

UNIVERSITY OF TEXAS AT EL PASO
IBUS 6351: INTERNATIONAL MANAGEMENT AND STRATEGY
CRN 17896
FALL 2015

Professor: Dr. Miguel A. Ramos

Department: Marketing and Management

Office: 220 Business Administration Building

Phone: 915-747-5970

Fax: 508-747-5328

Email: maramosgonzalez@utep.edu

Office hours: Thursdays from 1:00 to 4:00, Fridays from 1:00 to 4:30, and by appointment.

COURSE DESCRIPTION

This is a Ph.D. seminar in the field of strategic management research with an international emphasis. It has the following objectives:

- a) To introduce you to the basic theoretical and empirical traditions of the field of strategy research.
- b) To expose you to current research in specific streams within the field.
- c) To help you develop the skills necessary to evaluate and contribute to the field.

COURSE REQUIREMENTS

Read all the 'assigned readings' for each session and be prepared to actively participate in discussions. The 'additional readings' will not be discussed in class. They either constitute additional foundational research or recent advances. They may be useful for the term paper or future research.

(1) Critical summaries

Critical thinking is an intrinsic part of the research process. Beginning on Session 2, you will be assigned a specific paper each class on which you will lead the discussion. A critical summary of it will be required. In addition to fostering critical thinking, summaries can be a good aid for your comprehensive exams for future reference. Each summary should be 2 pages maximum, single-spaced, in Times New Roman font size 12, and with 1-inch margins. The summary should include the following sections (sections 3 to 5 do not apply to theoretical papers):

- a) The research question the paper addresses.
- b) Hypotheses and the key theoretical argument supporting each of them (about 1 sentence each).
- c) Sample characteristics (one sentence).
- d) Methodology (operationalization of key variables, data sources, and modeling specification(s)).
- e) Summary of results (i.e. whether hypotheses were supported or not, use abbreviations for the hypotheses).

- f) The paper's major strengths and limitations. *Push to identify limitations beyond those discussed by the authors.*
- g) The contribution it makes to the field, and a couple of major obvious and non-obvious links to the other pieces read that day or earlier in the seminar.
- h) One interesting and researchable question derived from it.

You are required to present your assigned summary in class for about 10 to 15 minutes. This will be followed by discussion with the other students and myself. *Readings marked with an asterisk in the schedule will not be summarized. Please bring paper summaries for all.*

(2) Integration

Integrative thinking is also central to the research process. Therefore one student will perform the role of 'integrator' in each session. The integrations will be discussed after the summary presentations. *Please bring integrations for all.* The integration should include the following:

- a) An illustration of how the assigned readings are linked to each other. Compare and contrast the papers.
- b) The main research question(s) answered by the papers.
- c) The answers the papers provide to the questions.
- d) Future research pointed out by the papers and the gaps you identify.
- e) Links to other sessions.

Each integration should be 3 pages maximum, single-spaced, in Times New Roman font size 12, and with 1-inch margins.

To distribute evenly the number of integrations per student note that three sessions will not require a submitted integration from you. I will provide some guidance on integrating these topics. *Make sure you develop your own integration for these sessions as they can also be part of your comprehensive exams.*

If you want feedback before you present your integration, email it to me by Friday at noon the week before you present it. I have office hours on Friday afternoons to discuss it.

(3) Class participation

Being a researcher also requires carrying out dialogue in both written and oral forms. It is therefore important to learn to express your ideas and opinions clearly.

(4) Final paper

Finally, to learn the craft of writing research, you are required to develop a final paper. *You should aim to eventually submit your paper to a major academic conference.* It should be between 15 and 20 pages long (excluding cover page, abstract page and references), double-spaced, in Times New Roman font size 12, and 1-inch margins. It should lay out, at least, a research question based on a gap you have identified in the literature, have a sound theoretical

development leading to prediction(s), and describe the methodology for testing (identify clearly what type of data would be needed and explain how it would be collected). I recommend reading some of the recent additional readings in the topic of your paper listed here. *Feel free to discuss the paper with me over the term.* You will present your paper in the last session on December 2. Papers are due by 5:00 p.m. on December 1st on Turnitin. I will send you the information for the submission to Turnitin a week in advance.

GRADING

Evaluation will be based following weights:

Critical summaries	25%
Integrations	20%
Class participation	25%
Final paper	30%

ACADEMIC HONESTY

Scholastic dishonesty implies severe consequences:

“Any student who commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts.” (UTEP’s Handbook of Operating Procedures available at <http://admin.utep.edu/Default.aspx?tabid=73922>)

Please note the following regarding plagiarism:

- When you use others’ ideas be sure to cite them.
- For guidance on what constitutes plagiarism go to: <http://www.plagiarism.org/>
- Let me know if you have any questions regarding plagiarism.
- *If plagiarism is suspected, the case will be forwarded to the Office of the Dean of Students.*

IMPORTANT NOTICE: THE CONTENT IN THIS SYLLABUS MAY BE SUBJECT TO CHANGE.

August 25: Session 1

Introduction to the field

Assigned readings:

Ghemawat, P. (2002). Competition and Business Strategy in Historical Perspective, *Business History Review*, 76(1): 37-74.

Mahoney, J. T. & McGahan. A. M. (2007). The field of strategic management within the evolving science of strategic organization. *Strategic Organization*, 5(1): 79-99.

Oxley, J. E., Rivkin, J. W., & Ryall, M. D. (2010). The Strategy Research Initiative: Recognizing and encouraging high-quality research in strategy. *Strategic Organization*, 8(4): 377-386.

Shaver, J.M. (1998). Accounting for endogeneity when assessing strategy performance: Does entry mode choice affect FDI survival? *Management Science*, 44(4): 571-585.

Hamilton, B.H. and Nickerson, J. (2003). Correcting for endogeneity in strategic management research. *Strategic Organization*, 1(1): 51-78.

Additional readings:

Rumelt, R. P., Schendel, D., & Teece, D. J. (1991). Strategic management and economics. *Strategic Management Journal*, 12(S2), 5-29.

Rumelt, R. P., Schendel, D. E., & Teece, D. J. (Eds.). (1994). *Fundamental issues in strategy: A research agenda*. Boston: Harvard Business School Press.

