Economy: A Multilevel Analysis

Clemente Forero-Pineda, *Andes University*
Ana Cecilia Montes, *Andes University*

The literature on the effects of foreign ownership innovation performance of firms exhibits contradictory and dispersed results. Differing from existing studies, this paper analyses how one particular industry characteristic, concentration, affects the relationship between foreign ownership and innovation. A multilevel model is used to jointly explore the effects of firm- and industry-level foreign ownership, and of industry concentration, on the innovation performance of industrial firms in Colombia. In addition, we introduce the interaction between foreign ownership of the firm and industry concentration as an additional explanatory variable. The model should allow evaluating the direct effect and the spillovers of foreign ownership in each of 54 industries considered, and evaluate the role played by concentration on these effects.

In Sake of Competitive Leapfrog: The Effect of a Recession on Competitive Advantages at Industry Take-Off

Maria Jose Murcia, *IAE Business School*
Roberto Vassolo, *Austral University*
Luiz Mesquita, *Arizona State University*

We analyze the competitive effect of a recession on the smartphones industry at its take-off. Recessions are non-path dependent events that may impose irreversible changes in the path-dependent dynamics of industry competition. Moreover, the birth this new global industry has coincided with the outbreak of the latest global crisis, offering a natural experiment setting for us to draw strategic implications. Traditional platform strategies have overemphasized the importance of the installed base. Nonetheless, we observe that a later entrant gained a larger market share in countries where the recession was particularly painful. This suggests that firms eventually benefit from less munificent environments. We offer an alternative hypothesis other than “Winner Takes All” to explain how such firms operated these upturns.

Which R&D Strategies better Pay-Off?: A Longitudinal Study of Inward Technology Licensing, Internal R&D and Financial Returns

Goretti Cabaleiro, *Alberto Hurtado University*
Ana Luiza de Araujo Burcharth, *Fundação Dom Cabral*

This paper examines the effect of a firm's inward licensing and patenting activity on two variables: abnormal stock market returns (short term effect) and continuous changes in the market share of companies (long term effect). The empirical analysis is based on a large dataset of 104 companies that have been selected from the Standard & Poors 500 index. The main results of this paper are twofold: in the short-term, the market react less positively to the announcement of internal technology development than to the announcement of external technological acquisition and in the long term, the combination of R&D strategies has a negative impact on the growth of a company's market share in a two-year time lag.



SESSION 16

COMPETITIVE STRATEGY, ORGANIZATIONAL AND MARKET DESIGN

TRACK D	Date	Friday, Mar 20
	Time	16:00 – 17:15 h
Developmental	Room	Room 62
Session Chair	Gerhard Schewe, <i>University of Muenster</i>	

Developing an Operational Model of the “Strategy Execution” Construct

Felipe Esteves, *Pontifical Catholic University of Rio de Janeiro*
 Jorge Carneiro, *Pontifical Catholic University of Rio de Janeiro*

The academic literature on how to conceptualize and measure the “strategy execution” construct is scant. Most of the published material on the construct comes from consultant-like reflections or practitioner-oriented work. Yet, in order to develop sound theory about the antecedents and the consequences of this key construct, one needs well-grounded conceptual definitions and validated operational measures of it, which can be used in sound statistical analyses. In the present study, we present a proposal of the conceptual domain map and the operational representation of the strategy execution construct, which was developed from the interplay among literature, academic experts’ judgment and the opinions of top-level executives. This is still work-in-progress; therefore, results should be regarded as preliminary and still pending the scrutiny of empirical verification.

Drifting Revealed: A Longitudinal Analysis of the Strategic Alignment Process

Gustavo Abib, *UFPR - Parana Federal University*
 Norberto Hoppen, *Rio dos Sinos Valley University*
 Paulo Jr. Hayashi, *State University of Campinas*

Failure to achieve alignment between Information Technology and business objectives is a chronic problem for companies and remains a focus for academic research. This article borrows the concept of drifting from Ciborra to analyze why strategies are diverted from their original course and often fail to produce the expected results. A longitudinal study of the implementation of a corporate portal was conducted with the objectives of identifying drifting and understanding how it occurs. The results showed that drifting occurred during all stages of implementation and in some cases facilitated alignment, but in other cases inhibited alignment. It was also found that drifting was the result of inadequate knowledge about the organization’s strategy by internal and external actors and of insufficient integration between actors.

Stuck in the Middle or Star in the Middle? A Meta-analysis of Porter’s Generic Strategies

Marcel Hofeditz, *University of Muenster*
 Sibylle Steiger, *University of Münster*
 Gerhard Schewe, *University of Muenster*

Extending the generic strategy model (low cost, differentiation and focus) with hybrid strategies and embedding it into the organisations’ task environment, this meta-analysis examines differential, mediating and moderating effects of generic strategies on financial performance. First and foremost, the results indicate that competitive strategies mediate the environment-performance relationship. In detail, the differential results indicate that hybrid strategies were more positively related to financial performance than e.g. low cost strategies and challenges Porter’s “stuck in the middle” contention. Moderating results show that the results are robust by testing several relevant control factors.

The Management of Dynamic Service Business Models

Sebastian Forkmann, *Queen Mary University of London*
 Carla Ramos, *Inspire*
 Stephan Henneberg, *Queen Mary University of London*
 Peter Naude, *Manchester Business School*

By explaining the processes underlying firms’ service related strategies, this study recognizes service infusion as a fluid phenomenon to redesign service business models. The strategic importance of such dynamic service business models results from firms’ need to adapt to changing business environments. This study theoretically derives a conceptual framework of service business model change, which is exemplified and further developed with a multi-actor case analysis. The framework provides understanding of service infusion as a process of affecting service business model changes according to transaction content, structure and governance. Furthermore, we introduce the concept of service defusion as a counterpart to service infusion. Finally, we demonstrate the importance of tacit and explicit knowledge transfer and co-creation mechanisms in successfully managing the redesign of service business models.

Firm Strategy Facing the Market Structure of the Brazilian Industry Automotive Battery

Jaiane Pereira, *UEM University*
 Sandra Bankuti, *University of Estadual de Maringa*

The Structure Conduct Performance paradigm contributes to an analysis of the industry structure and the influence on the conditions of firm’s conduct and performance. From this assumption, we intend to study the automotive battery industry, which has a particular structure. It survived the trade liberalization process of the 1990s, with strong presence of firms using national capital and strong influence of environmental law. Thus, the paper aims to understand how the strategies used by the companies are aligned with market structure. We will use a qualitative descriptive research with four manufacturers located in the north of Parana State, Brazil. We argue the importance of SCP model and we expected to contribute with the discussion of the firm’s development strategies and the role of public policies.

17:45 – 22:30

OFF-SITE VINEYARD TOUR AND DINNER

SESSION 35

STRATEGY, ORGANIZATION, AND PERFORMANCE

TRACK A	Date	Saturday, Mar 21
	Time	08:30 – 09:45 h
Paper	Room	Room 41

Session Chair Yongwook Paik, *University of Southern California*

Agricultural Mechanization Services in Brazil: Regulatory and Efficiency

Ana Luiza Camargo Mascarin, *FEA-USP*
Decio Zylbersztajn, *University of São Paulo*

The paper aims to study the regulation of subcontracting services in the Brazilian agricultural market, particularly some barriers, of the institutional environment, involved in the efficient choice of institutional arrangements. The point of order is focused on mechanized harvest, one of the most expensive activities within the set of mechanized operations. To settle this proposition it is used the New Institutional Economics as a theoretical basis. The hypothesis proposes that the institutional environment affects the choice of institutional arrangements and it is analyzed through an econometric model. A content analysis in terms of conduct adjustment (TAC) meets the purposes of analyzing the measures of the Ministry of Labor. This topic, as interpreted, can lead to limitations that affect the efficient decision in the strategy.

Overcoming Institutional Voids: Firm Configurations Achieving High Return on Equity (ROE) in Emerging Markets

Esteban R. Brenes, *INCAE Business School*
Luciano Ciravegna, *INCAE Business School*
Caleb A. Pichardo, *INCAE Business School*

This study builds on the institutional perspective (IP) to strategy (Hoskisson et al., 2000; Wright et al., 2005; Peng, 2002). The study identifies different configurations of factors that lead to a ROE higher than the industry average in business environments affected by institutional voids, such as voids characterizing emerging economies (Khanna and Palepu, 2000). The study takes into account the heterogeneity of emerging markets by looking at how the configurations that allow firms to achieve profitability change across different institutional contexts.

The Impact of Patent Wars on Firm Strategy: Evidence from the Global Smartphone Market

Yongwook Paik, *University of Southern California*
Feng Zhu, *Harvard University*

We investigate the effect of patent wars on firm strategy. We analyze how smartphone vendors not involved in patent litigation strategically respond to patent wars. We find that, as patent wars intensify, smartphone vendors shift their business foci to markets with weak intellectual property (IP) protection. This shift is more pronounced for vendors with smaller stocks of patents and whose home markets have weak IP institutions. Interestingly, we find that the patent wars intended to hamper the growth of the Android platform may have merely shifted Android's sales to weak IP countries. This study shows how heterogeneity in national patent systems is related to firm strategy. Our findings suggest rivals in global markets may not be deterred by patent enforcement because of institutional arbitrage opportunities.

