

**STRATEGY &  
ORGANIZATION  
SUMMER RESEARCH  
CAMP**

Date: 25 – 26 MAY 2016

Venue: LKCSB Level 2,  
Seminar Room 2.2

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## VISITING FACULTY BIOGRAPHIES

We are happy to welcome several esteemed visitors to this year's summer research camp. You can find their biographies in alphabetic order below:

### **Alfonso Gambardella**



Alfonso Gambardella is Professor of Corporate Management at the Università Bocconi, Milan. He obtained his PhD in 1991 from the Department of Economics of Stanford University. His research focuses on technology strategy. Along with publications in leading international journals, his book, *Markets for Technology* (with Ashish Arora and Andrea Fosfuri, MIT Press) is widely cited. He is Co-Editor of *Strategic Management Journal* (with Sendil Ethiraj and Connie Helfat) and Chair of the Business Policy and Strategy Division of the US Academy of Management. He studies firm strategy, particularly technology strategy and the impact of innovation on industry structures. He published on national and international journals. His best known book is *Markets for Technology* (2001, MIT Press, with A.Arora and A.Fosfuri).

## Balagopal Vissa



Bala Vissa is Associate Professor and Chair of the Entrepreneurship & Family Enterprise Area at INSEAD. His research and teaching interests focus on entrepreneurial leadership in the context of creating and growing new ventures. He is an invited speaker and advises / mentors start-up teams on these topics.

Prof. Vissa has received numerous research awards and serves on the editorial review boards of leading academic journals. He teaches topics related to leadership and new venture creation & growth in the MBA program as well as in executive training programs, using a variety of approaches including simulations and case based learning. Currently he is directing INSEAD Leadership Programme for Senior Executives - India and Certificate in Leadership Effectiveness.

Prior to finishing his doctoral studies at London Business School, Prof. Vissa was involved in setting up and growing new businesses in different specialty chemical niches for Unilever in India.

## Chris Rider



Chris Rider is Assistant Professor of Strategy at Georgetown's McDonough School of Business and a Junior Faculty Fellow of the Ewing M. Kauffman Foundation. Professor Rider is a social scientist whose research is situated at the intersection of sociology and strategy. In particular, he examines how organizational reliance upon social structures like friends, communities, or employee networks for market information contributes to societal inequality. He studies this phenomenon in both labor and capital markets and in industries like legal services and venture capital.

His research is published in *Administrative Science Quarterly*, *Organization Science*, *Research Policy*, *Industrial & Corporate Change*, *Sociological Science*, the *American Economic Review Papers & Proceedings*, and *California Management Review*. The Kauffman Foundation and the Law School Admissions Council have supported his research. He is an Associate Editor for *Management Science* and he serves on the *Administrative Science Quarterly* editorial board.

At Georgetown, Professor Rider teaches strategic management but he has also taught courses on social networks, leadership, and evidence-based management. Prior to joining the McDonough faculty, he was on the faculties of Emory University's Goizueta Business School and the University of Chicago's Booth School of Business. He also held strategic management positions at Cars.com, Intel Corporation, and Verizon Communications.

## Phanish Puranam



Phanish Puranam is Roland Berger Chair Professor of Strategy & Organization Design at INSEAD. He is also Academic Director of INSEAD's PhD programme.

Professor Puranam's research focuses on organization design and corporate strategy. His work is known for its multi-method approach to foundational issues.

Phanish has published his research extensively in internationally reputed academic journals, and has served in senior editorial roles in such journals. His research has won international awards and competitive grants awarded across the social and natural sciences. He has also served in advisory/training roles with several global corporations as well as public sector agencies.

His books for practitioners include "Corporate Strategy: Tools for analysis and decisions" (co-authored with Bart Vanneste, Cambridge University Press, 2016) and "India Inside" (co-authored with Nirmalya Kumar, Harvard Business Review Press, 2012), which won critical acclaim for its balanced look at the prospect of India emerging as a global hub for innovation.

Phanish obtained his PhD at the Wharton School of the University of Pennsylvania in 2001, and was on the faculty of London Business School till 2012. He served there as School Chair Professor of Strategy & Entrepreneurship, and directed the School's PhD programme as well as the Aditya Birla India Centre.