Hoskisson, R. E., Hitt, M. A., Wan, W. P., & Yiu, D. (1999). Theory and research in strategic management: Swings of a pendulum. *Journal of Management*, 25(3), 417-456.

Heugens, P., & Mol, M. J. (2005). So you call that research?: mending methodological biases in strategy and organization departments of top business schools. *Strategic Organization*, 3(1), 117-128.

Felin, T., & Foss, N. J. (2005). Strategic organization: A field in search of micro-foundations. *Strategic Organization*, 3(4), 441.

Bascle, G. (2008). Controlling for endogeneity with instrumental variables in strategic management research. *Strategic Organization*, 6(3), 285-327.

September 1: Session 2 Industrial Organization

Assigned readings:

“Traditional” IO:

Rumelt, R. P. (1991). “How Much Does Industry Matter?” *Strategic Management Journal*, 12: 167-185.

McGahan, A. M. (1999). The performance of US corporations: 1981–1994. *The Journal of Industrial Economics*, 47(4), 373-398.

Ruefli, T.W. & Wiggins, R.R. (2003). Industry, corporate, and segment effects and business performance: A non-parametric approach. *Strategic Management Journal*, 24: 861–879.

McGahan, A. M., & Victor, R. (2009). How much does home country matter to corporate profitability. *Journal of International Business Studies*, 41(1), 142-165.

IO:

(*) Saloner, G. 1991. Modeling, game theory, and strategic management. *Strategic Management Journal*, 12(S2): 119-136.

Brandenburger A.M. and Stewart Jr. H.W. 1996. Value-Based Business Strategy. *Journal of Economics and Management Strategy*, (5)1:5-24.

Additional readings:

Cabral, L., (2000). *Introduction to Industrial Organization*. The MIT Press, Cambridge MA, London England, 2000, Chapter 4.

Carlton D., Perloff J. (2000). *Industry structure and performance*. Modern Industrial Organization (3rd edition) Addison Wesley Longman. Chapter 8: 236-272.

Demsetz H. (1973). Industry structure, market rivalry, and public policy. *Journal of Law and Economics*, 16(1):1-9.

Schmalensee, R. (1985). Do markets differ much? *The American Economic Review*, 75: 341-351.

Waring, G. F. (1996). Industry differences in the persistence of firm-specific returns. *The American Economic Review*, 86(5), 1253-1265.

Brush, T. H., & Bromiley, P. (1997). What does a small corporate effect mean? A variance components simulation of corporate and business effects. *Strategic Management Journal*, 18(10), 825-835.

McGahan, A.M. & Porter, M.E. (1997). How much does industry matter, really? *Strategic Management Journal*, 18 (Summer Special Issue): 15-30.

Brush, T.H., Bromiley, P., & Hendrickx, M. (1999). The relative influence of industry and corporation on business segment performance: An alternative estimate. *Strategic Management Journal*, 20(6): 519-547.

McGahan, A.M. & Porter, M.E. (2002). What do we know about variance in accounting profitability? *Management Science*, 48(7): 834-851.

McGahan, A.M. & Porter, M.E. (2005). Comment On 'Industry, Corporate And Business-Segment Effects And Business Performance: A Non-Parametric Approach' By Ruefli And Wiggins. *Strategic Management Journal*, 26(9): 873-880.

Ruefli, T.W. & Wiggins, R.R. (2005). Response to McGahan and Porter's commentary on 'Industry, corporate and business-segment effects and business performance: a non-parametric approach'. *Strategic Management Journal*, 26(9): 881-886.

Leask, G. and Parker, D. 2007. Strategic groups, competitive groups and performance within the UK pharmaceutical industry: Improving our understanding of the competitive process. *Strategic Management Journal*, 28(7): 723-745.

September 8: Session 3

Resource Based View

Assigned readings:

(*) Penrose, E. T. (1995). *The Theory of the Growth of the Firm*. Chapters 1, 2, 5.

Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal*, 5(2), 171-180.

Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.

(*) Priem, R. L., & Butler, J. E. (2001). Is the resource-based "view" a useful perspective for strategic management research?. *Academy of Management Review*, 26(1), 22-40.

(*) Barney, J. B. (2001). Is the resource-based "view" a useful perspective for strategic management research? Yes. *Academy of Management Review*, 26(1), 41-56.

(*) Priem, R. L., & Butler, J. E. (2001). Tautology in the resource-based view and the implications of externally determined resource value: Further comments. *Academy of Management Review*, 26(1), 57-66.

Henderson R., & Cockburn, J. (1994). Measuring competence? Exploring firm effects in pharmaceutical Research. *Strategic Management Journal*. Winter Special Issue. (15): 63-84.

Teece, D., Pisano, G., & Shuen (1997). "Dynamic Capabilities and Strategic Management". *Strategic Management Journal*. 18 (7): 509-531.

Polidoro, F., & Toh, P.K. (2011). Letting rivals come close or warding them off? The effects of substitution threat on imitation deterrence. *Academy of Management Journal*, 54(2): 369-392.

Additional readings:

Barney, J. (1986). Strategic factor markets: expectations, luck, and business strategy. *Management Science*, 32(10): 1231-1241.

Dierickx I., & Cool, K. (1989). Asset stock accumulation and sustainability of competitive advantage. *Management Science*, 35(12): 1504-1511.

Peteraf, M. (1993). The cornerstones of competitive advantage: a resource-based view. *Strategic Management Journal*, 14(3):179-191.

Makadok, R. (2001). Toward a synthesis of the resource-based and dynamic-capability views of rent creation. *Strategic Management Journal*, 22(5), 387-401.

Ahuja, G., & Katila, R. (2004). Where do resources come from? The role of idiosyncratic situations. *Strategic Management Journal*, 25(8-9), 887-907.

Lenox, M. J., Rockart, S. F., & Lewin, A. Y. (2006). Interdependency, competition, and the distribution of firm and industry profits. *Management Science*, 52(5), 757-772.

Newbert, S. L. (2007). Empirical research on the resource-based view of the firm: an assessment and suggestions for future research. *Strategic Management Journal*, 28(2), 121-146.