What Explains “Born Global” Firms? Flat World and Domestic Constraints Hypotheses

Marleen McCormick, *Butler University*
Deepak Somaya, *University of Illinois-Urbana Champaign*

We propose the born global phenomenon is associated with two distinct mechanisms that are simultaneously at play. First, new firms are able to considerably reduce the costs of learning about foreign markets through “flat world” enablers due to increased access to information and communication, and the ability to acquire international experience through inter-firm mobility of managers and entrepreneurs. Second, an implicit assumption of the stages model is that firms’ domestic opportunities are attractive and thus it makes sense to develop these opportunities more fully before expanding internationally. However, when considering firms originating out of emerging markets in particular foreign markets might instead present them with more attractive

environments for doing business. We offer two central hypotheses: a flat world hypothesis and a domestic constraints hypothesis.

SESSION 7

MANAGING IN EMERGING MARKETS

TRACK B	Date	Saturday, Mar 21
	Time	08:30 – 09:45 h
Common Ground	Room	Room 62

Facilitator Ronaldo Parente, *Florida International University*

CEO Duality, Cross-border versus Domestic Acquisitions, and Value Creation: The Case of Brazil and Chile

Santiago Mingo, *Adolfo Ibañez University*
Luiz Ricardo Kabbach de Castro, *University of São Paulo*

Combining the literatures on CEO duality and acquisitions, this research explores how CEO duality can affect the value creation potential of a cross-border and domestic acquisition strategy. We propose a moderating role for duality in the relationship between strategy—in our case cross-border and domestic acquisitions—and firm performance. We hypothesize that CEO duality affects positively the link between a cross-border acquisition strategy and a firm’s value creation potential, and CEO duality affects negatively the link between a domestic acquisition strategy and a firm’s value creation potential. Using detailed data from a sample of more than 70 public companies in Brazil and Chile during the period 2000-2013, we find support for our second hypothesis.

Coopetition: The Role of Technological and Behavioral Uncertainty

Anna Minà, *Sapienza University of Rome*
Naga Lakshmi Damaraju, *Indian School of Business*
Giovanni Battista Dagnino, *University of Catania*

This paper aims at understanding the role of uncertainty in shaping cooperation, competition, and coopetition behaviors within alliances. In particular, we aim at investigating the interplay of technological and behavioral uncertainties in influencing partner behaviors in alliance contexts.

Family Firm Internationalization: State Models, Business groups, and Nonmarket resources

Patricio Duran, *Adolfo Ibañez University*

I develop a comparative social policy, market and nonmarket explanation of the internationalization differences between family (FFs) and non-family firms (NFFs). I propose that FF internationalization is contingent on the state orientation of the ruling government, business group (BG) affiliation, and the acquisition of nonmarket resources. I argue that FFs internationalize less than NFFs because of noneconomic objectives that family owners pursue derived from the intersection between business and family, but family owners are more prone to diversify abroad when the ruling government follows a liberal-conservative logic of state orientation, FF belongs to a BG, and family owners and/or top directors possess relevant political and inter-firm connections. I test these ideas with a novel sample of Chilean firms covered a period between 2004 and 2012.

Institutions and Business Models in Emerging Markets: The Difficulties of an Argentine Multinational in Brazil

Daniel Friel, *University of San Andrés*

The literature in international business focuses on how institutional differences between countries in the developed world and those in emerging markets limit the ability of firms to pursue similar strategies in both of these types of countries. Although scholars using the varieties of capitalism approach in political science have documented institutional differences between countries in the developed world, similar differences between countries in emerging markets have not been studied. Such differences can even be documented between neighboring countries that share similar backgrounds. To address this gap this proposal explores how institutional differences between Brazil and Argentina undermined the effectiveness of the business model of Los Grobo in Brazil, causing it to have to sell its operations in that country.



Institutions and Corporate Governance in Emerging Countries

Jose Luis Rivas, *ITAM*

María de las Mercedes Adamuz, *ITAM*

Which country level factors influence corporate governance legitimacy? This study proposes that differences in the regulative, normative and cultural pillars play a key role at the country level. Using a sample of 31 countries from 2009 to 2013 we find that competition legislation and credibility of managers are significant at the national level. Value system was not supported. We contribute to the institutional theory and corporate governance literatures by bringing together a more holistic model of corporate governance legitimacy in an emerging market context.

When Push Comes to Shove: Career Concerns and Manager Staffing in Foreign Multinational Subsidiaries

Ricard Gil, *Johns Hopkins University*

Jose E. Galdon-Sanchez, *Public University of Navarre*

In this project we document different management strategies of outlets belonging to multinational firms using detailed information from a survey of 1003 Spanish plants representing all manufacturing industries. We find that foreign multinational plants managed by foreign managers have lower levels of labor productivity and higher propensity to export than other foreign and local plants. These plants are also more likely to use more aggressive incentive packages for white collar workers, but show no significant differences in incentive provision for blue collar workers. This evidence suggests that the appointment of foreign managers to foreign plants in our sample is part of a strategy by multinationals to turn around those of their plants that are underperforming.

SESSION 4

INSTITUTIONAL VOIDS AND GLOBAL LATINAS

TRACK B	Date	Saturday, Mar 21
	Time	08:30 – 09:45 h
Panel	Room	Room 32

Session Chair

Moacir Oliveira Jr., *University of São Paulo*

Panelists

Veneta Andonova, *American University - Bulgaria*

Lourdes Casanova, *Cornell University*

Anabella Davila, *Monterrey Institute of Technology*

Juana Garcia Duque, *University of Los Andes*

Moacir Oliveira Jr., *University of São Paulo*

Laura Zapata, *Monterrey Institute of Technology*

This panel aims to discuss institutional voids, understood as situations where institutional arrangements that should support the market are absent, weak, or fail in the performance of their role and how these institutional voids can affect the competitiveness of Latin American Emerging Multinationals (LAEMs). In this panel we propose that there are challenges (risks but also opportunities) that can influence the competitiveness of LAEMs. In addition, the institutional context of the region presents diverse challenges for LAEMs' human resources management (HRM). This panel will also present how these organizations report on their HR policies, practices and programs. Strategy and innovation and other organizational mechanisms identified in LAEMs regarding the process of knowledge transfer will also be addressed in this panel.

SESSION 23

FOSTERING ENTREPRENEURSHIP THROUGH PUBLIC POLICY

TRACK C	Date	Saturday, Mar 21
	Time	08:30 – 09:45 h
Paper	Room	Room 31

Session Chair Sandro Cabral, *Federal University of Bahia*

A National Entrepreneurship Infrastructure as Catalyst for Domestic Business Creation in Transition Environments

David Major, *Indiana University*

This cross-national study investigates the role of national government policy in encouraging the development and global competitiveness of homegrown businesses. National level factors contributing both to the recognition of entrepreneurial opportunities and the abundance of those opportunities together constitute a nation's entrepreneurship infrastructure. Where other studies have investigated factors that may generally increase entrepreneurial behavior and urban policies that may spark pockets of community-based business development, this study specifically links national government policy factors to entrepreneurial outcomes. As emerging nations increasingly direct efforts toward local business creation, this study should contribute evidence of which programs work and which do not. Ultimately the final results aim to address the fundamental question – how can governments effectively help create local businesses and make them competitive globally.

Fostering Entrepreneurial Activity through Preference Programs in Public Procurement

Sandro Cabral, *Federal University of Bahia*

Several governments pursue strategies to spur entrepreneurship through programs designed to favor nascent and Small Medium Enterprises (SMEs) in public procurement. In the present work, I benefit from a natural experiment in Brazil and I analyze the impacts of a preference program to favor SMEs on performance. My preliminary analysis shows that public capabilities may influence the efficacy of preference programs.

On the Co-evolutionary Aspects of Public and Private Entrepreneurship

Peter Klein, *University of Missouri*

Anita McGahan, *University of Toronto*

In recent years some strategic management scholars have focused on the interplay between public and private actors in goods and services for the public interest. However, little is known about how public-private interactions may increase positive externalities. We propose a theoretical framework establishing conditions under which public entrepreneurship fosters private entrepreneurship in the pursuit of increased public value. We identify the main drivers and contingencies that can activate joint interaction and the co-evolution of public and private capabilities to generate positive externalities. Our complementary approach bridges the gap between research on the social impact of private entrepreneurship and innovation and studies of state-supported innovation programs.

SESSION 13

RESOURCES AND CAPABILITIES

TRACK D	Date	Saturday, Mar 21
	Time	08:30 – 09:45 h
Paper	Room	Room 61
Session Chair	Guilherme Monteiro, <i>Inspier</i>	

Competitive Strategy: Dynamic Capabilities, Corporate Entrepreneurship and Organizational Learning

Jurgita Giniuniene, *Kaunas University of Technology*
 Asta Pundziene, *Kaunas University of Technology*

Nowadays nothing is more affected by change as competitive strategy of the firm. Most of the time referring to the competitiveness of the firm we address its competitive dynamics, in some sectors bigger than in the others. The question is how competitive strategy manages to incorporate and reflect competitive dynamics of the firm. The authors develop a link between competitive dynamics, competitive strategy as well as dynamic capabilities, corporate entrepreneurship and organisational learning. The study investigates corporate entrepreneurship and organizational learning as part of the dynamic capabilities of the firm that serve as the basis for crafting competitive strategy of the firm operating in volatile environment. A critical research literature analysis result in conceptual model explaining how firm creates a competitive strategy based on corporate entrepreneurship and organizational learning process. This stimulates the formation of empirical research questions.