In 2011 he was listed among the "World's 40 best business school professors under the age of 40" by Poets & Quants. In 2013, he was included in the "50 Most Influential Business Professors" worldwide by MBA rankings.net. He is featured regularly among the most influential management scholars by Thinkers50 India.

## Samina Karim



Samina Karim is Associate Professor at Northeastern University's D'Amore-McKim School of Business. Her research focuses on corporate restructuring and organization design, acquisitions and alliances, and innovation through reconfiguration and redeployment of resources and activities. Samina Karim's research has been published in a wide array of top journals including Management Science, Organization Science and Strategic Management Journal. Her dissertation was a finalist for the BPS division Free Press Doctoral Dissertation Award and also a finalist for the Organization Science Dissertation Proposal Competition. Samina Karim serves on the editorial review boards of Organization Science, Strategy Science, and Strategic Organization, and is also a Senior Editor for the Journal of Organization Design and an Associate Editor for the Strategic Management Journal. Currently, she is the Program Chair for the Competitive Strategy Interest Group at SMS, and had previously served on the Executive Committee and Research Committee for the BPS division of the Academy of Management. She earned degrees from the University of Michigan (at Ann Arbor)(Ph.D. Corporate Strategy; MA Economics), Harvard University (MA Education), and Cornell University (BS Electrical Engineering), and worked for Hewlett-Packard Co.

# PRESENTATION PROGRAM

**25 May 2016, Wednesday**

09:00 - 09:15	Opening address by <b>Heli Wang</b>
09:15 - 10:15	Presentation 1 (Long) - <b>Simon Schillebeeckx</b> <i>Novices and Social Hierarchy in Inventive Teams</i> Discussant: <b>Samina Karim</b>
10:15 - 10:30	<b>Break</b>
10:30 - 11:15	Presentation 2 (Short) - <b>Srikanth Kannan</b> <i>The Influence of Experience with Related Tasks on Individual Learning Outcomes</i> Discussant: <b>Chris Rider</b>
11:15 - 12:00	Presentation 3 (Short) - <b>Millie Su</b> <i>Power Inversing Effect: How Low-Power Actors Innovate Under Adversity</i> Discussant: <b>Bala Vissa</b>
12:00 - 12:30	<b>Lunch</b>
12:30 - 13:00	
13:00 - 13:30	
13:30 - 14:15	Editor Session 1 <b>Bala Vissa - AMJ</b>
14:15 - 15:00	Presentation 4 (Short) - <b>Gohkan Ertug</b> <i>Learning by Hiring Star Inventors: How Hires' Social Status Affects Knowledge Spillovers</i>
15:00 - 15:30	<b>Break</b>
15:30 - 16:15	Presentation 5 (Short) - <b>Reddi Kotha</b> <i>Cras or Carpe Diem? Public Family Firm Managers as Stewards or Inert Vassals</i> Discussant: <b>Alfonso Gambardella</b>
16:15 - 17:15	Editor Session 2 <b>Alfonso Gambardella and Samina Karim - SMJ</b>



## 26 May 2016, Thursday

09:30 - 10:15	<b>Presentation 6 (Short) - Toru Yoshikawa</b> <i>Corporate Philanthropy in China: A Board of Directors' Perspective</i> Discussant: <b>Samina Karim</b>
10:15 - 10:30	<b>Break</b>
10:30 - 11:15	<b>Presentation 7 (Short) - Heli Wang</b> <i>Resolving the Tension between Strategic CSR and Legitimacy: The Roles of Scope and Content Conformity</i> Discussant: <b>Chris Rider</b>
11:15 - 12:00	<b>Presentation 8 (Short) - Changhyun Kim</b> <i>Lone Inventions as sources of breakthroughs: The performance implication of zero reference patents.</i> Discussant: <b>Alfonso Gambardella</b>
12:00 - 12:30	<b>Lunch</b>
12:30 - 13:00	
13:00 - 13:30	
13:30 - 14:15	<b>Editor Session 3</b> <b>Phanish Puranam – Organization Science</b>
14:15 - 15:00	<b>Presentation 9 (Short) - Ilya Cuypers</b> <i>The Impact of Media Tenor and Distance on Foreign Acquisitions by US Firms</i>
15:00 - 15:30	<b>Break</b>
15:30 - 16:15	<b>Editor Session 4</b> <b>Chris Rider – Management Science</b>
16:15 - 17:00	<b>Presentation 10 (Short) – Xuesong Geng</b> <i>Learning in classroom Games</i> Discussant: <b>Phanish Puranam</b>
17:00 - 17:30	<b>Closing Address by Dean Gerry George</b>

