

University of Texas at Dallas
School of Management

Spring 2007

Organization, Strategy, and International Management (OSIM) Area
MAS 6V03: Ph.D. Seminar in Advanced Strategic Management

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Class time/room: Monday 2:30 – 5:15 PM (Room 2.803)
Office hour: Monday 1:30 – 2:15 and 5:20 – 6 PM and by appointment

Required text:

- Peng, M. W. (2006). *Global Strategy*. Cincinnati: Thomson South-Western.

Reference texts:

- Hitt, M., R. E. Freeman, and J. Harrison (eds.) (2001). *The Blackwell Handbook of Strategic Management*. Blackwell.
- Mahoney, J. (2005). *Economic Foundations of Strategy*. Thousand Oaks, CA: Sage.

OVERVIEW

This is the *second* of the two-part series of Ph.D. seminars in strategic management. The purpose of these two seminars are (1) to expose students to various theories and topics in strategic management research, and (2) to train students to become informed researchers who will be able to contribute to this literature. The current seminar focuses on different research *topics* informed by the different *theories* introduced in our previous seminar.¹

Readings for every week are organized around an important question which we will try to address. Because of the nature of this seminar, we tend to focus on theoretical/conceptual papers, which serve as foundations for the field. However, merely mastering the papers we discuss will not be enough. There is a lot of good theory in many empirical papers, many of which may not be on our course reading list. You are encouraged to dig deeper by reading additional empirical papers—I will share with you two additional, much longer reading lists, one on strategic management and another on international business for this purpose.

When working on any topic, it is recommended that students start with the *oldest* papers and then work forward in time—this is also how I arrange the sequence of readings for each weekly module. This will give you a feel for how the research on a particular topic has developed over time. Always be on the lookout for gaps or deficiencies in the literature and for evidence of inadequate theory.

¹ There are other important theories in strategy research that are *not* covered by these two seminars. These include, for example, resource dependence theory, social network theory, internationalization theory, population ecology theory, and philosophy of scientific research. They are not included here because I believe that they will be covered in your other Ph.D. seminars in international management, organization theory, and research methods, and I prefer to minimize severe overlap.

If you have not done so already, it is recommended that you become a student member of the Academy of Management, Academy of International Business, and Strategic Management Society as soon as possible. While you can access their publications through our library without becoming a member, I have found that periodical appearances of hard copy publications from these professional associations in your mail box that you have paid for with membership dues are the best way to motivate you to keep up your reading of the most recent research.

The course is aimed primarily at Ph.D. students, although interested MBA students are also welcome. For the latter group, the main benefit will be to obtain some flavor of Ph.D. training if you are interested in exploring this direction. Welcome on board!

GRADING

Good professional behavior (such as reading papers ahead of time, attending class, actively participating in discussion in class and afterwards) is naturally expected. However, as a Ph.D. student (and a future researcher), your success and failure will be entirely judged by the quality of your paper. Therefore, course grade is almost *entirely* based upon a term paper. It should critically review one or more of the theories and/or topics covered during the seminar. Importantly, the paper should aim to be a publishable (or at least presentable—at a major academic conference) piece of research, and will be evaluated from this perspective.

However, instead of just submitting a paper at the end of semester and getting a grade, we will follow a time table and grading scheme to imitate the typical “revise and resubmit” (R&R) process in the publication process:

Timely submission and professionalism of a first draft by the end of the 10 th week:	5%
Timely submission and quality of your peer review of another student’s first draft:	5%
Quality of the presentation on the last day of class (15 minutes each):	5%
Thoroughness in addressing the professor’s and peer’s comments in your final paper:	5%
Quality of the final, revised paper (submitted within 72 hours of presentation):	80%

In my experience as an author, reviewer, and editor, no competitively submitted paper is so perfect that it is accepted “as is” in the first round. At least one round (often more) of R&R is expected. Once you submit a first draft by the end of the 10th week, I and a classmate will endeavor to provide two written reviews to you within two weeks. Then you will need to go through an R&R process for your final submission.

PAPER

The paper should identify at least one research question—please make sure that (1) it ends with a question mark (that is: ?) and that (2) it is spelled out within the first 2 pages, preferably in the first paragraph. Then organize the rest of the paper to address it.