Mapping the RBV: A Bibliometric Analysis of the High and Low Churches

Paula Schnaider, *University of São Paulo*
 Anderson Edilson Presoto, *University of Sao Paulo*

In this paper, we empirically investigate the evolution of the Resource Based View of the firm. Drawing on the contributions of Gavetti & Levinthal (2004) and Stieglitz & Foss (2012); we perform a bibliometric analysis, intending to demonstrate the segregation of the RBV into the “high church” and the “low church”, using cocitation techniques. Our results are consistent with Gavetti & Levinthal's (2004) argumentation in favor of the existence of the two “churches”. Furthermore, in line with Stieglitz & Foss' (2012) suggestion, there seems to be a “center church” (in between approach) of the RBV, combining both churches. Finally, our analyses have revealed that both the low and the center churches have been gaining strong relevance and, thus, have been concomitantly used in recent years.

R(+E2)BV: Adding Emotions and Experience to the Strategy

Paulo Jr. Hayashi, *State University of Campinas*
 Gustavo Abib, *UFPR - Parana Federal University*
 Suellen Oliveira, *IFMS*

The strategy has always been complex, multifaceted, and integrated, because of it the comprehension was difficulty clear. The strategic approach of Resource-Based View (RBV) may be complemented with the emotions and experiences of the customers. The reduced model and the methodological resource of bricolage were used to mingle the RBV with the emotions and experiences. The objective of the article is to propose a reduced model composed by two modes: the production and the consumption. The first mode is related with the RBV and the firm efficiency to produce the products, services and goods. On the other hand, the second mode is the consumption mode and it is related with the emotions and experiences of the customers. Customers are the referees who judge product values.

The Decline of the Resoure-Based View? A Meta-analytic Investigation

Marcel Hofeditz, *University of Muenster*
 Gerhard Schewe, *University of Muenster*
 Philipp Hennemann, *University of Muenster*

The importance of the resource-based view has arrived at a point, where it may lose its impact and even face decline. Scholars see two major challenges ahead; missing construct validity arguing that the definition of strategic resources and their criteria is too vague as well as too much heterogeneity that prohibits any generalizability arguing that the creation of strategic resources heavily depends on contingencies. In order to investigate this criticism, we apply a meta-analysis of 149 studies published from 1991 to 2014. The results indicate that the RBV is rather contingency-independent and not assumed to face any decline in the near future. Instead, the RBV may become even more important when looking ahead.

09:45 – 10:15

MORNING COFFEE BREAK



SESSION 31

SOCIAL, INSTITUTIONAL, AND COGNITIVE INFLUENCES ON ENTREPRENEURSHIP

TRACK A	Date	Saturday, Mar 21
	Time	10:15 – 11:30 h
Paper	Room	Room 31

Session Chair Fabrice Cavarretta, *ESSEC Business School*

A Behavioral Study of Real Options Reasoning: The Role of Perceived Uncertainty and Opportunity Discovery Behavior

Nicolas Odeh, *Pontifical Catholic University of Chile*
 Stephen Zhang, *Pontifical Catholic University of Chile*

Real option reasoning has not been widely intersected with perceptual and behavioral dimensions. In this paper we introduce the three types of perceived uncertainty (state, effect and response) of Milliken (1987) and opportunity discovery behavior (Dyer et al., 2008) to real options. Using panel data from 101 early-stage high-potential entrepreneurs we empirically defy the tenet that higher uncertainty leads to more real option usage. Although state uncertainty is positively related to real options, effect and response uncertainties are not. Furthermore, we prove that entrepreneurs with high opportunity discovery behavior have better chance of using real options reasoning. This research significantly improves the understanding of heterogeneity and individual differences in real options reasoning.

An Inquiry into the Epistemic Properties of Entrepreneurs' Keystone Rules

Fabrice Cavarretta, *ESSEC Business School*
 Nathan Furr, *Brigham Young University*

Boundedly rational managerial actors would struggle to instantiate the full spectrum of theories of the world. Rather, they use a limited set of heuristics, e.g., the "simple rules" that guide action. However, cognitive science suggests a hierarchical structure whereby higher order rules would play a disproportionate role, e.g., on learning and selecting low-level simple rules. Assuming such structure, determining an efficient set is massively combinatorial and therefore necessitates the use meta-heuristical approaches such as genetic algorithm (GA). Since entrepreneurship embodies the natural conditions of a GA, we conduct a grounded exploration of entrepreneurs' keystone rules to consider them as epistemic objects. Although those do not match "scientific" theory, they cannot simply be rejected and provide an insight into the paradigmatic structure that drive practitioners' actions.

More Ties the Merrier?: Different Types of Social Ties and Firm Innovation Performance in China

Jianghua Zhou, *Beijing Normal University*
 Rui Wu, *Tsinghua University*
 Jizhen Li, *Tsinghua University*

Inter-organizational relationships, or social ties, have been examined as a key source of firm innovation. While scholars highlight the importance of ties, much less is known regarding the relationships among different types of ties. In this study, we first examine the individual effects of three types of social ties on firm innovation performance: political, business, and university. We then further analyze the joint effects of these ties. We argue that, while political ties strengthen the positive effects of business and university ties on innovation, the latter two types of ties substitute for each other in promoting firm innovation activities. We find preliminary empirical evidence for these arguments in a recent sample of Chinese firms.

The Effects of Institutional Evolution and Confluence on Entrepreneurship: A Longitudinal Cross-Country Study

Page West, *Wake Forest University*
 Adam Hyde, *Wake Forest University*

Previous efforts to explain variation in rates of entrepreneurship across countries draw on institutional theory. Some institutions constrain freedom to act entrepreneurially, while others enable it. Studies often suffer from model specification errors, rely on cross-sectional data, and fail to account for interactions among institutional factors resulting from

confluence. The present study draws on economic theory to build a model that distinguishes causal and moderating institutional influences, accounts for the impact of institutional confluence, and tests these relationships longitudinally using panel data. We use entrepreneurship activity data from over 60 countries across a ten year time period. Our findings suggest that the better predictors of future entrepreneurial activity are changes in institutional conditions and the strength of influences resulting from confluence among strong institutions.

SESSION 36

SOCIAL AND ETHICAL ISSUES

TRACK A	Date	Saturday, Mar 21
	Time	10:15 – 11:30 h
Paper	Room	Room 41

Session Chair Sandro Cabral, *Federal University of Bahia*

Dual-Purpose IJVs in Developing Markets: How They Reconcile Goals Ambiguity in Institutionally Complex Environments

Suzana Rodrigues, *Eramus University-Rotterdam*
 René Olie, *Erasmus University-Rotterdam*
 Yang Fan, *Erasmus University-Rotterdam*

This paper analyses the performance of a different form of international joint venture, which we coined "dual purpose IJV". "Dual- purpose IJVs" refer to business alliances formed with the goal of achieving economic benefits as well as promoting social impact in host countries. We draw upon a special type of joint ventures between firms from developed and developing countries included in the Dutch government program which combines aid and trade. The paper investigates the significance of ownership participation and host country institutional quality on levels of performance of 114 IJVs included in this program. By identifying how the characteristics of IJVs from 38 different countries respond to institutional voids we expect to contribute to the study of IJVs and theory development.

Environmental Sustainability Strategy in Brazilian Sugarcane Mills

Ademir Anbtonio Ferreira, *Paulista University*
 Paulo Fernando Minotti, *Paulista University*

This work aims to show the performance evaluation of Brazilian sugar and ethanol mills in the Clean Development Mechanism (CDM), created by the Kyoto Protocol in 1997, especially in terms of meeting the projected goals specified in the Project Design Documents submitted to the UNFCCC - United Nations Framework for Climate Change Convention. The focus of research is the environmental dimension of the three areas that define the sustainability strategy of an organization: economic, social and environmental. In addition to this broad objective, the survey also sought: investigate the amount of Certified Emission Reductions (CERs) of "greenhouse" gas obtained for each plant and compute the amount of electricity generated from the industrial wastes from the production process, used for consumption in the plant and the surplus transferred to local distributors.

Illegal or Unethical Survival Practices adopted by Micro and Small Business

Sergio Forte, *University of Fortaleza*
 Michelle Sobreira, *University of Fortaleza*
 Oderlene Vieira de Oliveira, *University of Fortaleza*

This research aims to connect the usage of illegal or unethical practices used by small and micro enterprises to survive in the market and the perception of lawfulness of such practices. The research involved the participation of 102 micro and small enterprises, containing 33 illegal or unethical practices. The results made possible to conclude that each investigated practice is being used to some degree by entrepreneurs, fitting to point out that in only 4 of the 33 practices the perception of unlawfulness appeared lower than that of lawfulness, evidencing that the majority (29 of 33 practices) is being used even knowing that they are unlawful. It was also concluded that nine practices were highlighted, and five of them refer to tax evasion.