# PRESENTATION ABSTRACTS

## **Presentation 1: 25<sup>th</sup> Wednesday, 9:15am-10:15am**

**Simon Schillebeeckx**

*Novices and Social Hierarchy in Inventive Teams*

Discussant: **Samina Karim**

Creating novelty is a fundamental precursor to successful innovation, yet studies focusing on inventive teams have paid scant attention to team level mechanisms that drive novel outcomes. By integrating social hierarchy and majority rule as mechanisms of decision-making, we address a key micro-level dynamic within inventive teams and its effects on novel outcomes. First, we highlight the role of new to field individuals in enhancing the novelty of inventions. We further proffer that novices will construe social hierarchy in the inventive team using multiple historical signals that proxy legitimate claims to authority. We contend that novices' ability to provide creative contributions is strengthened when they perceive social hierarchy to be low or high and weakened when hierarchy is intermediate. Furthermore, we contend that this effect is less pronounced when teams have alternative ways of coming to decisions rather than relying on social hierarchy. In a longitudinal sample of patented semiconductor inventions, we show that majority rule, which can more easily be deployed by teams of uneven size, can serve as a meaningful alternative to social hierarchy and that social hierarchy is therefore more important in even-sized teams relative to odd-sized teams. We discuss the implications of our findings for studies in innovation, team composition, and decision-making.

## **Presentation 2: 25<sup>th</sup> Wednesday, 10:30am-11:15am**

**Kannan Srikanth**

*The Influence of Experience with Related Tasks on Individual Learning Outcomes*

Discussant: **Chris Rider**

A considerable literature attempts to explain why the effects of learning by doing is heterogeneous, both across organizations and between individuals (for recent reviews, please see Argote, 1999; Argote, McEvily, and Reagans, 2003; Reagans, Argote and Brooks, 2005; Argote and Miron-Spektor, 2011). Understanding the factors underlying such heterogeneity in learning or experience curves is important since such differences may explain why some firms have higher productivity than others (Argote, 1999; Besanko et al, 2010; Dutton and Thomas, 1984). Consequently, recent work has focused on identifying specific factors that moderate the influence of cumulative experience on organizational or individual 'learning' outcomes (Adler and Clark 1991, Lieberman 1987, Pisano 1994, Lapre and Van Wassenhove 2001, Terweisch and Bohn 2001, Haunschild and Sullivan 2002).

How the extent of task variety faced by the agent influences learning outcomes is one such factor that has been the focus of several empirical investigations. However, findings from prior work regarding the influence of task variety on learning outcomes are inconsistent. Some argue that experience with related tasks is as important as or more important than experience with the focal task (Schilling et al, 2003), whereas others argue that experience with related tasks is helpful, but less so than experience with the focal task (Boh, Slaughter and Espinosa, 2007; Narayanan, Balasubramanian and Swaminathan, 2009; Staats and Gino, 2012; Kc and Staats, 2012). In addition, it is unclear from prior work whether experience

with the focal task and experience with related tasks are complements or substitutes, which is an important managerial question when making decisions regarding employee task assignment.

Specifically, among the studies that have examined the influence of task variety on individual learning, none have examined whether experience with the focal task and experience with related tasks are complements, with the exception of Staats and Gino (2012). They find that the influence of experience from the focal task on learning outcomes is higher when the employee has higher experience with related tasks. However, they test for complementarity with an interaction, which may not be an accurate indicator of whether the underlying activities are truly complementary (Cassiman and Veugelers, 2006; Arora and Gambardella, 1990; Arora, 1996). In addition, it is unclear from their work whether complementarity between these two tasks holds for all workers at all levels of experience or if it is an average trend which may not be true for some workers, such as those with very high or very low levels of experience with the focal task or with related tasks.