September 15: Session 4

Coasian view of the firm and its extensions: I (excluded from submitted integrations)

Assigned readings:

Coase, R. H. (1937). The nature of the firm. *Economica*, 4(16), 386-405

Williamson, O. E. (1981). The economics of organization: the transaction cost approach. *American Journal of Sociology*, 548-577.

Gibbons, R. (1999). Taking Coase seriously. *Administrative Science Quarterly*, 44(1), 145-157.

Grossman, S. J., & Hart, O. D. (1986). The costs and benefits of ownership: A theory of vertical and lateral integration. *The Journal of Political Economy*, 691-719.

Masten, S. E. (1988). Legal Basis for the Firm. *Journal of Law, Economics and Organization*, 4, 181.

Additional readings:

Arrow, K. (1974). *The Limits of Organization*. Norton & Co. New York, London.

Klein, Benjamin, Robert G. Crawford, and Armen A. Alchian. "Vertical integration, appropriable rents, and the competitive contracting process." *Journal of Law and Economics* (1978): 297-326.

Williamson, O. E. (1975). *Markets and hierarchies*. New York, 26-30.

Williamson, O. E. (1985). *The economic institutions of capitalism*. Simon and Schuster.

Williamson, O. E. (1991). Comparative economic organization: The analysis of discrete structural alternatives. *Administrative Science Quarterly*, 269-296.

Hart, O. (1995). *Firms, contracts, and financial structure*. Oxford University Press. Chapters 1 and 2.

September 22: Session 5

Coasian view of the firm and its extensions: II (excluded from submitted integrations)

Assigned readings:

Kogut, B., & Zander, U. (1992). Knowledge of the firm, combinative capabilities, and the replication of technology. *Organization Science*, 3(3), 383-397.

Ghoshal, S., & Moran, P. (1996). Bad for practice: A critique of the transaction cost theory. *Academy of Management Review*, 21(1), 13-47.

Williamson, O. E. (1996). Economic organization: The case for candor. *Academy of Management Review*, 21(1), 48-57.

Masten, S. E., Meehan, J. W., & Snyder, E. A. (1991). The costs of organization. *Journal of Law, Economics, & Organization*, 7(1), 1-25.

Parmigiani, A. (2007). Why do firms both make and buy? An investigation of concurrent sourcing. *Strategic Management Journal*, 28(3), 285-311.

Additional readings:

Pisano G. (1990). The R&D boundaries of the firm: an empirical analysis. *Administrative Science Quarterly*, 35(1):153-176.

Langlois, R. N. (1992). Transaction-cost economics in real time. *Industrial and Corporate Change*, 1(1), 99-127.

Poppo, L., & Zenger, T. (1998). Testing alternative theories of the firm: transaction cost, knowledge-based, and measurement explanations for make-or-buy decisions in information services. *Strategic Management Journal*, 19(9), 853-877.

Leiblein, M., Reuer J., & Dalsace F. (2002). Do make or buy decision matter? The influence of organizational governance on technological performance. *Strategic Management Journal*, 23(9): 817-833.

Hoetker, G. (2005). How much you know versus how well I know you: selecting a supplier for a technically innovative component. *Strategic Management Journal*, 26(1): 75-96.

Mayer, K. J., & Nickerson, J. A. (2005). Antecedents and performance implications of contracting for knowledge workers: Evidence from information technology services. *Organization Science*, 16(3), 225-242.

He, D., & Nickerson, J. A. (2006). Why do firms make and buy? Efficiency, appropriability and competition in the trucking industry. *Strategic Organization*, 4(1), 43-69.

Klein, P. G. (2008). The make-or-buy decisions: Lessons from empirical studies. *In Handbook of new institutional economics* (pp. 435-464). Springer Berlin Heidelberg.

Dutta, S., Bergen, M., Heide, J. B., & John, G. (1995). Understanding dual distribution: the case of reps and house accounts. *Journal of Law, Economics, & Organization*, 189-204.

Veugelers, R., & Cassiman, B. (1999). Make and buy in innovation strategies: evidence from Belgian manufacturing firms. *Research Policy*, 28(1), 63-80.

He, D., & Nickerson, J. A. (2006). Why do firms make and buy? Efficiency, appropriability and competition in the trucking industry. *Strategic Organization*, 4(1), 43-69.

Nickerson, J. A., & Zenger, T. R. (2004). A knowledge-based theory of the firm—The problem-solving perspective. *Organization Science*, 15(6), 617-632.

September 29: Session 6

Schumpeterian and evolutionary views

Assigned readings:

(*) Schumpeter, J. A. (1933). *The theory of economic development: An inquiry into profits, capital, credit, interest, and the business cycle*. Chapter 4.

(*) Nelson, R. R. (1982). *An evolutionary theory of economic change*. Harvard University Press. Chapters 1 and 2.

March, J. G. (1991). Exploration and exploitation in organizational learning. *Organization science*, 2(1), 71-87.

Tushman, M. L., & Anderson, P. (1986). Technological discontinuities and organizational environments. *Administrative Science Quarterly*, 439-465.

Tripsas, M. (1997). Unraveling the Process of Creative Destruction: Complementary Assets and Incumbent Survival in the Typesetter Industry. *Strategic Management Journal*, 18(S1):119-142.

Knott, A. M. (2001). The dynamic value of hierarchy. *Management Science*, 47(3), 430-448.

Fortune, A., & Mitchell, W. (2012). Unpacking firm exit at the firm and industry levels: The adaptation and selection of firm capabilities. *Strategic Management Journal*, 33(7), 794-819.

Additional readings:

Helfat, C. E. (1994). Evolutionary trajectories in petroleum firm R&D. *Management Science*, 40(12), 1720-1747.

Stuart, T. E., & Podolny, J. M. (1996). Local search and the evolution of technological capabilities. *Strategic Management Journal*, 17(S1), 21-38.

Helfat, C. E. (1997). Know-how and asset complementarity and dynamic capability accumulation: the case of R&D. *Strategic Management Journal*, 18(5), 339-360.

Rothaermel, F. T., & Hill, C. W. (2005). Technological discontinuities and complementary assets: A longitudinal study of industry and firm performance. *Organization Science*, 16(1), 52-70.

Sutton, J. (2007). Market share dynamics and the "persistence of leadership" debate. *The American Economic Review*, 222-241.