The Best of Both Worlds?: Impact Investors and the Financial versus Social Performance Debate

Sergio Lazzarini, *Inspere*
 Sandro Cabral, *Federal University of Bahia*
 Luciana Ferreira, *Inspere*
 Leandro Pongeluppe, *Inspere*
 Angelica Rotondaro, *University of St. Gallen*

Over the last decades, we have witnessed a debate on whether firms could achieve superior economic performance while at the same time addressing social needs. More recently, in parallel with this evolving academic debate, there has been a new trend: the emergence of the so-called impact investors. "Impact investing," encompasses "investments with the intention to generate measurable social and environmental impact alongside a financial return... [and targeting] a range of returns from below market to market rate." Despite the efforts exerted by some strategic management scholars to address the existing trade-offs between social and financial performance. In this vein, our objective is to examine how impact investors approach financial and social goals, and the mechanisms used to reconcile these two performance dimensions.

SESSION 25

POLITICAL MARKETS AND STRATEGY

TRACK C	Date	Saturday, Mar 21
	Time	10:15 – 11:30 h
Paper	Room	Room 61

Session Chair Ariel Casarin, *Adolfo Ibañez University*

Manu Militari: Venture Ties to Coercive Institutions in Emerging Economies

Shon Hiatt, *University of Southern California*
 Wesley Sine, *Cornell University*

We examine how ties to coercive institutions of the state shape organizational outcomes in emerging economies. Empirically, this study examines ventures in the airline industry in 10 Latin American countries over 65 years. We explore how affiliations with high-ranking military officers and political leaders at the time of founding influences the likelihood of expropriation and directly affects the survival of the venture. Our findings suggest that organizational affiliations with elite military actors reduce the likelihood of two types of exit—failure and expropriation—more than affiliations with political actors. Ties with coercive institutions also moderate the negative impact that high levels of political turmoil and civil conflict, low levels of institutional democracy, and the political orientation of the government have on organizational failure and expropriation.

Political Markets, Unobserved Nonmarket Action and Firm Performance

Ariel Casarin, *Adolfo Ibañez University*

We offer new empirical insights into how exogenous nonmarket structural factors, which we conceptualize as a political market involving demanders and suppliers of regulations, curb firms' nonmarket actions with a consequent observable impact on firm performance. Our industry setting and empirical approach both permit overcoming several limitations of prior studies relating to the goal of nonmarket strategies, the observation of nonmarket action and the consequent performance outcome. Results indicate that rivalry among politicians appears to negatively affect firm performance, but that performance improves when public policies are supplied by political elites. We find that tariff increases occur earlier in political markets with fewer veto powers. Our findings also contribute to understand regulatory agency decision making in the context of the broader political environment.

The Effects of Political Pressures on Public Institutions

Patricio Rojas, *ESE Business School*

In most countries government spending represents a large share of the economy, for instance around 40% of GDP in the case of Brazil and the United States, and approximately 25% in the case of Chile and India. Although this huge volume of resources has the potential not only of improving citizen's quality of life, but also boosting the competitiveness of local firms, initiatives by governments seeking to improve management of State services have had mixed results. Some authors blame politicization

dynamics for this lack of success. Anyway, underperforming public agencies neither contribute, nor facilitate economic growth and increased competitiveness among local enterprises. This paper investigates the connection between political pressures and public agencies' performance and outcomes, and discusses its consequences to public institutions.

The Political Dynamic Capabilities Influence on Technological Innovation Performance in the Brazilian Automotive Industry

Christiane Bischof dos Santos, *FAE University Center*
 Heitor Kato, *Pontifical Catholic University of Paraná*
 Mônica Maier Giacomini, *Pontifical Catholic University of Paraná*
 Tomas Martins, *Pontifical Catholic University of Paraná*

The purpose of this paper is to explore how political relationships can affect the technological innovation in the Brazilian automotive industry. The building of appropriate political relationships requires strategic resources articulation in order to cope with uncertain political environment. In this regard, it consists in a dynamic capability indeed. A model was suggested and consists in the inclusion of political relational capabilities in order to verify in which extent it exerts influence on the reconfiguring capability of the company. To perform this study, a survey was conducted with automotive companies that innovate in Brazil during the last five years. A proposed path modeling was assessed using PLS-SEM technique. The analysis as well the results lead to constructive implications for theory, research and practice.

SESSION 19

ORGANIZATIONAL BOUNDARIES

TRACK D	Date	Saturday, Mar 21
	Time	10:15 – 11:30 h
Paper	Room	Room 32

Session Chair Ricard Gil, *Johns Hopkins University*

Contracting, Complexity and Prior Interactions: Evidence from the Development of Mega-Projects in Mining

Francisco Brahm, *Catholic University of Chile*
 Jorge Tarzijan, *Catholic University of Chile*

Focusing on mining mega-projects we analyze the effect of project complexity on: the "make v/s ally" governance choice for the implementation stage of the project and if "ally" is chosen, the "fixed-price v/s cost-plus" contractual choice; and the moderation of the impact of prior interactions with the contractor at earlier stages of the project on the "fixed-price v/s cost-plus" choice. We find that: project's complexity, contrary to expectations, promotes allying with external contractors while, as expected, encouraging the use of cost-plus contracts; and prior interactions promotes fixed-price contracts and this impact is more pronounced on less complex projects, in which learning and knowledge from prior stages is most usefully translated into contractual detail. Overall, our results suggest that complexity may be a key moderator in the relationship between formal and relational contracting and that its effect on governance choices is not monotonic.

Hybrid Typologies and Innovation Outcomes

Joana Pereira, *EPFL*

Hybrid organizations, which embody conflicting logics in the core of their activities, are widely spread in our modern societies. Because they combine different fields of knowledge, hybrids may be able to solve market and societal problems in unconventional and innovative ways. Therefore, researchers have been extensively using hybrids as a setting to study organizational responses to conflicting institutional logics, and organizational innovation. This work speaks to this growing, but still small line of inquiry, focusing on how different hybrid configurations may link to innovation outcomes in terms of types and levels. The aim of this proposal is twofold: establish empirically a typology for hybrid configurations; describe how hybrid configurations influence innovation outcomes.



Market Competition and Vertical Contracting: Evidence from the Trade of Coffee Beans

Octavio Martinez, *INCAE Business School*

This article explores how a firm's market position impacts contracts for the purchase of the firm's inputs. When a firm occupies a differentiated market position this generates rents. I argue that to protect these rents in the face of upstream supply hazards, a differentiated firm must adopt contractual safeguards in vertical relationships. I test this prediction drawing on rich data from the trade of coffee in Costa Rica. The empirical evidence provides support for the argument. The results show that exporters competing from more differentiated positions make greater adjustments to their supply contracts in terms of both duration and price as supply hazards increase. Altogether, this article supports the idea that a complete understanding of vertical contracting requires the integration of strategizing and economizing perspectives.

Mergers and Acquisitions in the US Video Game Industry: Assessing Theories of Vertical Integration

Ricard Gil, *Johns Hopkins University*
Frederic Warzynski, *Aarhus University*

This paper empirically documents the causes and consequences of mergers and acquisitions in the US video game industry. For this purpose, we use a widely used data set from NPD on video game monthly sales from 2000 to 2007 that we complement with hand-collected information on the identity of video game developers for all games in the sample and the timing of all mergers and acquisitions during that period. Our preliminary findings show that a developer is more likely to get acquired after releasing a hit game, and publishers and developers are likely to underperform after an acquisition takes place. We discuss the empirical relevance of existing theories of vertical integration in creative industries using this setting as example.

SESSION 18

COMPETITIVE STRATEGY, ORGANIZATIONAL AND MARKET DESIGN

TRACK D	Date	Saturday, Mar 21
	Time	10:15 – 11:30 h
Developmental	Room	Room 62
Session Chair	Uta Wilkens, <i>Ruhr-University Bochum</i>	

Modeling the effects of alternative organizational structures on firm performance

Pablo Pinto, *Catholic University of the North*
Damian Hine, *University of Queensland*

This paper extends previous work on agent-based simulations by modeling relationships in a two divisional firm structure to examine the effects of extreme decentralization, and central coordination on overall firm performance over time. Two designs are modeled: an individualistic structure, in which each division seeks to maximize its own partial performance, but in which the winning division cannibalizes the competencies of its sibling (losing) division; and a mixed structure that introduces central coordination on a temporary basis. Results show that the superiority of an individualistic structure over other types in the search process is enhanced by central coordination; however, in the long-term, the performance of individualistic-type structures with and without coordination converges. Results are very sensitive to the firm's size and period under analysis.

Patent Acquisitions and Firm Performance

Patrick Hoeflinger, *Technical University Munich*
Philipp Scheik, *Barclays Investment Bank*
Philipp Sandner, *Technical University Munich*
Isabell Welpel, *Technical University of Munich*

We examine the effects of externally acquired patents on firm performance. Our study applies real patent transfer data from the Worldwide Patent Statistical Database (PATSTAT). By using a unique panel for 313 international high-technology firms our key result supports a positive effect of acquired patents on return on assets. Yet, we could not confirm an influence of acquired patents on a firm's sales. We interpret that in the way that firms do not achieve additional sales when buying patents. They rather improve firm profitability by decreasing the risk of

litigation and by sustaining the freedom to operate. Firms which chose this strategy may improve their competitiveness by patent acquisitions.