If it is a theory/conceptual paper (that is, with no data), the total length, all inclusive (with double spaced text, single [or 1.5] spaced references, and decent margins and font sizes), cannot go over 25 pages. The ideal model is a “research note” for the field’s number one theory journal, the *Academy of Management Review*. If it is an empirical paper, the total length cannot go over 35 pages, which is typical at major empirical journals such as the *Academy of Management Journal*.

Professionalism is crucial. While almost all manuscripts have a typo or two, an excessive number of such fixable problems will not be acceptable. Excuses such as “I don’t have time to check my spelling” or “complete my references” will usually result in your paper being rejected by journals that you submit to. So, show professionalism—in both your first draft and final submission.

Your presentation should imitate the typical 15-minute presentation at a major conference (such as the Academy of Management). Please prepare no more than 12 slides (Slide 1 is your title and name), print them six slides to

one page on both sides of the paper, and give the professor and the rest of the class a *one-sheet handout*. There will be approximately 5 minutes questions and answers after your presentation.

I—and the rest of the class—will attempt to give you some feedback during the presentation. Then you will have up to 72 hours to revise the paper incorporating all comments, written and oral, received. The final submission should consist of:

- A hardcopy of your final revised paper (double spaced in text, references can be single spaced, the norm is 20-35 pages—the shorter, the better!)
- A separate response document addressing how your paper responds to my earlier review after the 10th week and/or to oral comments made during your presentation *point-by-point* (single spaced, no more than 10 pages please)

Please discuss with me regarding your possible paper topic as soon as possible. We will discuss the R&R process and show examples of response documents.

For both the first draft and final submission to *me*, hard copies please. Soft copies and/or late submissions will *not* be accepted. (However, for the first draft submitted to all classmates, if they are OK with soft copies, that will be fine with me).

Discussion of paper ideas with classmates is acceptable and in fact encouraged. In fact, your first draft will be circulated to all members of the class. However, the term paper has to be your work—that is, single authored by you. If you prefer to execute a project already under way with a faculty member, this paper has to be *first* authored by you. When in doubt, talk to me first.

Your work does not end with the submission of your final revised manuscript. You are being trained to fight real battles. After the paper is graded and reviewed (by me and your classmates), look for opportunities for submission to conferences and journals.

UTD students, including first- and second-year students, have had a tradition of getting their papers accepted by major conferences such as AOM and AIB. More encouragingly, our students have also recently published their work in the *Asia Pacific Journal of Management*, *Business Ethics Quarterly*, *International Journal of Human Resource Management*, *Journal of International Management*, *Journal of Management*, *Management Science*, and *Organization Science*.

However, make no mistake: Despite your best efforts, chances are that your first submission(s) to top journals will be (ruthlessly) killed. But that does not mean you should not try. That also means that it is so important for us to foster a spirit of collaboration through peer reviews and feedback so that collectively we help each other improve the quality of our research (see next section).

PEER REVIEW

A highly unusual (and I am sure value-adding) aspect of this course is that you are required to provide a written, peer review report on the first draft of a classmate's work. You need to get out of your undergraduate and MBA mentality of finishing and submitting a paper on the last day and then forgetting about it. Publication is a long march—known as a *marathon*. Multiple drafts, revisions, reviews (and often rejections) across multiple years are the norm. So get used to it. Always remember: Hard work, patience, and persistence (eventually) pay!

Once you submit your first draft to me and to all other classmates by the 10th week, you will be assigned to review another classmate's first draft. Given the small number of students, it is not really realistic to truly maintain "anonymity"—you will know the authors' identity from the cover page. As a reviewer, you will submit to me an evaluation form (see Appendix) for my eyes only and a review report for the author—your comments for the author will also be circulated to the rest of the class.

In summary, you will write one review for another paper. I will also endeavor to provide a written review to all first drafts. Therefore, on your own first draft, you will receive two reviews, one from me and another from a fellow student. (Upon receiving your grade, you will also receive a second-round review from me.)