Capron, L., & Mitchell, W. (2009). Selection capability: How capability gaps and internal social frictions affect internal and external strategic renewal. *Organization Science*, 20(2), 294-312.

October 9: Session 7 Networks

Assigned readings:

Granovetter, M. (1985). Economic action and social structure: the problem of embeddedness. *American Journal of Sociology*, 481-510.

Coleman, J. S. (1988). Social capital in the creation of human capital. *American Journal of Sociology*, S95-S120.

Burt, R. (1992). The social structure of competition. Chapter 2 in N.Nohria and R. Eccles (Eds.), *Networks and Organizations*. Boston, MA.: Harvard Business School Press.

(*) Zaheer, A., Gulati, R., & Nohria, N. (2000). Strategic networks. *Strategic Management Journal*, 21(3), 203.

Zaheer, A., & Soda, G. (2009). Network evolution: The origins of structural holes. *Administrative Science Quarterly*, 54(1), 1-31.

Vasudeva, G., Zaheer, A., & Hernandez, E. (2013). The Embeddedness of Networks: Institutions, Structural Holes, and Innovativeness in the Fuel Cell Industry. *Organization Science*, 24(3): 645-663.

Additional readings:

Granovetter, M. S. (1973). The strength of weak ties. *American Journal of Sociology*, 1360-1380.

Podolny, J. (1993). A status-based model of market competition. *American Journal of Sociology*, 98(4):829-972.

Podolny, J. (1994). Market uncertainty and the social character of economic exchange. *Administrative Science Quarterly*, 39(3):458-483.

Gulati, R. (1998). Alliances and networks. *Strategic Management Journal*, 19(4): 293-317.

Ahuja G. (2000). Collaboration networks, structural holes and innovation: A longitudinal perspective. *Administrative Science Quarterly*, 45(3):425-455.

McDermott, G. A., & Corredoira, R. (2010). Network Composition, Collaborative Ties, and Upgrading in Emerging Market Firms: Lessons from the Argentine Autoparts Sector. *Journal of International Business Studies*, 41(2): 308-329.

Ahuja, G., Soda, G., & Zaheer, A. (2012). The genesis and dynamics of organizational networks. *Organization Science*, 23(2): 434-448.

Baum, J. A., McEvily, B., & Rowley, T. J. (2012). Better with age? Tie longevity and the performance implications of bridging and closure. *Organization Science*, 23(2), 529-546.

October 13: Session 8

Firm search

Assigned readings:

Levinthal, D. A., & March, J. G. (1993). The myopia of learning. *Strategic management journal*, 14(S2), 95-112.

Levinthal, D. A. (1997). Adaptation on rugged landscapes. *Management science*, 43(7), 934-950.

Rosenkopf, L., & Nerkar, A. (2001). Beyond local search: boundary-spanning, exploration, and impact in the optical disk industry. *Strategic Management Journal*, 22(4), 287-306.

Katila, R., & Ahuja G. (2002). Something old, something new: a longitudinal study of search behavior and new product introduction. *Academy of Management Journal*, 45(6): 1183-1194.

Singh, J., & Fleming, L. (2010). Lone inventors as sources of breakthroughs: Myth or reality? *Management Science*, 56(1), 41-56.

Additional readings:

Kauffman, S. A. (1993). *The origins of order: Self organization and selection in evolution*. Oxford University Press. Chapter 6.

Ahuja, G., & Morris Lampert, C. (2001). Entrepreneurship in the large corporation: A longitudinal study of how established firms create breakthrough inventions. *Strategic Management Journal*, 22(6-7), 521-543.

Rosenkopf, L., & Almeida, P. (2003). Overcoming local search through alliances and mobility. *Management Science*, 49(6), 751-766.

Rivkin, J. W., & Siggelkow, N. (2003). Balancing search and stability: Interdependencies among elements of organizational design. *Management Science*, 49(3), 290-311.

Siggelkow, N., & Levinthal, D. A. (2003). Temporarily divide to conquer: Centralized, decentralized, and reintegrated organizational approaches to exploration and adaptation. *Organization Science*, 14(6), 650-669.

Argyres, N. S., & Silverman, B. S. (2004). R&D, organization structure, and the development of corporate technological knowledge. *Strategic Management Journal*, 25(8-9), 929-958.

Fleming, L., & Sorenson, O. (2004). Science as a map in technological search. *Strategic Management Journal*, 25(8-9), 909-928.

Siggelkow, N., & Levinthal, D. A. (2005). Escaping real (non-benign) competency traps: Linking the dynamics of organizational structure to the dynamics of search. *Strategic Organization*, 3(1), 85-115.

Singh, J., & Fleming, L. (2010). Lone inventors as sources of breakthroughs: Myth or reality?. *Management Science*, 56(1), 41-56.

October 20: Session 9

The multibusiness firm

Assigned readings:

Teece, D.J. (1980). Economies of scope and the scope of the enterprise. *Journal of Economic Behavior and Organization*, 1(3): 223-245.

Rumelt, R. P. (1982). Diversification strategy and profitability. *Strategic Management Journal*, 3(4), 359-369.

Lang, L. H., & Stulz, R. M. (1994). Tobin's q, Corporate Diversification, and Firm Performance. *The Journal of Political Economy*, 102(6), 1248-1280.

Silverman, B. S. (1999). Technological resources and the direction of corporate diversification: Toward an integration of the resource-based view and transaction cost economics. *Management Science*, 45(8), 1109-1124.

Khanna, T., & Palepu, K. (2000). The future of business groups in emerging markets: Long-run evidence from Chile. *Academy of Management Journal*, 43(3), 268-285.

Additional readings:

Panzar, J. C., & Willig, R. D. (1981). Economies of scope. *The American Economic Review*, 71(2), 268-272.

Prahalad, C. K., & Bettis, R. A. (1986). The dominant logic: A new linkage between diversity and performance. *Strategic Management Journal*, 7(6), 485-501.

Montgomery, C. A., & Wernerfelt, B. (1988). Diversification, Ricardian rents, and Tobin's q. *The RAND Journal of Economics*, 623-632.

Becker, G. S., & Murphy, K. M. (1992). The division of labor, coordination costs, and knowledge. *The Quarterly Journal of Economics*, 107(4), 1137-1160.