In this work, we develop theory to argue that the complementarity between experience with the focal task and experience with related tasks in improving learning outcomes is contingent on the extent of experience the agent has with the focal task. In brief our argument runs as follows: at low levels of experience with the focal task, we suggest that increasing experience with related tasks is likely to be substitutive. This is because an inexperienced agent is yet to learn the basic means-ends relationships between actions and outcomes for this task. In this state, exposure to variety may prove as a substitute for learning these relationships in the focal task, or at worst, may be distracting and therefore even harmful. However, when an agent with sufficient experience, and therefore sufficient understanding, is exposed to task variety, she may learn alternative ways of doing things more efficiently, or understand some nuances of the task better. Therefore, for this agent, experience with related tasks may prove to be complementary.

We test our arguments using a dataset of agents working in an emergency call center, who face two types of work environments – a normal environment and a high-load environment in which agents face a significantly higher volume of calls than expected. Using the strict test of complementarity suggested by Milgrom and Roberts (1990), we show that normal and high load experience are complements when the agent has high levels of normal experience, but substitutes when the agent has lower levels of experience. Our work thus informs the considerable literature on organizational contingencies that influence learning by doing and thereby organizational productivity.

**Presentation 3: 25<sup>th</sup> Wednesday, 11:15am-12:00pm**

**Millie Su**

***Power Inversing Effect: How Low-Power Actors Innovate Under Adversity***

Discussant: **Bala Vissa**

Entrepreneurial firms see innovation under adversity as a day-to-day challenge, which consists of resource constraints and competition with large incumbent firms. The research problem we investigate is under adversity, how do low-power entrepreneurial firms challenge high-power incumbent firms and innovate at the same time. We investigate the research problem based on a case study of a medium size company competing against a multinational company (MNC) in the Computer on Module (COM) market in China. We propose a power-inverse model to explain how a low-power actor alters the adversity through interpreting adversity and reconstructing existing resources. The low-power actor was also able to exploit the rival's weakness to develop its own capabilities. We contribute to literature streams in strategic response, bricolage, and entrepreneurship in general.

**Presentation 4: 25<sup>th</sup> Wednesday, 14:15pm-15:00pm**

**Gokhan Ertug**

***Learning by Hiring Star Inventors: How Hires' Social Status Affects Knowledge Spillovers***

Although scholars have emphasized the strategic importance of learning through hiring, recent studies have shown that such learning tends to be limited. Hiring firms rarely make use of mobile inventors' prior inventions and the knowledge embodied in mobile inventors hardly diffuses throughout the hiring organization. In this study, we explore the conditions that facilitate a learning-by-hiring process, arguing that the extent of knowledge spillovers caused by inventor mobility is influenced by the status of the mobile inventor. We predict that a mobile inventor's knowledge is exploited more and diffuses further – socially, spatially, and technologically – throughout the hiring firm when the mobile inventor is high status. A matched-sample analysis of mobile inventors in the pharmaceutical industry lends support to our arguments, contributing to the learning-by-hiring literature, research on star inventors, and knowledge diffusion.

**Presentation 5: 25<sup>th</sup> Wednesday, 15:30pm-16:15pm**

**Reddi Kotha**

***Cras or Carpe Diem? Public Family Firm Managers as Stewards or Inert Vassals***

Discussant: **Alfonso Gambardella**

Are managers in family firms relative to managers in similar non-family firms prone to inertia or stewards who act in the best long-term interest of the family firms? Because inertia and stewardship perspectives make similar predictions on some aspects of long-term projects, for instance, international operations, albeit from a different assumption, it is not surprising that the literature is conflicted on what mechanism guides family firms' actions on long-term projects. To resolve this tension in the literature we ask how family firms relative to similar non-family firms would respond to an unexpected shock. Using a shock we develop predictions from the inertia and stewardship perspectives that make different predictions, i.e., a critical experiment, on family firms' international operations. We test these predictions using data on international operations of public firms in Germany from 2002-2014. We use the Global Financial Crises in 2007 as a shock to distinguish inertia and stewardship perspectives. Results of a matched sample, differences-in-differences, with firm fixed effects are consistent with the stewardship perspective. We discuss the implications of the theory development, research design, and results for theory and practice.