Plural Forms of Institutional Arrangements in the Brazilian Electricity Industry

Daniel Lopes, *Federal University of Santa Catarina*
Andre Leite, *Federal University of Santa Catarina*

Institutional arrangements are described as a spectrum, with the market and vertical integration as poles. During the past 25 years, the theoretical and empirical work aligned with the new institutional economics sought to understand the factors that determine which transactions will be celebrated through the market and which will run within the firms. However, the existence of plural forms of institutional arrangements in the same productive chain defies logic theories that study the vertical borders of the firms. Thus, the objective of this research project is to investigate these plural forms in the Free Contracting Environment of Brazilian Electricity Industry. We used both qualitative and quantitative approaches in order to explain the reasons for the adoption of distinct institutional arrangements within a single transaction.

Regional Dynamic Capabilities and the Pivotal Role of Universities: The Case of Bochum University

Uta Wilkens, *Ruhr-University Bochum*
Nebojsa Radojevic, *HEC-Montreal*

Extant literature on regional innovation systems focuses on a given regional innovation dynamics resulting from interactive learning among economic actors and organisations. Conversely, regional dynamic capabilities refer to the capacity of a region to purposefully extend or transform its innovation dynamics. In order to explain this active institutional influence, we conceptualise the lack of regional dynamic capabilities as an institutional void including cognitive, organisational, and socio-economic components. In this context, universities potentially play a pivotal role for regional innovation and business development. We elaborate on this role by studying the case of the German Ruhr region and the Bochum University, which promotes regional business development by enhancing the WorldFactory (R) concept. The paper outlines theoretical foundations and proposes avenues of future research.

Thriving in Innovation Ecosystems: Toward a Collaborative Market Orientation

Torsten Oliver Salge, *RWTH Aachen University*
Bastian Kindermann, *RWTH Aachen University*

Market orientation relates to how well an organization is aligned towards identifying, disseminating and responding to novel market intelligence. Prior research has typically conceptualized market orientation as a property of an individual firm. Such research has shown that market orientation can enhance firm-level innovation and performance. More recently however, the locus of competition and innovation has shifted to the organizational ecosystem. To account for these changes, we extend the notion of market orientation to a collaborative environment. We introduce the concept of collaborative market orientation, which we define as a set of capabilities jointly exercised by ecosystem members. Drawing upon the extant literature we provide actionable steps for organizations to excel at developing a collaborative approach to identifying, disseminating and responding to new market insights.

SESSION 45

PLENARY TRACK

TRACK P	Date	Saturday, Mar 21
	Time	11:45 – 13:00 h
Showcase Panel	Room	Room 41

Business Strategy in Emerging Markets / Latin America

Session Chair

Roberto Vassolo, *Austral University*

Panelists

Sharon Alvarez, *University of Denver*

Jay Anand, *Ohio State University*

Gerald McDermott, *University of South Carolina*

With established markets becoming saturated, multinational corporations (MNCs) have turned increasingly to emerging markets (EMS) in the developing world. Yet, firms that simply entered these markets repeating successful formulas developed in their home countries have quickly found proven recipes to not work well. Emerging markets are characterized not only by institutional voids, but also more periodic macroeconomic volatility, distinct cultural and organizational challenges, and other market-based difficulties that call for collective strategies. In this panel, professors Jay Anand, Gerry McDermott, Francisco Polidoro, and Roberto Vassolo will offer their views on the craft of strategy for these challenging environments, and take questions from the audience.



Roberto Vassolo is a Full Professor of Business Policy and Strategy at the IAE Business School, Universidad Austral, Argentina, Director of the PhD Program, and member of the school board. He currently does research in competitive strategy in turbulent macroeconomic environments, regional headquarters and dynamic capabilities. He has published in *Academy of Management Journal*, *Strategic Management Journal*, *Organization Science*, *Academy of Management Perspectives*, and *Harvard Business Review*, among others, and is a member of the editorial board of the *Academy of Management Review* and the *Strategic Management Journal*. He is also the author a strategy textbook with focus in emerging economies.



Sharon Alvarez is the Walter Koch Endowed Chair in Entrepreneurship at the Daniels College of Business, University of Denver. She previously served as an Associate Professor of entrepreneurship and management, and the Academic Director of the Center for Entrepreneurship at the Max M. Fisher College of Business, The Ohio State University. Sharon Alvarez is the Past Chair of the Entrepreneurship Division of the Academy of Management and has been a Representative at Large for the SMS Entrepreneurship Interest Group. She was a Max Planck Scholar at the Max Planck Institute for Entrepreneurship and Economic Systems Research, a visiting professor at Sun-Yet-Sen University in China, and is currently a visiting professor at University of Alberta. Her current research includes entrepreneurship theory of opportunities, firm, and market emergence. Sharon Alvarez is a Co-editor for *Strategic Entrepreneurship Journal* and she has published in *Academy of Management Review*, *Organization Science*, *Strategic Entrepreneurship Journal*, *Academy of Management Executive*, *Journal of Business Venturing*, *Journal of Management*, and *Human Resource Management Journal*.



Jaideep (Jay) Anand is Dean's Distinguished Professor of Strategy at the Ohio State University. Previously, he was faculty at Michigan and Ivey. He was educated at the Indian Institute of Technology and the University of Pennsylvania (Wharton). His research addresses the redeployment of business capabilities across firm boundaries, with particular emphasis on inter-firm alliances and acquisitions.

He has been a loyal and active member of SMS over many years. His previous service to SMS includes being a member of the conference organizing committee and best paper committee, an elected representative-at-large, and organizer of the Doctoral Workshop over multiple years. He has published in all 3 of the SMS journals and is a member of the editorial boards of *Strategic Management Journal* and *Global Strategy Journal*. He is a recipient of the Outstanding SMJ Editorial Board Member award and a runner-up in the Best paper competition.



Gerald McDermott is Associate Professor of International Business at the Darla Moore School of Business, University of South Carolina. He has a PhD in Political Science from the Massachusetts Institute of Technology, and specializes in international business and political economy. Prior to joining the Moore School, Gerald McDermott was a faculty at the Wharton School of Business, at the University of Pennsylvania. His

current research in South America uses both comparative and statistical survey methods to examine the socio-political conditions under which societies build new innovative capacities to achieve sustained upgrading in their industries. He has consulted for various multilateral organizations, including the World Bank, and is the author of several scholarly articles and books, including "Embedded Politics: Industrial Networks and Institutional Change in Post-Communism." His research has been published in prestigious outlets, such as the *Academy of Management Review*, and the *Journal of International Business Studies*, among others.

SESSION 46

PLENARY TRACK

TRACK P	Date	Saturday, Mar 21
	Time	11:45 – 13:00 h
	Room	Room 31

Showcase Panel

Strategy for Public Interest

Session Chair

Aldo Musacchio, *Brandeis University*

Panelists

Sandro Cabral, *Federal University of Bahia*

Maria Tereza Fleury, *Getulio Vargas Foundation*

Peter Klein, *University of Missouri*

Bertrand Quelin, *HEC-Paris*

Although many emerging market contexts present an environment of high transaction costs, poor infrastructure, excessive regulation, and macroeconomic volatility, in many countries and regions firms, associations, and governmental enterprises have collectively managed to overcome local voids and promote the local accumulation of public goods. Private entrepreneurs have developed projects with high social impact; local associations have worked hand in hand with governments and firms to foster innovative clusters; and development institutions have provided credit to new projects that would otherwise go unfunded. The objective of this semi-plenary is to discuss how private and state actors can devise collective strategies to promote projects that not only spur industrial development but also generate positive social impact to local regions and populations.



Aldo Musacchio has been on the faculty of Harvard Business School since 2004. He is an associate professor of business administration and Faculty Research Fellow at the National Bureau of Economic Research (NBER). He holds a PhD in Economic History of Latin America from Stanford University and a B.A. in Economics with highest honors from ITAM in Mexico City. His first book, *Experiments in Financial Democracy*, examines how companies can adopt corporate governance provisions to attract small investors even in countries with adverse legal and institutional environments. He also has a series of papers and a second book, *Reinventing State Capitalism: Leviathan in Business, Brazil and Beyond*, that examine the performance implications of different governance arrangements in state-owned enterprises and the effects that investments and loans from development banks and sovereign wealth funds have on the performance of private firms. Aldo Musacchio has also written over two dozen cases examining similar topics, as well as cases that examine how to turn around state-owned enterprises and cases studying the strategies of multinationals that succeed in emerging and frontier markets.