Rotemberg, J. J., & Saloner, G. (1994). Benefits of narrow business strategies. *The American Economic Review*, 1330-1349.

Henderson, R., & Cockburn, I. (1996). Scale, scope, and spillovers: the determinants of research productivity in drug discovery. *The Rand Journal of Economics*, 32-59.

Stein, J. C. (1997). Internal capital markets and the competition for corporate resources. *The Journal of Finance*, 52(1), 111-133.

Rajan, R., Servaes, H., & Zingales, L. (2000). The cost of diversity: The diversification discount and inefficient investment. *The Journal of Finance*, 55(1), 35-80.

Khanna, T., & Palepu, K. (2000). Is group affiliation profitable in emerging markets? An analysis of diversified Indian business groups. *The Journal of Finance*, 55(2), 867-891.

Brusoni, S., Prencipe, A., & Pavitt, K. (2001). Knowledge specialization, organizational coupling, and the boundaries of the firm: Why do firms know more than they make?. *Administrative Science Quarterly*, 46(4), 597-621.

Campa, J. M., & Kedia, S. (2002). Explaining the diversification discount. *The Journal of Finance*, 57(4), 1731-1762.

Siggelkow, N. (2003). Why Focus? A Study Of Intra-Industry Focus Effects. *The Journal of Industrial Economics*, 51(2), 121-150.

Villalonga, B. (2004). Diversification discount or premium? New evidence from the business information tracking series. *The Journal of Finance*, 59(2), 479-506.

October 27: Session 10

Mergers and acquisitions

Assigned readings:

Hayward, M. L., & Hambrick, D. C. (1997). Explaining the premiums paid for large acquisitions: Evidence of CEO hubris. *Administrative Science Quarterly*, 103-127.

Capron, L., & Pistre, N. (2002). When do acquirers earn abnormal returns?. *Strategic Management Journal*, 23(9), 781-794.

Zollo, M. and Singh, H. (2004). Deliberate learning in corporate acquisitions: post-acquisition strategies and integration capability in U.S. bank mergers. *Strategic Management Journal*, 25(13): 1233-1256.

Puranam, P., Singh, H., & Chaudhuri, S. (2009). Integrating acquired capabilities: When structural integration is (un) necessary. *Organization Science*, 20(2), 313-328.

Kaul, A., & Wu, X. B. (forthcoming). A capabilities-based perspective on target selection in acquisitions. *Strategic Management Journal*.

Additional readings:

Jemison, D. B., & Sitkin, S. B. (1986). Corporate acquisitions: A process perspective. *Academy of Management Review*, 11(1), 145-163.

Barney, J. B. (1988). Returns to bidding firms in mergers and acquisitions: Reconsidering the relatedness hypothesis. *Strategic Management Journal*, 9(S1), 71-78.

Seth, A. (1990). Sources of value creation in acquisitions: an empirical investigation. *Strategic Management Journal*, 11(6), 431-446.

Matsusaka, J. G. (1993). Takeover motives during the conglomerate merger wave. *The RAND Journal of Economics*, 357-379.

Bresman, H., Birkinshaw, J., & Nobel, R. (1999). Knowledge transfer in international acquisitions. *Journal of International Business Studies*, 30(3): 439-462.

Seth, A., Song, K. P., & Pettit, R. (2000). Synergy, managerialism or hubris? An empirical examination of motives for foreign acquisitions of US firms. *Journal of International Business Studies*, 387-405.

Ahuja, G., & Katila, R. (2001). Technological acquisitions and the innovation performance of acquiring firms: A longitudinal study. *Strategic Management Journal*, 22(3), 197-220.

Andrade, G., Mitchell, M., & Stafford, E. (2001). New Evidence and Perspectives on Mergers. *The Journal of Economic Perspectives*, 15(2), 103-120.

Seth, A., Song, K. P., & Pettit, R. R. (2002). Value creation and destruction in cross-border acquisitions: an empirical analysis of foreign acquisitions of US firms. *Strategic Management Journal*, 23(10), 921-940.

Graebner, M. E., & Eisenhardt, K. M. (2004). The seller's side of the story: Acquisition as courtship and governance as syndicate in entrepreneurial firms. *Administrative Science Quarterly*, 49(3), 366-403.

King, D. R., Dalton, D. R., Daily, C. M., & Covin, J. G. (2004). Meta-analyses of post-acquisition performance: Indications of unidentified moderators. *Strategic Management Journal*, 25(2), 187-200.

Wulf, J. (2004). Do CEOs in mergers trade power for premium? Evidence from “mergers of equals”. *Journal of Law, Economics, and Organization*, 20(1), 60-101.

Björkman, I., Stahl, G. K., & Vaara, E. (2007). Cultural differences and capability transfer in cross-border acquisitions: the mediating roles of capability complementarity, absorptive capacity, and social integration. *Journal of International Business Studies*, 38(4), 658-672.

Mcnamara, G. M., Halebian, J. J., & Dykes, B. J. (2008). The performance implications of participating in an acquisition wave: Early mover advantages, bandwagon effects, and the moderating influence of industry characteristics and acquirer tactics. *Academy of Management Journal*, 51(1), 113-130.

Zollo, M., & Meier, D. (2008). What is M&A performance?. *The Academy of Management Perspectives*, 22(3), 55-77.

Capron, L., & Guillén, M. (2009). National corporate governance institutions and post-acquisition target reorganization. *Strategic Management Journal*, 30(8), 803-833.

Hope, O. K., Thomas, W., & Vyas, D. (2010). The cost of pride: Why do firms from developing countries bid higher?. *Journal of International Business Studies*, 42(1), 128-151.

Zaheer, A., Hernandez, E., & Banerjee, S. (2010). Prior alliances with targets and acquisition performance in knowledge-intensive industries. *Organization Science*, 21(5), 1072-1091.

Madhok, A., & Keyhani, M. (2012). Acquisitions as entrepreneurship: asymmetries, opportunities, and the internationalization of multinationals from emerging economies. *Global Strategy Journal*, 2(1), 26-40.

Zaheer, A., Castañer, X., & Souder, D. (2013). Synergy sources, target autonomy, and integration in acquisitions. *Journal of Management*, 39(3), 604-632.