**Presentation 6: 26<sup>th</sup> Thursday, 9:30am-10:15am**

**Toru Yoshikawa**

***Corporate Philanthropy in China: A Board of Directors' Perspective***

Discussant: **Samina Karim**

It is increasingly acknowledged that boards of directors are there to govern their firms to create value not only for the shareholders, but also the stakeholders. Profit maximization is no longer the paramount focus of the boards, and an inseparable aspect of boardroom matters is dealing with firms' engagement in corporate social responsibilities (CSR). Among various forms of CSR, corporate philanthropy is regarded as a key pillar that has been an increasingly popular means through which firms can display their position as a 'corporate citizen' (Saiaa, Carroll, & Buchholtz 2003), and their 'desire to do good' (L'Etang 1995: 130).

Despite the recent surge in investigating corporate philanthropy, existing studies have mainly examined the relationship between firm CEOs and corporate philanthropy (e.g., Atkinson & Galaskiewicz 1988; Wade et al. 1997; Werbel & Carter 2002) with a particular focus on U.S. firms (e.g., Brown, Helland, & Smith 2006; Coffey & Wang 1998; Marquis & Lee 2013; Wang & Coffey 1992). Board of directors, a key internal governance body, has been largely overlooked in the research of corporate philanthropic decisions. Although one may argue that decisions such as those related to corporate philanthropy are often in the hands of firm CEOs, particularly in the Anglo-American institutional context where ownership is dispersed and CEOs are powerful, scholars such as Marquis and Lee (2013: 486) point out that boards do play a "prominent role in determining philanthropic activities." Furthermore, in contrast to the Anglo-American context, governance structures such as ownership and cultural norms are very different in emerging economies, where may not agree with the agency view that corporate charity is a business expense (Brown et al., 2006). Rather, corporate philanthropy can be highly valued in some emerging economies such as China, where the ideology of equality and the belief in "return to the community, for the benefit of their homeland (回报社

会，造福桑梓” is deeply rooted in its culture. Notwithstanding these important differences, research on the role of board governance in philanthropic development in emerging economies has been sparse. Thus, the current study fills this void in the literature by simultaneously incorporating the communitarian view and the board's attention focus to examine the influence of boards of directors on corporate philanthropy in an emerging economy context.

China has been chosen as a suitable empirical setting for this study, as the importance of philanthropy is deeply embedded in Chinese history, but the practice of corporate donation is a fairly recent phenomenon. The underlying philosophy of corporate philanthropy is closely aligned with traditional Chinese values such as Confucianism and Daoism, which promote harmony, wealth equality, and performing good acts in society. While corporate philanthropic activities did not exist during the early Communist period (1949–1978) when firms were entirely owned by the government, the ideology of equality and a classless society were emphasized (Wang & Qian, 2011). Since the early 1990s, the government has been actively promoting philanthropic activities, with the aim of addressing the issue of insufficient public funding for social welfare services and also obtaining external funds to respond to national disasters, such as SARS in 2002 and the Sichuan earthquake in 2008. The media has also played an important role in attracting the public's attention and appreciation of corporate philanthropy. In 2013, total donations reached a record of RMB136 billion (US\$22.5 billion), which is 4.5 times higher than the 2007 figure of RMB30.5 billion (Yang 2014; Yang & Ge 2009). Of all donators, corporate contributions are still the largest, accounting for 57.48% of the total donations in 2011 (China Charity Information Center 2012). Therefore, this rapidly growing trend of philanthropic activities makes China a particularly important context for this study. Finally, in line with Tihanyi, Graffin, and George's (2014) research call, we believe that examining non-U.S. firms helps to broaden the knowledge of corporate philanthropy around the world.