Sandro Cabral is an Associate Professor of Operations and Strategy in the School of Management at the Federal University of Bahia (UFBA), Brazil. In 2013 (Fall) he was a Fulbright Visiting Professor at NYU Wagner. He holds a PhD in Management (Applied Public Policy) from the Federal University of Bahia; and, during his doctoral program, he was a member of a research center at Université Paris 1 (Panthéon-Sorbonne). Sandro Cabral's research focuses on strategy and performance in public services, public and private partnerships (PPP), the boundaries of governments and firms, and the organization of enforcement agencies. His work has appeared in journals like *Public Choice*, *Strategic Entrepreneurship Journal*, *Long Range Planning*, *European Sports Management Quarterly*, among others.



Maria Tereza Leme Fleury is Dean of Escola de Administração de Empresas da Fundação Getulio Vargas and was the former dean of the School of Economics, Business Administration and Accountancy FEA – USP for the period of 2002 – 2006. She is Full Professor of International Strategy at Fundação Getulio Vargas and FEA/USP and Visiting Schollar at Institute for Manufacturing at University of Cambridge UK; she was Research Fellow of Institute of Development Studies, University of Sussex, Institute for Development Economics Tokyo and Visiting Professor at ESSEC- France. She is member of the Academic of International Business; in 2010 she organized the AIB Conference in Rio de Janeiro, Brazil. She has published 20 books, 60 chapters and more than 70 articles on Strategy and Competency Management, International Management, HR Management, Organization Culture and Labour Relations. She was the Director of International Relations of ANPAD-Brazilian Academy of Management, and is member of BALAS (Latin American Business Association), EUROMED/ Marseille, FNQ, editor of RAUSP and member of editorial board of international and Brazilian journals. She is also member of the Advisory Board of Universidade Catolica de Lisboa, the Council on Business and Society, the Global Network Advanced Management, the Center for China-Latin America Management Studies of Tsinghua University and the Columbia Global Centers Latin America of Columbia University.



Peter Klein is Professor of Applied Social Sciences at the University of Missouri. He also holds faculty positions with the Department of Strategy and Management at the Norwegian School of Economics and the University of Missouri's Truman School of Public Affairs. His research focuses on the links between competitive strategy, transaction costs, and entrepreneurship, with applications to firm boundaries, diversification, internal organization, vertical coordination, health care, and public policy. His work has appeared in *Organization Science*, *Strategic Entrepreneurship Journal*, *Journal of Management*, *Managerial and Decision Economics*, *Strategic Organization*, *Journal of Industrial Economics*, *Rand Journal of Economics*, *Journal of Law, Economics, and Organization*, and other outlets. Klein received his PhD from the University of California, Berkeley in 1995.



Bertrand Quelin obtained his Doctorate Degree in Economics from the University of Paris. From 1999 to 2005, he has been Associate Dean for the Ph.D. program at HEC Paris. From 1994 to 1999, then from 2006 to 2012, he was Academic Director of the HEC MSc in Strategic Management. He was Visiting Research Scholar at the Haas School of Business, University of California, Berkeley (1996-97 and 2005), and at Insper (São Paulo) and Fundação Getulio Vargas (Rio de Janeiro) in 2012-2013. He is currently running the Major in Digital and Telecoms Businesses within the HEC e-MBA. His research interests include economics of organization, transaction cost economics and outsourcing, and public-private partnerships. He is the author of several papers published in top journals (among them: *Academy of Management Review*, *Journal of Management Studies*, *Research Policy*, *Strategic Organization*) and of numerous book chapters.

SESSION 47

PLENARY TRACK

TRACK P	Date	Saturday, Mar 21
	Time	11:45 – 13:00 h
Showcase Panel	Room	Room 61

Corporate Strategy

Session Chair

Felipe Monteiro, *INSEAD*

Panelists

Robert Hoskisson, *Rice University*Stephen B Tallman, *University of Richmond*

The field of Corporate Strategy is continuously evolving and has come to offer key insights to executives lead diversified organizations. When dealing with cross market competition, globalization, deregulation, technological change, and the emergence of new markets, business leaders must constantly re-assess the synergies across multiple business units. A major objective of this semi-plenary session is to discuss the main issues that impact a firm's choice of corporate strategy, including an analysis of its horizontal, vertical and geographical boundaries. Professors Felipe Monteiro, Carmen Weigelt, Stephen Tallman, and Robert Hoskisson will each expose their views on the matter, and take questions from the audience.



Felipe Monteiro is an Assistant Professor of Strategy at INSEAD. He obtained his Ph.D. in Strategic and International Management at the London Business School. He also has a LL.B. (JD equivalent) degree, cum laude, from the Federal University of Rio de Janeiro, a M.Sc. in Business Administration from COPPEAD/UFRJ, Brazil and a MRes in Business Studies from London Business School. Before joining Wharton, Felipe Monteiro was a Fellow at the London School of Economics and Political Science. Prior to that, he was a Senior Researcher at the Harvard Business School's Latin American Research Center. His research focuses on how multinational corporations access external knowledge across organizational, technological and geographic boundaries. He is also studying the knowledge sharing strategies of multinational corporations from emerging markets. Both in 2009 and 2010, Felipe Monteiro received Wharton's "Goes Above and Beyond the Call of Duty" Teaching Award for his outstanding contributions and commitment to educational excellence.



Robert E. Hoskisson's research topics focus on corporate governance, acquisitions and divestitures, international diversification, privatization and cooperative strategy. He teaches courses in corporate and international strategic management, cooperative strategy and strategy consulting, among others. He has served on several editorial boards for such publications as the *Academy of Management Journal* (consulting editor), *Strategic Management Journal*, *Journal of Management* (associate editor) and *Organization Science*. In addition to co-authoring two books, his research has appeared in numerous leading publications. He is a Fellow of the Strategic Management Society and the Academy of Management.



Stephen Tallman is the E. Claiborne Robins Distinguished Professor of Business at the University of Richmond. He earned his Ph.D. in strategy and international business from UCLA in 1988. He served as chair of the International Management Division of the AoM (1998-99) and of the Global Strategy Interest Group of the SMS (2001-2005). He was elected to the Fellows of the AIB in 2008. He has served on the editorial review boards of several journals, including *SMJ*, and became an Associate Editor of *SMJ* in 2007. He is currently co-editor of *Global Strategy Journal*. He has authored or edited three books relating to international strategy, and has published numerous book chapters and journal articles in a variety of outlets including *AMR*, *AMJ*, *SMJ*, *JMS*, *CMR*, *MIR*, *JIM*, and *JIBS*. His research interests include global outsourcing, international diversification, industry clusters, knowledge transfer in multinational firms, and international alliances and joint ventures. He has been on the faculty of the University of Hawaii and the University of Utah, and the Cranfield School of Management, and has taught at Warwick University Business School, Judge Institute of Management at Cambridge University, Thunderbird AGSIM, INSEAD, and SDA Bocconi, among others.

13:00 – 14:15
LUNCHEON



SESSION 28

NEW-VENTURE FINANCE

TRACK A	Date	Saturday, Mar 21
	Time	14:15 – 15:30 h
Paper	Room	Room 41
Session Chair	Sharon Matusik, <i>University of Colorado-Boulder</i>	

Choosing The Wrong Entrepreneurs? Rational Heuristics for Enhanced Public Resource Allocation

Michael Leatherbee, *Stanford University*
 Patricio del Sol, *Adolfo Ibañez University*

Assessing the potential of entrepreneurial opportunities is challenging, even for investors and entrepreneurs. Because of this, developing economies play a risky game when trying to allocate public resources to startups that offer an unguaranteed promise of job- and wealth-creation. Recent theoretical and empirical work using rational heuristics offers a potentially better alternative to the current, boundedly rational process for identifying the high-potential startups. This research project aims to compare the rational heuristics approach against the boundedly rational approach using data from Start-Up Chile. Our goal is to discover a novel approach for identifying high potential startups, which will help developing economies allocate their entrepreneurship-promotion resources more effectively.

Corporate Venture Capital versus Cognitive Distances: Retaining Ownership of Reverse Innovation

Nebojsa Radojevic, *HEC-Montreal*

The concept of reverse innovation urges Western multinationals (MNEs) to innovate specifically for emerging markets, and to additionally diffuse the outcome to developed countries. In fact, MNEs can draw upon physical, financial and intangible capital to pursue reverse innovation, but they are hampered by dominant managerial logic and internal resistances. Instead of innovating in-house, MNEs could resort to corporate venture capital (CVC) and cooperate with small or medium-sized enterprises (SMEs) that already developed reverse innovations but that are hampered in mass diffusions by institutional voids in their capital markets. Analyzing three cases from a transition economy, this paper concludes that cognitive distances impede such complementary CVC projects. Consequently, SMEs self-finance moderate growth while retaining exclusive ownership of reverse innovations as a source of competitive advantage.

Institutional Change and Venture Capital Investments

Francisco Morales, *University of Colorado-Boulder*

Institutions can foster or obstruct venture capital (VC) activity. VC firms tend to invest in countries with developed institutions rather than in countries with low-quality institutions. Although institutions can change, that change is usually slow and incremental. In this study, we analyze the impact on VC investments of a major institutional change in Europe: the adoption of the Euro. Using a sample of 215 VC firms based in Europe from 1993 to 2004, we find that the Euro had a positive effect on VC investments. However, not all firms can make the most of the Euro. The size and the pattern of prior investments of the firm moderate the impact of the Euro. Our findings contribute to the literature on institutions and entrepreneurial activity.