November 3: Session 11

Alliances

Assigned readings:

Kogut, B. (1988). Joint ventures: Theoretical and empirical perspectives. *Strategic Management Journal*, 9(4), 319-332.

Mowery, D. C., Oxley, J. E., & Silverman, B. S. (1996). Strategic alliances and interfirm knowledge transfer. *Strategic Management Journal*, 17, 77-91.

Oxley, J. E., & Sampson, R. C. (2004). The scope and governance of international R&D alliances. *Strategic Management Journal*, 25(8-9), 723-749.

Rothaermel, F. T., & Deeds, D. L. (2004). Exploration and exploitation alliances in biotechnology: A system of new product development. *Strategic Management Journal*, 25(3), 201-221.

Shipilov, A. V., & Li, S. X. (2012). The missing link: The effect of customers on the formation of relationships among producers in the multiplex triads. *Organization Science*, 23(2), 472-491.

Additional readings:

Kogut, B. (1988). Joint ventures: Theoretical and empirical perspectives. *Strategic Management Journal*, 9(4), 319-332.

Borys, B., & Jemison, D. B. (1989). Hybrid arrangements as strategic alliances: Theoretical issues in organizational combinations. *Academy of Management Review*, 14(2), 234-249.

Hamel, G. (1991). Competition for competence and interpartner learning within international strategic alliances. *Strategic Management Journal*, 12(S1), 83-103.

Nohria, N., & Garcia-Pont, C. (1991). Global strategic linkages and industry structure. *Strategic Management Journal*, 12(S1), 105-124.

Oxley, J. E. (1997). Appropriability hazards and governance in strategic alliances: A transaction cost approach. *Journal of law, Economics, and Organization*, 13(2), 387-409.

Khanna, T., Gulati, R., & Nohria, N. (1998). The dynamics of learning alliances: Competition, cooperation, and relative scope. *Strategic Management Journal*, 19(3), 193-210.

Anand, B. N., & Khanna, T. (2000). Do firms learn to create value? The case of alliances. *Strategic Management Journal*, 21(3), 295-315.

Kale, P., Dyer, J. H., & Singh, H. (2002). Alliance capability, stock market response, and long-term alliance success: the role of the alliance function. *Strategic Management Journal*, 23(8), 747-767

Li, D., Eden, L., Hitt, M. A., & Ireland, R. D. (2008). Friends, acquaintances, or strangers? Partner selection in R&D alliances. *Academy of Management Journal*, 51(2), 315-334.

Oxley, J.E. 2009. Alliances and performance. *Advances in Strategic Management*, 26:147-164.

Oxley, J. E., Sampson, R. C., & Silverman, B. S. (2009). Arms race or détente? How interfirm alliance announcements change the stock market valuation of rivals. *Management Science*, 55(8), 1321-1337.

Polidoro, F., Ahuja, G., & Mitchell, W. (2011). When the social structure overshadows competitive incentives: The effects of network embeddedness on joint venture dissolution. *Academy of Management Journal*, 54(1), 203-223.

November 10: Session 12
Externalities and firm strategies

Assigned readings:

Almeida, P., & Kogut, B. (1999). Localization of knowledge and the mobility of engineers in regional networks. *Management Science*, 45(7), 905-917.

Shaver, J. M., & Flyer, F. (2000). Agglomeration economies, firm heterogeneity, and foreign direct investment in the United States. *Strategic Management Journal*, 21(12), 1175-1193.

Kalnins, A. (2004). An Empirical Analysis of Territorial Encroachment within Franchised and Company-Owned Branded Chains. *Marketing Science*, 23(4): 476-489.

Zhao, M. (2006). Conducting R&D in countries with weak intellectual property rights protection. *Management Science*, 52(8), 1185-1199.

Lamin, A., & Ramos, M. A. (forthcoming). R&D investment dynamics in agglomerations under weak appropriability regimes: Evidence from Indian R&D labs. *Strategic Management Journal*.

Additional readings:

Clark, G. L., Gertler, M. S., & Feldman, M. P. (Eds.). (2003). *The Oxford handbook of economic geography*. Oxford University Press. Chapters 13, 19 and 24.

Marshall. (1920) *Principles of Economics*. 8th Edition. London: Macmillan.

Saxenian, A. (1996). *Regional advantage: Culture and competition in Silicon Valley and Route 128*. Harvard University Press.

Baum, J. A., & Haveman, H. A. (1997). Love thy neighbor? Differentiation and agglomeration in the Manhattan hotel industry, 1898-1990. *Administrative Science Quarterly*, 304-338.

Ellison, G. (1997). Geographic Concentration in US Manufacturing Industries: A Dartboard. *The Journal of Political Economy*, 105(5), 889-927.

Pashigan, B. P., & Gould, E. D. (1998). Internalizing externalities: the pricing of space in shopping malls. *Journal of Law and Economics*., 41, 115.

Chung, W., & Kalnins, A. (2001). Agglomeration effects and performance: A test of the Texas lodging industry. *Strategic Management Journal*, 22(10), 969-988.

Hanson, G. H. (2001). Scale economies and the geographic concentration of industry. *Journal of Economic Geography*, 1(3), 255-276.

Chung, W., & Alcácer, J. (2002). Knowledge seeking and location choice of foreign direct investment in the United States. *Management Science*, 48(12), 1534-1554.

Baum, J. A., & Sorenson, O. (Eds.). (2003). *Advances in Strategic Management*. Geography and strategy (Vol. 20). JAI.

Canina, L., Enz, C. A., & Harrison, J. S. (2005). Agglomeration effects and strategic orientations: Evidence from the US lodging industry. *Academy of Management Journal*, 48(4), 565-581.

Agrawal, A., Cockburn, I., & McHale, J. (2006). Gone but not forgotten: knowledge flows, labor mobility, and enduring social relationships. *Journal of Economic Geography*, 6(5), 571-591.

Alcácer, J., & Chung, W. (2007). Location strategies and knowledge spillovers. *Management Science*, 53(5), 760-776.

Picone, G. A., Ridley, D. B., & Zandbergen, P. A. (2009). Distance decreases with differentiation: Strategic agglomeration by retailers. *International Journal of Industrial Organization*, 27(3), 463-473.

Lahiri, N. (2010). Geographic distribution of R&D activity: how does it affect innovation quality?. *Academy of Management Journal*, 53(5), 1194-1209.