Theory of the firm has been strongly influenced by the perspective that views the firms as a nexus of contracts among self-interested individuals or parties (Alchian & Demsetz, 1972). Agency theorists, following this perspective, view that the main objective of managers is to maximize the value of the firm's residual claims or shareholder value, and boards of directors are responsible to monitor management on behalf of shareholders for value maximization (Alchian & Demsetz, 1972; Jensen & Meckling, 1976). Given the conflicts of interest between managers and shareholders in an agency setting, corporate philanthropy is perceived as CEOs wasteful spending of other people's money to achieve their personal interests and possibly in a direction that may not be desirable to the firm's owners. Accordingly, effective boards should closely follow shareholder logic by focusing on profit maximization, and should not encourage expenses such as large corporate donations that are not necessarily in the best interest of shareholders (Aggarwal et al., 2012; Wang & Coffey, 1992; Werbel & Carter, 2002). Supporting the agency view, prior research has found that firms tend to donate more when their boards are ineffective in monitoring (Brown et al., 2006; Coffey & Wang, 1998), or when their CEOs are motivated to pursue self-interests such as obtaining political capital or advancing their individual status within society (Lock, Yaziji, & Langen, 2000; Ma & Parish, 2006; Werbel & Carter, 2002). In short, these studies have highlighted the conflicts between the management and shareholders, and the board is seen as a contracting party which is tasked to safeguard shareholders' interests.

While it is often suggested that the agency perspective is commonly accepted in some contexts especially in the Anglo-American institutional context, it has penetrated in other institutional contexts in different degrees. Various institutional contexts in fact follow the communitarian approach rather than the contractarian approach. Communitarianism views

the firm not only as an economic entity but also as a social, political, and historic entity (Bradley et al., 2000). In this approach, corporate managers are not simply tasked to maximize shareholder value but are also expected to serve the interests of all stakeholders. As Brien and David state (2014: 551) “when performance is strong, communitarian firms are obliged to use their privileged position to ‘pay back’ their network of stakeholders by helping less fortunate members.” In other words, the communitarian perspective clearly emphasizes distributive fairness (Bradley et al., 2000), and expects the role of the board to be different in such communitarian context.

In China, its traditional values are characterized by communitarian view which encourages those in higher positions to show benevolence to others. In the Confucian value system, it is suggested that those people who have achieved success may shift their focus from their personal gains to pro-social activities with the aim to contribute to society (Li & Liang, 2015). The Communism ideologies under Mao also promote selfish-less, classless, and status-less society, and expect those with wealth to generously contribute to social causes (Wang & Qian, 2011). As board members are embedded in such social values, they likely behave in a manner that reflects such value of helping others in society. Therefore, they may be inclined to pursue pro-social goals and attempt to address social issues in order to pay back to the society. Hence, the effective board governance would lead to greater attention to stakeholders’ interests through corporate philanthropy in the communitarian context of China. Furthermore, board members’ governance towards corporate philanthropy is contingent upon their attentions towards structural and institutional conditions. In particular, the board’s governance on philanthropic engagement is strengthened when the firm is privately owned, operated in a sinful industry, and is located in a relatively more developed region.

We examined all Chinese firms listed on the Shenzhen and Shanghai stock exchanges during 2007-2013. We extracted corporate donation, board governance, financial and other firm-level data from the China Stock Market and Accounting Research (CSMAR) databases, and regional economic data from the Chinese Statistics Bureau. We used the panel data technique with different statistical models to examine the dependent variable—corporate donation, and our empirical results provided support for our theoretical arguments.

**Presentation 7: 26<sup>th</sup> Thursday, 10:30am-11:15am**

**Heli Wang**

***Resolving the Tension between Strategic CSR and Legitimacy: The Roles of Scope and Content Conformity***

Discussant: **Chris Rider**

Recent CSR literature emphasize that firms benefit the most from strategic CSR, by customizing their CSR practices based on unique firm strategies and operations. On the other hand, as CSR's effect on firm value is generally indirect through its influence on stakeholder attitude and firm reputation, adopting strategic CSR only create value if it is appreciated by stakeholders, including the public and investors. With the presence of information asymmetry, gaining legitimacy may be critical in order to draw attention and meet expectations of general public, investors, and analysts. Gaining legitimacy, however, is generally associated with conforming to standard practices, which is often at odds with customizing CSR practices based on unique firm feature. Thus there might be some tension between engaging in strategic CSR and adopting CSR practices that help gain legitimacy. The existing literature that typically focus on the level of CSR has not been able to address this tension.