Once you receive two written reviews and oral comments and questions during your presentation, it is your responsibility to address all these comments in your final paper. In addition, you will also need to prepare a separate response document, outlining how you address these comments. It is not realistic to expect that you will agree with and be able to address all comments raised. However, I (and your reviewer) expect you to thoroughly discuss all of them. Even in areas where you disagree, you need to tell us why.

CLASSROOM EXPECTATIONS

You are expected to have read *all* the required (non-optional) readings assigned for that day and to be ready to discuss them. If you have questions, please prepare them ahead of time.

For each session, you will be assigned to at least one (sometimes two) required reading as a “resident expert.” For that work, you will prepare a one-page report (single sided, decent font size and margins please). The first half page is a brief summary (use bullet points please, do not cut and paste from published abstracts), and the other half page is your comments, critiques, and/or questions. For example, how this paper connects to another one studied last week, this paper is still unable to answer Question X, etc.

For each session, you will distribute one hardcopy for every member of the class (including me). While these one-page resident expert reports will *not* be graded, keep them together with your notes. They will prove helpful as you take your Comprehensive Exam at the end of your Year 2.

ABBREVIATED TENTATIVE SCHEDULE²

- 1: How to strategize in and internationalize the entrepreneurial firm?
- 2: How to enter new markets?
- 3: How to make strategic alliances and networks work? Foundations
- 4: How to make strategic alliances and networks work? Applications
- 5: How to manage competitive dynamics?
- 6: How to engage in product diversification?
- 7: How to engage in geographic diversification?
- 8: How to make mergers and acquisitions work?
- 9: How to maximize organizational learning?
- 10: How to govern the corporation? Foundations
- 11: How to govern the corporation? Applications
- 12: How to strategize with corporate social responsibility?
- 13: TBA
- 14: Presentations

² Subject to minor changes at the discretion of the professor

WEEKLY TOPICS³

Monday 1/8: How to strategize in and internationalize the entrepreneurial firm?

- Peng (2006). Chapter 5: Growing and internationalizing the entrepreneurial firm
- Oviatt, B. M. and P. McDougall (1994). Toward a theory of international new ventures. *JIBS*, 25 (1), 45-64. [A classic and a JIBS decade award winner]
- Lumpkin, G. T. and G. Dess (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *AMR*, 21: 135-172. [A classic in entrepreneurship. However, if short on time, you may just want to skim the paper, as I suspect Dave Deeds' entrepreneurship seminar will have you read it]
- Lu, J. and P. Beamish (2001). The internationalization and performance of SMEs. *SMJ*, 22: 565-586.
- Djankov, S., R. La Porta, F. Lopez-de-Silanes, and A. Shleifer (2002). The regulation of entry. *Quarterly Journal of Economics*, 67 : 1-37.

Optional

- McDougall, P. and B. Oviatt (2000). International entrepreneurship. *AMJ*, 43: 902-906.
- Peng, M. and S. Lee (2004). Entrepreneurs as intermediaries. Working paper.

Presentation (about 2:45-3:45): Dr. Yu-Shan Su, Fulbright visiting scholar at UTD (2006-07) and assistant professor, Chang Jung Christian University, Taiwan

Innovativeness, internal capabilities, and external partnerships

Abstract: How do a firm's internal capabilities and external partnerships contribute to its product and process innovativeness? How do their impacts differ? Based on the theoretical framework of exploitation and exploration, we develop an integrative model linking the impacts of both internal capabilities and external partnerships on product and process innovativeness. Survey responses from 78 Taiwanese biotechnology firms indicate that research and development, marketing, and manufacturing capabilities have different effects on product and process innovativeness. Overall, it is the combination of a firm's internal capabilities and external partnerships that impacts its innovativeness. Of the four types of external partnerships, only partnerships with universities and research institutes seem to add value, whereas partnerships with suppliers, customers, and competitors do not contribute to innovativeness.

Monday 1/22: How to enter new markets?

- Peng (2006). Chapter 6: Entering foreign markets
- Lieberman, M. and D. Montgomery (1988). First-mover advantages. *SMJ*, 9: 41-58. [A classic and SMJ award winner]
- Hill, C., P. Hwang, and W. C. Kim (1990). An eclectic theory of the choice of international entry mode. *SMJ*, 11: 117-128.