Ramos, M. A., & Shaver, J. M. (2013). When individual locations affect the choice of multi-location acquisition targets. *Strategic Organization*, 11(2), 125-155.

Alcácer, J., & Chung, W. (2014). Location strategies for agglomeration economies. *Strategic Management Journal*, 35(12), 1749-1761.

Hernandez, E. (2014). Finding a Home away from Home Effects of Immigrants on Firms' Foreign Location Choice and Performance. *Administrative Science Quarterly*, 59(1), 73-108.

Alcácer, J., & Zhao, M. (2012). Local R&D strategies and multilocation firms: The role of internal linkages. *Management Science*, 58(4), 734-753.

McCann, B. T., Reuer, J. J., & Lahiri, N. (forthcoming). Agglomeration and the choice between acquisitions and alliances: An information economics perspective. *Strategic Management Journal*.

November 17: Session 13 International Expansion

Assigned readings:

Kogut, B. & Singh, H. (1988). The effect of national culture on the choice of entry mode. *Journal of International Business Studies*, 19(3): 411-432.

Zaheer, S. (1995). "Overcoming the liability of foreignness," *Academy of Management Journal*, 38(2): 341-363.

Brouthers, K. D. (2002). Institutional, cultural and transaction cost influences on entry mode choice and performance. *Journal of International Business Studies*, 33(2), 203-221.

(*) Shaver, J. M. (2013). Do we really need more entry mode studies? *Journal of International Business Studies*, 44(1), 23-27.

Vermeulen, F., & Barkema, H. (2002). Pace, rhythm, and scope: Process dependence in building a profitable multinational corporation. *Strategic Management Journal*, 23(7), 637-653.

Holburn, G. L., & Zelner, B. A. (2010). Political capabilities, policy risk, and international investment strategy: Evidence from the global electric power generation industry. *Strategic Management Journal*, 31(12), 1290-1315.

Additional readings:

Caves, R.E. 2007. *Multinational Enterprise and Economic Analysis* (3rd Ed.).Chapter 1.

Scott, R.W. 2001. *Institutions and Organizations* (2nd Ed.) Chapter 3.

Cuervo-Cazurra, A., & Ramos, M. (2004). Explaining the process of internationalization by building bridges among existing models. *Innovating Strategy Processes*, 111-122.

Cuervo-Cazurra, A. (2006). Who cares about corruption?. *Journal of International Business Studies*, 37(6), 807-822.

Ramos, M. A., & Shaver, J. M. (2009). Value creation and appropriation through geographic strategy: evidence from foreign direct investment. *Advances in Strategic Management*, 26, 383-406.

Hymer, S.H. (1976). *The International Operations of National Firms: A Study of Direct Foreign Investment*. MIT Press, Cambridge, MA.

Johanson, J., & Vahlne, J. E. (1977). The internationalization process of the firm—a model of knowledge development and increasing foreign market commitments. *Journal of International Business Studies*, 23-32.

Johanson, J., & Wiedersheim-Paul, F. (1975). The internationalization of the firm—four swedish cases 1. *Journal of management studies*, 12(3), 305-323.

Johanson, J., & Vahlne, J. E. (1990). The mechanism of internationalisation. *International Marketing Review*, 7(4).

- Knickerboker, F.T. (1973). *Oligopolistic reaction and multinational enterprise*. Boston, MA: Division of Research, Graduate School of Business Administration, Harvard University.
- Buckley, P. J., & Casson, M. (1976). *The future of the multinational enterprise* (Vol. 1). London: Macmillan.
- Buckley, P. (1988). The limits of explanation: Testing the internalization theory of the multinational enterprise. *Journal of International Business Studies*, 19(2), 181-193.
- Buckley, P. J., & Casson, M. C. (2009). The internalisation theory of the multinational enterprise: A review of the progress of a research agenda after 30 years. *Journal of International Business Studies*, 40(9), 1563-1580.
- Morck, R., & Yeung, B. (1991). Why investors value multinationality. *Journal of Business*, 165-187.
- Morck, R., & Yeung, B. (1992). Internalization: an event study test. *Journal of International Economics*, 33(1), 41-56.
- Gomes, L., & Ramaswamy, K. (1999). An empirical examination of the form of the relationship between multinationality and performance. *Journal of International Business Studies*, 173-187.
- Contractor, F. J., Kundu, S. K., & Hsu, C. C. (2002). A three-stage theory of international expansion: The link between multinationality and performance in the service sector. *Journal of International Business Studies*, 34(1), 5-18.
- Kotabe, M., Srinivasan, S. S., & Aulakh, P. S. (2002). Multinationality and firm performance: The moderating role of R&D and marketing capabilities. *Journal of International Business Studies*, 79-97.
- Ghemawat, P. (2003). Semiglobalization and international business strategy. *Journal of International Business Studies*, 34(2), 138-152.
- Rugman, A. M., & Verbeke, A. (2004). A perspective on regional and global strategies of multinational enterprises. *Journal of International Business Studies*, 35(1), 3-18.
- Kirca, A. H., Hult, G. T. M., Roth, K., Cavusgil, S. T., Perry, M. Z., Akdeniz, M. B., ... & White, R. C. (2011). Firm-specific assets, multinationality, and financial performance: A meta-analytic review and theoretical integration. *Academy of Management Journal*, 54(1), 47-72.
- Kirkman, B.L., Lowe, K.B. & Gibson, C.B. (2006). A quarter century of Culture's Consequences: A review of empirical research incorporating Hofstede's cultural values framework. *Journal of International Business Studies*, 37(3): 285-320.
- Henisz, W.J. 2000. The institutional environment for multinational investment. *Journal of Law Economics, and Organization*, 16(2): 334-364.

