



SIG: Strategic Management

Track 37: Strategic Management

Abstract: The Strategic Management special interests group welcomes submissions along three thought-provoking sub-tracks:

sub-track A: *Corporate Strategy – Managing and Governing Acquisition and Divestiture Decisions in Multi-Business Firms,*

sub-track B: *Strategic Renewal & Organizational Ambidexterity, and*

sub-track C: *Strategy Innovation.*

A detailed description of each sub-track is provided below. Please be sure to mention the sub-track to which you would like to address your paper when making your submission.

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Sub-track A: Corporate Strategy – Managing and Governing Acquisition and Divestiture Decisions in Multi-Business Firms

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Abstract:

For decades now, corporate strategists have researched acquisitions and divestitures as the major mechanisms through which multi-business firms shape and restructure their business portfolios (see Brauer, 2006; Halebian, Devers, McNamara, Carpenter and Davison, 2009 for a review). Consequently, we have a relatively sound understanding of the antecedents of acquisition and divestiture activity. Also, there is an abundant – though somehow equivocal – amount of research on the implications of acquisitions and divestitures on firm financial performance (compare e.g., meta-analysis by King, Dalton, Daily and Covin, 2004; Moeller, Schlingemann and Stulz, 2004).

But despite these notable research efforts, some very basic questions on the drivers, process and outcomes of acquisitions and divestitures remain unanswered. For instance, we still bear very little knowledge on questions such as:

Antecedents:

- What is the relative importance of different ownership groups (e.g., hedge funds, private equity, sovereign funds) in initiating acquisition and divestiture activity?
- How do the motives for an acquisition or divestiture impact on the implementation process (e.g., in terms of financing, speed, method of payment, choice of exit mode)?
- What organizational, cultural or governance characteristics induce companies to *not* do acquisitions and divestitures and “walk away” from a deal?
- How do competitive dynamics (e.g., change in strategic groups) in an industry impact on acquisition and divestiture activity?

Process:

- How do firms actually make acquisition and divestiture decisions? What decision-making process characteristics are critical for effective acquisition or divestiture decision-making?
- How do acquisition and divestiture decision-making differ? Which practices and tools (e.g. portfolio matrix) do multi-business firms employ to arrive at acquisition and divestiture decisions?
- What is the interplay between acquisitions and divestitures in firm portfolio management?
- Are acquisition and divestiture capabilities built at corporate or divisional level?
- How do firms develop and implement acquisition and divestiture *programs/series*?
- What organizational processes, structures, systems or mechanisms do firms have in place to actually ensure learning from prior acquisitions?

Outcome:

- How does the performance of acquisition programs and divestiture programs evolve over time?
- What are the effects of acquisitions and divestitures on stakeholders such as employees, customers, bondholders, trade unions or competitors?

This is a non-exhaustive list of questions and issues which seem worth investigating. The ***general aim of this track*** is to bring together a high quality set of papers that shed new insights into the antecedents, process or outcome(s) of acquisitions and divestitures. Thus, we particularly welcome papers that test new so far ***untested relationships, use alternative units of analysis (e.g., acquisition programs), use new outcome measures to evaluate acquisition and divestiture effectiveness, employ novel empirical methods, draw on so far underutilized theoretical perspectives or transfer insights from other disciplines*** (such as finance, psychology, sociology) to strategic management research on acquisitions and divestitures.

Sub-track B: Strategic Renewal & Organizational Ambidexterity

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Abstract:

To survive and outperform the competition in the long run, firms have to manage the conflicting demands of current certainties and future novelty. The emerging discourse surrounding strategic renewal and organizational ambidexterity strikes at the core of this issue and the heart of the field of strategy as a whole. Strategic renewal includes the process, content, and outcome of refreshment or replacement of attributes of an organization that have the potential to substantially affect its long-term prospects (Agarwal & Helfat, 2009: 281), whereas organizational ambidexterity deals with the organizations' ability to exploit its current capabilities while simultaneously exploring fundamentally new competencies (Raisch et al, 2009: 685). These complementary perspectives to understanding strategic choice, competitive advantage, and long-term survival are especially relevant, yet incredibly complex, for established firms in turbulent knowledge-intensive environments. This track will provide a platform for state of the art dialogue within and between these subjects focusing primarily, though not exclusively, on (1) the capabilities for strategic renewal and (2) managing organizational ambidexterity. Sample questions of theoretical and practical relevance include:

Capabilities for Strategic Renewal:

What are the necessary multilevel capabilities for sustained strategic renewal?

How do organizational capabilities interact at various levels of analysis and over time?

How can knowledge-intensive firms manage the capabilities for (un)learning for sustained strategic renewal?

How do cognitive capabilities interact at different levels to influence the content, process, and outcome of strategic renewal?

Which managerial capabilities are necessary for coping with pressures from the task and institutional environment?

Managing Organizational Ambidexterity

What are the new coordinating mechanisms and (de)integration strategies for balancing exploration and exploitation?

How can firms integrate contextual and structural ambidexterity?

How does ambidexterity play a role at the individual level and how does this differ throughout the hierarchy?

Which ambidexterity types are more suited for what types of environments and structures?

How can firms manage inter-organizational ambidexterity?

Empirical and conceptual papers integrating multiple theoretical lenses and/or methodological approaches are especially encouraged to submit, though a wide array of alternative approaches will be considered. All submissions will be reviewed on a double-blind basis by two reviewers.

Key words: strategic renewal; ambidexterity; change; exploration; exploitation; capabilities;

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Abstract:

Innovation and its impact on competitive advantage are widely addressed in the strategy literature. However, innovation is considered to be primarily associated with technological innovation. To be successful, however, technological innovation often requires complementary management innovation and an enabling context for strategic renewal. Recently, research on Management Innovation, i.e. changes in management practices, processes, and structures intended to further organizational goals (see Birkinshaw, Hamel and Mol, 2008) has begun to flourish. The emerging dialogue around this topic has included conceptual work (e.g. Birkinshaw et al, 2008), historical overview of different management innovations (e.g. Mol and Birkinshaw, 2007), and other empirical studies (e.g. Damanpour, Walker, & Avellaneda, 2009, Mol & Birkinshaw, 2009).

Nevertheless, many aspects related management innovation remain rather under-researched. To contribute to the emerging dialogue on these topics, the track will address five related questions.

- *First*, how to improve the **conceptual distinction** between technological, organization, and management innovation including the level of analysis issue and the related question regarding the most important theoretical attributes for each of the constructs? Are organization and management innovation defined as new to the industry or new to the firm? How to conceptually distinguish the degree of newness (e.g. exploitative vs exploratory innovation or incremental vs radical innovation)?
- *Second*, which theoretical perspectives may contribute to increased understanding of the **antecedents of management innovation** at the levels of analysis discerned? How to describe and analyze management innovation as a process? How to develop conceptual frameworks focusing on the dynamics of co-evolutionary interactions at both firm and industry level of management innovation.
- *Third*, **how does management innovation complement technological innovation** and how is a firm's absorptive capacity and its exploitation / exploration balance associated to this? How is

management innovation related to technological innovation over time? How do particular strategic renewal trajectories influence these innovations? How does management innovation influence firm performance?

- *Fourth*, how to develop **proper measures and scales** to empirically assess organization and management innovation at the various levels of analysis?

- *Fifth*, what are the roles of **internal and external change agents** in management innovation? In particular, how do they contribute to the management innovation process both jointly and separately?

Papers focusing on conceptual and / or empirical research addressing these questions are invited. All submissions will be reviewed on a double-blind basis by two reviewers.