Learning from Outliers: A Revisionist Perspective on the Role of Institutions in Venture Capital Market Creation

German Echeopar, *Adolfo Ibañez University*
 Sharon Matusik, *University of Colorado-Boulder*
 Carla Bustamante, *University of Colorado-Boulder*
 Santiago Mingo, *Adolfo Ibañez University*

Much has been written about the importance of formal institutions in market creation generally, and venture capital market creation in particular. In this paper, we use historical research methods over a twenty-four year period to examine the case of Chile, where formal institutions have long been in place but the venture capital market failed to emerge. Our findings are straightforward but have potentially profound implications for theory and policy. We find informal institutions that legitimize high growth entrepreneurship have a direct effect on venture capital market creation; formal institutions may amplify this relationship, but have no direct effect on it.

SESSION 2

EMERGING MARKETS MNCS

TRACK B	Date	Saturday, Mar 21
	Time	14:15 – 15:30 h
Paper	Room	Room 31
Session Chair	Maria Tereza Fleury, <i>Getulio Vargas Foundation</i>	

Bringing Back The Multinational: MNEs As Pathways For International New Ventures

Shameen Prashantham, *University of Nottingham - China*
 Anoop Madhok, *York University*

Little is known about how new venture internationalization is influenced by large multinational enterprises (MNEs) and, conversely, how MNE innovation is influenced by international new ventures (INVs). We examine the MNE-INV interface and ask: Under what conditions do MNEs constitute a pathway for INVs? What is the process through which this occurs? Based on three in-depth longitudinal cases in the Bangalore software industry, we identify three distinct pathways: passive, active and co-creation. These pathways exhibit increasing levels of technological innovation on the part of the new venture and partnering innovation by the MNE. Crucially, the particular pathway adopted results from the match between these two respective innovation levels. Our findings suggest a co-evolutionary logic as a particularly promising pathway for the two actors.

Competitiveness of Emerging Market Firms in Developed Countries: Understanding the Role of Institutions

Irina Mihailova, *Aalto University*

This paper is driven by the motivation to look deeper into the phenomenon of the competitiveness of Emerging Market (EM) firms and to explain the underlying rationales behind the growing number of successfully operating EM firms in developed countries with world class products and services. It suggests a model that explains how the EM firms are affected by institutional factors through different means and it is their combined influence of a Pushing, Supporting and Motivational nature that result in EM firms' competitiveness in developed countries with traditional ownership advantages. This PSM model enhances our understanding of institutional forces in EM and contributes to the institution-based view on strategy.

Contingent Ownership: A Comparative of Latin American Emerging Economies

Luiz Ricardo Kabbach de Castro, *University of São Paulo*
 Ruth Aguilera, *Northeastern University*
 Rafel Crespi-Cladera, *University of the Balearic Islands*

In this paper we advance a contingent framework of ownership structure of foreign investors that proposes how combinations of internal (type) and external (country of origin) contingencies jointly determine ownership concentration across firms. Using a sample of 1,176 Latin American firms, our results show that higher levels of ownership concentration are associated with the presence of relational owners compared to transactional owners. This relationship is moderated by owner's country of origin and balanced by market's formal and informal institutions. From a theoretical perspective, we argue that a broader social contextualization is needed to understand the determinants of ownership concentration of foreign investors, which qualifies the law and economics view of ownership and advances the "relational-transactional" owners' dichotomy. We seek to contribute to comparative capitalism as well as transnational governance debates.

Internationalization of Emerging Market Firms: The Role of Founders, the Economic and Institutional Environments at Founding

Yen Nee Oon, *University of Cambridge*
 Jaideep Prabhu, *University of Cambridge*
 Kulwant Singh, *National University of Singapore*

Although extant research has examined numerous determinants of internationalization, little is known about the role played by firm founders and conditions at founding. Drawing on organizational imprinting, institutional and resource-based theories, we examine how internationalization of firms is contingent on the interplay between the

economic and institutional environments at the time of firms' founding, and the identity of founders. Utilizing a unique methodology that encapsulates the 1997-1998 "Asian Economic Crisis" as a quasi-natural experiment across firms from six East Asian emerging markets from 1994 to 2012, our preliminary findings indicate that firms founded in constrained economic and institutional environments are less likely to internationalize. However, this is contingent on the identity of firm founders. Our study contributes to a deeper understanding of firm founders within emerging markets and illuminates the differential effects of institutional development and economic environment at founding in shaping internationalization.

SESSION 22

INSTITUTIONS, GOVERNMENTS AND FDI

TRACK C	Date	Saturday, Mar 21
	Time	14:15 – 15:30 h
Paper	Room	Room 61

Session Chair Barclay James, *San Francisco de Quito University*

Calming Troubled Waters: State-Firm Dispute Resolution Mechanisms and Investment Risk

Barclay James, *San Francisco de Quito University*
Paul Vaaler, *University of Minnesota*

We examine whether and under which conditions host-country dispute resolution mechanisms reduce risk to private investors. Analyses of 1033 investment projects announced in 50 countries from 2009-2013 support our propositions: host-country ease of dispute resolution reduces investment risk measured as the initial percentage of equity (not debt) funding an investment project; the investment risk-reducing effect of host-country ease of dispute resolution is diminished for investment projects with a buyer, or 'off-take', contract; and the investment risk-reducing effect of host-country ease of dispute resolution is diminished when the lead firm sponsoring an investment project has greater host-country and industry experience. Host-country dispute resolution mechanisms do reduce investment risk, but they affect investment risk differently based on unique investment- and firm-specific factors.

Foreign Direct Investment and "Territorial Triple Helix": Emergence of a Semiconductor Company in Brazil

Olivier Coussi, *University of Poitiers*
Kadigia Faccin, *University of Poitiers*
Lande Evelyne, *University of Poitiers*
Alsones Balestrin, *University of the Sinos Valley*

This study is conducted in order to analyze and understand the territorial management for the localization of a foreign direct investment (FDI) in an emerging country. The case study is related to the process of implementation of a South-Korean company involved in the semiconductor industry through a joint venture with a Brazilian one. The relations between university, companies and governmental authorities are analyzed and identified in terms of supporting the territorial attractiveness. This qualitative and single case research use secondary public sources as materials. The management in a "strategy as practice" way of the FDI project life cycle leads to a "territorial triple helix" model that could be now used by emerging countries in order to promote sustainable economic development in high tech industries.

Institutional Determinants and Governmental Pressures for FDI Exchange between China and Russia

Marina Latukha, *St. Petersburg University*
Andrei Panibratov, *St. Petersburg University*

This paper examines institutional determinants and governmental drivers for Russian and Chinese FDI, and discusses an opportunity for FDI exchange between China and Russia. We found that two countries follow partly same, but partly different patterns compared to their investment in other countries. The size of the target country plays the most crucial roles in determining investment flows, but also institutions, in home country as well as in host country, have significant impact on both countries FDI outflows and FDI exchange between them. The resource endowment factor neither plays the key role in determining Russia's and China's OFDI in general, even less it does in shaping the FDI exchange between them.

Why the DRG are Not Welcome in Colombia

Yuri Gorbaneff, *Pontifical Javeriana University*
Ariel Cortes, *Pontifical Javeriana University*
Sandra Agudelo, *Pontifical Javeriana University*
Francisco J. Yepes, *Pontifical Javeriana University*

The objective of this paper is to explain why the Colombian health system shows little interest in Diagnostic Related Groups (DRGs). We use the case method and diffusion of innovation theory to study the attitudes of two groups of managers: those who have and do not have Diagnostic Related Groups (DRGs) in their hospitals. In all but one dimension (relative advantage) of the theory framework, the managers expect more than the DRGs can deliver in Colombian context. We identify sources of resistance to DRGs: doctors perceive DRGs as a threat to their autonomy, clinical departments, when organizing coding procedure, have little institutional support from their management, the managers pretend to integrate DRGs into their enterprise resource planning software, creating additional obstacles. The paper makes theoretical contribution suggesting refinements for the model of diffusion of innovation.

SESSION 12

VALUE CREATION AND FIRM PERFORMANCE

TRACK D	Date	Saturday, Mar 21
	Time	14:15 – 15:30 h
Paper	Room	Room 32

Session Chair Luiz Brito, *Getulio Vargas Foundation*

Does Long-Term Orientation Create Value? Evidence from a Regression Discontinuity

Caroline Flammer, *University of Western Ontario*
Pratima Bansal, *Western University*

In this paper, we investigate how long-term orientation impacts firm value. To study this relationship, we exploit exogenous changes in executives' long-term incentives. Specifically, we examine shareholder proposals on long-term executive compensation that pass or fail by a small margin of votes. The passage of such "close call" proposals is akin to a random assignment of long-term incentives and hence provides a clean causal estimate. We find that the adoption of such proposals leads to increases in firm value and operating performance, suggesting that long-term orientation is beneficial to companies. We further examine the underlying mechanisms and find evidence suggesting that companies invest in long-term projects such as innovation and stakeholder relationships. Finally, our findings are stronger for companies that are not financially constrained.