Building on literature on non-financial information disclosure and Zuckman (1999)'s two-stage model, we develop the argument that firms gain legitimacy through a certain level of conformity in CSR practices. On the other hand, with the presence of legitimacy (analyst attention), disconformity (unique firm CSR) should be positively associated with firm value. Further, we differentiate types of conformity and argue that while scope conformity is more important in gaining legitimacy, content disconformity is more important in affecting firm value.

**Presentation 8: 26<sup>th</sup> Thursday, 11:15am-12:00pm**

**Changyun Kim**

***Lone Inventions as sources of breakthroughs: The performance implication of zero reference patents***

Discussant: **Alfonso Gambardella**

Zero-reference patents are new technologies that have no backward citation to prior arts or no reference to scientific publications. Prior research has suggested that firms having more zero-reference patents have a greater likelihood of later producing breakthrough technologies. However, up to our best knowledge, there is no study directly investigating the performance implication of zero-reference patents at the level of patent. This proposal seeks to understand the direct and indirect performance implication of these technologies through their forward citation performance and the success of future technologies that recombine this technology. We theorize a difference in this first-order performance and second-order use and experimentation. Through the analysis, though direct performance of zero-reference patents is not superior to the performance of other recombinatory patents, we find that the technology which cites pioneering technology is more likely to be a breakthrough. Especially when patents with generality are combined with zero-reference patent, they are more likely to be breakthroughs in the future.



**Presentation 9: 26<sup>th</sup> Thursday, 14:15pm-15:00pm**

**Ilya Cuypers**

***The Impact of Media Tenor and Distance on Foreign Acquisitions by US Firms***

Scholars increasingly recognize that media accounts play an important role in managerial decision-making. We contribute to this literature by developing and testing hypotheses about media's impact on managerial decision-making in relation to uncertain and ambiguous contexts. Drawing on social cognitive research in strategy, we hypothesize how media tenor (positive and negative) and media context (related and un-related) relate to decision-making. We furthermore suggest that this relationship is moderated by the unfamiliarity – or distance – of the decision-making context from the manager's knowledge-bases and experience. Specifically, the more removed the context of decision-making is from the managers' experience, the less likely they are to critically evaluate information, and thus the greater will be the media's influence on decision-making. We test our hypotheses by examining the relationship between the tenor valence of New York Times newspaper articles and U.S. firms' corporate acquisitions in foreign countries, between 1988 and 2007. Our findings indicate that that valence has a significant impact on foreign acquisitions and also that this impact is moderated by the content of articles. Together, these findings suggest not only that media discourse has an important impact on decision-making under uncertainty, but also that the strength of these effects vary, depending on the proximity of the media content with the managers' pre-existing knowledge bases.

**Presentation 10: 26<sup>th</sup> Thursday, 16:15pm-17:00pm**

**Xuesong Geng**

***Learning in classroom Games***

**Discussant: Phanish Puranam**

We will introduce a multi-player simulation game used in strategy courses and explore how we can link this game to research on experiential and vicarious learning. The decision making in the game revolves around the strategic commitment under uncertainty, and the complementarity between rivals in competitive dynamics. There is no right or optimal answer on these decisions, and students have to learn from their own experience of playing the game or observing other players' actions in playing the game. We can test how their learning patterns influence game outcomes. Two additional conditions can be manipulated for the experimentation purpose. First, the uncertainty level can be higher with some random sudden events like earthquake. Second, individuals can make the decision individually or collectively as a group. We will present some very preliminary data and pattern.

# SMU MAP AND DIRECTIONS



## MAP LEGEND

- ① Administration Building
- ② Lee Kong Chian School of Business
- ③ School of Accountancy, School of Law
- ④ Li Ka Shing Library
- ⑤ School of Information Systems
- ⑥ School of Economics, School of Social Sciences
- Taxi Stand
- Bus Stop
- SMU Car Park
- Car Park
- Drop Off
- de Sautio Gallery
- Food & Retail Outlets at Basement Concourse