- Westney, E. D. & Zaheer, S. (2001). The multinational enterprise as an organization. In A. M. Rugman & T. L. Brewer (Eds.), *The Oxford Handbook of International Business*. New York: Oxford University Press.
- Rodriguez, P., Uhlenbruck, K., & Eden, L. (2005). Government corruption and the entry strategies of multinationals. *Academy of Management Review*, 30(2), 383-396.
- Uhlenbruck, K., Rodriguez, P., Doh, J., & Eden, L. (2006). The impact of corruption on entry strategy: Evidence from telecommunication projects in emerging economies. *Organization Science*, 17(3), 402-414.
- Cuervo-Cazurra, A. (2008). The effectiveness of laws against bribery abroad. *Journal of International Business Studies*, 39(4), 634-651.
- Cuervo-Cazurra, A., & Genc, M. (2008). Transforming disadvantages into advantages: developing-country MNEs in the least developed countries. *Journal of international Business Studies*, 39(6), 957-979.
- Yu, C. M. J., & Ito, K. (1988). Oligopolistic reaction and foreign direct investment: The case of the US tire and textiles industries. *Journal of International Business Studies*, 449-460.
- Terpstra, V., & Yu, C. M. (1988). Determinants of foreign investment of US advertising agencies. *Journal of International Business Studies*, 33-46.
- Rose, E. L., & Ito, K. (2008). Competitive interactions: the international investment patterns of Japanese automobile manufacturers. *Journal of International Business Studies*, 39(5), 864-879.
- Ghemawat, P., & Thomas, C. (2008). Strategic interaction across countries and multinational agglomeration: An application to the cement industry. *Management Science*, 54(12), 1980-1996.
- Ghemawat, P. (2001). Distance still matters. *Harvard Business Review*, 79(8), 137-147.
- Berry, H., Guillén, M. F., & Zhou, N. (2010). An institutional approach to cross-national distance. *Journal of International Business Studies*, 41(9), 1460-1480.
- Beugelsdijk, S., & Mudambi, R. (2013). MNEs as border-crossing multi-location enterprises: The role of discontinuities in geographic space. *Journal of International Business Studies*, 44(5), 413-426.
- Casillas, J. C., & Moreno-Menéndez, A. M. (2013). Speed of the internationalization process: The role of diversity and depth in experiential learning. *Journal of International Business Studies*, 45(1), 85-101.

November 24: Session 14
The multinational firm (excluded from submitted integrations)

Assigned readings:

(*) Birkinshaw, J. 2009. Strategy and management in MNE subsidiaries. In A. M. Rugman & T. L. Brewer (Eds.), *The Oxford Handbook of International Business*. New York: Oxford University Press.

Birkinshaw, J. M., & Morrison, A. J. (1995). Configurations of strategy and structure in subsidiaries of multinational corporations. *Journal of International Business Studies*, 729-753.

Birkinshaw, J., & Hood, N. (1998). Multinational subsidiary evolution: capability and charter change in foreign-owned subsidiary companies. *Academy of Management Review*, 23(4), 773-795.

Gupta, A. K., & Govindarajan, V. (2000). Knowledge flows within multinational corporations. *Strategic Management Journal*, 21(4), 473-496.

Minbaeva, D., Pedersen, T., Björkman, I., Fey, C. F., & Park, H. J. (2003). MNC knowledge transfer, subsidiary absorptive capacity, and HRM. *Journal of International Business Studies*, 34(6), 586-599.

Nell, P. C., & Ambos, B. (2013). Parenting advantage in the MNC: An embeddedness perspective on the value added by headquarters. *Strategic Management Journal*, 34(9), 1086-1103.

Additional readings:

Doz, Y., & Prahalad, C. K. (1984). Patterns of Strategic Control within Multinational Corporations. *Journal of International Business Studies*, 15(2), 55-72.

Hedlund, G. (1986). The hypermodern MNC—A heterarchy?. *Human Resource Management*, 25(1), 9-35.

Prahalad, C. K., & Doz, Y. L. (1987). The multinational mission: Balancing local demands and global vision.

Ghoshal, S. (1987). Global strategy: An organizing framework. *Strategic Management Journal*, 8(5), 425-440.

Ghoshal, S., & Bartlett, C. A. (1988). Creation, adoption, and diffusion of innovations by subsidiaries of multinational corporations. *Journal of International Business Studies*, 365-388.

Ghoshal, S., & Nohria, N. (1989). Internal differentiation within multinational corporations. *Strategic Management Journal*, 10(4), 323-337.

Ghoshal, S., & Bartlett, C. A. (1990). The multinational corporation as an interorganizational network. *Academy of Management Review*, 15(4), 603-626.

Nohria, N., & Ghoshal, S. (1994). Differentiated fit and shared values: Alternatives for managing headquarters-subsidiary relations. *Strategic Management Journal*, 15(6), 491-502.

Roth, K., & Morrison, A. J. (1990). An empirical analysis of the integration-responsiveness framework in global industries. *Journal of International Business Studies*, 541-564.

Gupta, A. K., & Govindarajan, V. (1991). Knowledge flows and the structure of control within multinational corporations. *Academy of Management Review*, 16(4), 768-792.

Gupta, A. K., Govindarajan, V., & Malhotra, A. (1999). Feedback-seeking behavior within multinational corporations. *Strategic Management Journal*, 20(3), 205-222.

Bartlett, C. A., & Ghoshal, S. (1993). Beyond the M-form: Toward a managerial theory of the firm. *Strategic Management Journal*, 14(S2), 23-46.

Bartlett, C. A., & Ghoshal, S. (1998). *Managing across borders: The transnational solution* (Vol. 2). Harvard Business School Press.

Hedlund, G. (1994). A model of knowledge management and the N-form corporation. *Strategic management journal*, 15(S2), 73-90.

Birkinshaw, J. (1996). How multinational subsidiary mandates are gained and lost. *Journal of International Business Studies*, 467-495.

Birkinshaw, J. (1997). Entrepreneurship in multinational corporations: The characteristics of subsidiary initiatives. *Strategic Management Journal*, 18(3), 207-229.

Birkinshaw, J., Hood, N., & Jonsson, S. (1998). Building firm-specific advantages in multinational corporations: the role of subsidiary initiative. *Strategic Management Journal*, 19(3), 221-242.

Rugman, A. M., & Verbeke, A. (2001). Subsidiary-specific advantages in multinational enterprises. *Strategic Management Journal*, 22(3), 237-250.

Ambos, B., & Schlegelmilch, B. B. (2007). Innovation and control in the multinational firm: A comparison of political and contingency approaches. *Strategic Management Journal*, 28(5), 473-486.

December 1: Session 15

Presentations