Dynamic Capabilities and their Influences on Firm Performance

Mônica Maier Giacomini, *Pontifical Catholic University of Paraná*
Heitor Kato, *Pontifical Catholic University of Paraná*
Eliane Francisco Maffezzolli, *Pontifical Catholic University of Paraná*
Christiane Bischof dos Santos, *FAE University Center*

The propose of this study was investigating the relationship between Dynamic Capabilities and its indirect influences on Firm Performance mediated by Operational Capabilities. The applicability of this study was in firms of technological sectors, oil and gas companies, and food sector industries located in Brazil. The theoretical contribution of this study is given by the explanation of an alternative model, which reveals that the presence of Capabilities Marketing promotes the development of Technology Capabilities. It was created a model that shows a mediation between Marketing Capabilities and Technology, and from this reveal can allow the studied sectors reflect on their interactions in environments such as R&D, as a way to improve product innovations offered by these sectors, in order to achieve superior performance.

How and How Much does Environment Matter?

Karina Pretto, *Getúlio Vargas Foundation*
Luiz Brito, *Getulio Vargas Foundation*

All endeavors from previous studies were not sufficient to bring robust evidence and create a consensus about the relevance of industry on firms' performance. This study presents empirical evidence on how environment affects overall firms' performance and how much it influences on superior performance manifestation,



bringing new light to the industry relevance debate. Main results reveal that there are industries more susceptible to influence firms' performance than others, and therefore it brings evidences on relevance of different theories (e.g., industry- and resource-based approaches) to performance as context dependent. An additional contribution of this work is the use of a Bayesian inference to characterize superior performance of firms.

The Moderating Effect of Industry Concentration on the Relation Among Institutions and Firm Performance

David Kallas, *Inspere*
Carlos Caldeira, *Inspere*
Rodrigo Bandeira-de-Mello, *Getulio Vargas Foundation*

We propose that industry conditions, specifically industry concentration, moderate the relation among institutions and firm performance. We built a database of 230,222 observations of 10,903 companies in 64 countries in a 23 years interval. Regressions tested the interaction between the Herfindahl-Hirschman Index (HHI) and six institutional variables, considering three dependent variables: ROA, ROE and 3-year sales growth. Two empirical strategies were used: fixed effects and hierarchical (multilevel) models. Results were significant for the negative interaction between HHI and four variables: voice and accountability, govern effectiveness, regulatory quality and control of corruption. We argue that expansion strategies within the industry, such as market share dominance, M&A and growth strategies, may fit better on weak institutional contexts.

SESSION 21

COMPETITIVE STRATEGY, ORGANIZATIONAL AND MARKET DESIGN

TRACK D	Date	Saturday, Mar 21
	Time	14:15 – 15:30 h
Developmental	Room	Room 62
Session Chair	Octavio Martinez, <i>INCAE Business School</i>	

Identifying International Alliance Portfolio Characteristics that Influence Positively Innovation: A Bibliometric Study of Relevant Literature

Felipe Esteves, *Pontifical Catholic University of Rio de Janeiro*
T Diana de Macedo-Soares, *Pontifical Catholic University of Rio de Janeiro*
Lucas Martins Turano, *Pontifical Catholic University of Rio de Janeiro*
Clarice Porto, *Pontifical Catholic University of Rio de Janeiro*

Increasingly, firms are adopting strategies that contemplate international alliance portfolios - IAPs to leverage innovation and sustain their competitive edge. It becomes thus critical for them to know which IAP characteristics influence positively innovation performance. This article presents results of the second stage of a bibliometric study of the literature on IAP and innovation published between 2001 and 2014 to identify these characteristics in a sample of 812 articles from four data bases, using 9 keywords/phrases. Diversity of IAPs was the most cited significant IAP characteristic for innovation in the literature from 2011 to 2014. However, high diversity could have a negative impact. Most articles stressed the importance to have the necessary capabilities to manage the challenges created by high IAP diversity and resulting complexity.

The Evolution of Competition through the Business Cycle: The Case of the US Automotive Industry

Roberto Vassolo, *Austral University*
Maria Jose Murcia, *IAE Business School*
Javier Garcia-Sanchez, *Austral University*

Economic recessions represent periods of reduced environmental munificence of non-industry specific genesis and of transitory nature that affect the survivability of all firms in an industry. Most earlier studies on industry evolution have the implicit overarching assumption of non-existence of business cycle, which poses several theoretical problems. Our work aims to provide insight on how organizations may eventually benefit from considering the limitations and opportunities provided by its external environment by revisiting industry evolution. While multiple examples could be used to illustrate shifts in competitive positioning in the aftermath of a recession, in particular, the US Automobile industry offers us an adequate setting for us to focus on the competitive effect of a recession on "supply-side" cost leadership capabilities.

The Influence of Institutional Logic in the Perception of Stakeholders Salience as Competitive Advantage

Edison DAmario, *University of São Paulo*
Rossana Soranz, *University of São Paulo*
Joao Mauricio Boaventura, *University of Sao Paulo*

The present study aims to analyze the influence of institutional logic in the perception of stakeholders salience of three retail banks. We used a quantitative instrument developed by Mitchell, Agle and Wood (1997) which analyzes the stakeholder prioritization through three attributes: power, legitimacy and urgency. The methods of analysis were parametric and nonparametric tests. The results indicate that there is evidence that the institutional logic influences on salience of stakeholders and that, within the template MAW (Mitchell, Agle and Wood), we identified the priority as primary stakeholders. Additionally, we suggest that the salience of stakeholders provides competitive advantage when the organization prioritizes the stakeholders identified as primary, since, according to the literature, they are the ones associated with the company's operational objectives and competitive performance.

15:30 – 16:00

AFTERNOON COFFEE BREAK

SESSION 43

PLENARY TRACK

TRACK P	Date	Saturday, Mar 21
	Time	16:00 – 17:00 h
Plenary Panel	Room	Aula Magna Room

Resource Based View: Past, Present & Future

Session Chair

Joan E Ricart, *IESE Business School*

Panelists

Jay Barney, *University of Utah*

Margaret Peteraf, *Dartmouth College*

The resource-based view (RBV) of the firm is one of the most widely accepted theories of strategic management. Its academic roots are often pointed to be at the seminal work by Edith Penrose (1959) who proposed a theory of the growth of the firm, by which organizations would expand from excess of idle resources. Yet, it wasn't until the 1980s (e.g., Wernerfelt, 1984; Barney, 1986; Dierickx and Cool, 1989) and early 1990s (e.g., Barney, 1991; Peteraf, 1993) that more established academic language and theoretical precepts began to be offered. In this panel, two of the main proponents of these theoretical principles, Profs. Jay Barney and Margaret Peteraf join efforts to each expose their views on what the resource-based view is, how it has evolved, and what future lies to its influence in the field of strategic management. They will also be open to take questions directly from the audience.



Joan E. Ricart, Past President of the SMS, is the Carl Schröder Professor of Strategic Management and Chairman of the Strategic Management Department at the IESE Business School, University of Navarra. He is the Associate Director for Faculty and Research, and has been the Director of the Doctoral Program (1995-2006) and Associate Dean for Research and the Doctoral Program (2001-2006). He is also Director of the scientific committee of EIASM and Vice-president of the Iberoamerican Academy of Management. He was the Founding President of the European Academy of Management (2001-6). Joan E. Ricart has published several books and articles in leading journals. His current areas of interest in strategic management are business models and offshoring. He received doctoral degrees in industrial engineering (1982 from the Universidad Politécnica de Catalunya), managerial economics (1984 from Northwestern University) and economics (1985 from the Universidad Autónoma de Barcelona).



Jay Barney is a Presidential Professor of Strategic Management and Pierre Lassonde Chair of Social Entrepreneurship at the University of Utah. He previously served as the Professor of Management and held the Chase Chair for Excellence in Corporate Strategy at the Max M. Fisher College of Business, The Ohio State University. His research focuses on the relationship between costly-to-copy firm skills and capabilities and sustained competitive advantage. He is an associate editor for the *Journal of Management* and senior editor for *Organization Science* and has been published in numerous leading publications. In addition to his teaching and research, he presents executive training programs throughout the US and Europe. His consulting work focuses on large-scale organizational change and strategic analysis. Jay Barney is an SMS Fellow as well as a fellow of the Academy of Management. He has received honorary doctorate degrees from the University of Lund, the Copenhagen Business School, and Universidad Pontificia Comillas (Madrid), and has honorary visiting professor positions in New Zealand and China.



Margaret Peteraf is the Leon E. Williams Professor of Management at the Tuck School of Business at Dartmouth. She is a member of the SMS Fellows Group and has served as Chair of the Competitive Strategy Interest Group. She has also served on the Academy of Management's Board of Governors, is a past Chair of the BPS Division of the Academy, and is presently on 9 editorial boards, including the *Strategic Management Journal*, the *Academy of Management Review*, and *Organization Science*. She is best known for her work on strategic group identity, the resource-based view, and dynamic capabilities. Her 1993 SMJ paper, "The Cornerstones of Competitive Advantage: A Resource-Based View", won the The Dan and Mary Lou Schendel Best Paper Prize in 1999 for its contribution toward the development of the strategic management field.

17:30 – 20:00

CLOSING COCKTAIL RECEPTION



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