³ Note papers in each week are arranged according to their chronological order of appearance, **NOT** based on their importance.

- Luo, Y. and M. W. Peng (1999). Learning to compete in a transition economy: Experience, environment, and performance. JIBS, 30: 269-296.
- Delios, A. and W. Henisz (2000). Japanese firms' investment strategies in emerging economies. AMJ, 43: 305-323.
- Peng, M. W. and A. York (2001). Behind intermediary performance in export trade: Transactions, agents, and resources. JIBS, 32: 327-346. [This is my main dissertation article. My 1996 dissertation has generated following output (in addition to my 1998 book)—all of the following is *optional*, FYI]
 - Peng, M. W. and A. Ilinitich (1998). Export intermediary firms: A note on export development research. JIBS, 29: 609-620.
 - Peng, M. W., C. Hill, and D. Wang (2000). Schumpeterian dynamics and Williamsonian considerations: A test of export intermediary performance. JMS, 32: 167-184.
 - Trabold, H. (2002). Export intermediation: An empirical test of Peng and Ilinitich. JIBS, 33: 327-344.
 - Peng, M. W., Y. Zhou, and A. York (2006). Behind make or buy decisions in export strategy: A replication and extension of Trabold. JWB, 41: 289-300.
- Yiu, D. and S. Makino (2002). The choice between JV and WOS. OSC, 13: 667-683.

Optional

- Kogut, B. and H. Singh (1988). The effect of national culture on the choice of entry mode. JIBS, 19: 411-432. [This is an important paper, I'm designating this as "optional" because I suspect you may read it more carefully in your IB/IM seminars]
- Li, J. (1995). Foreign entry and survival. SMJ, 16: 333-351. [Based on a 1992 UTD dissertation]
- Lieberman, M. and D. Montgomery (1998). First-mover (dis)advantages: Retrospective and link with the resource-based view. SMJ, 19: 1111-1125.
- Pan, Y. and D. Tse (2000). The hierarchical model of market entry modes. JIBS, 31: 535-554.
- Xu, D. and O. Shenkar (2002). Institutional distance and the multinational enterprise. AMR, 27: 608-618.
- Brouthers, K. and L. Brouthers (2003). Why service and manufacturing entry mode choices differ. JMS, 40: 1179-1204.

M 1/29: How to make strategic alliances and networks work? Foundations

- Peng (2006). Chapter 7
- Beamish, P. and J. Banks (1987). Equity joint ventures and the theory of the multinational enterprise. JIBS, 19: 1-16.
- Hennart, J. (1991). The transaction cost theory of joint ventures. MS, 37: 483-497. [The 2nd most cited paper in global strategy research in the 1990s—see Peng and Zhou (2006, JIM)]

- Hamel, G. (1991). Competition for competence and inter-partner learning within strategic alliances. SMJ, 12: 83-103. [The 1st most cited paper in global strategy research in the 1990s]
- Dyer, J. and H. Singh (1998). The relational view. AMR, 23: 660-679.
- Gulati, R. (1998). Alliances and networks. SMJ, 19: 293-317.

Optional

- Gulati, R. (1995). Does familiarity breed trust? AMJ, 38: 85-112. [The paper that launched his career]
- Hennart, J. and Reddy (1997). The choice between mergers/acquisitions and JVs. SMJ, 18: 1-12.

M 2/5: How to make strategic alliances and networks work? Applications

- Lyles, M. and J. Salk (1996). Knowledge acquisition from foreign partners in international joint ventures. JIBS, 27: 877-903. [A classic and JIBS 2006 Decade Award winner—you probably read this in Jane's seminar. In this case, pay attention to Lyles' and Salk's subsequent papers, some of which are listed below, to study how to build a cumulative *stream* of research]
- Hambrick, D., J. Li, K. Xin, and A. Tsui (2001). Composition and processes of IJV management groups. SMJ, 22: 1033-1053.
- Reuer, J. (2001). From hybrids to hierarchies. SMJ, 22: 27-44. [My former Ohio State colleague Jeff Reuer, now @ UNC, is one of the most prolific contributors to the recent alliance literature]
- Hite, J. and W. Hesterly (2001). The evolution of firm networks. SMJ, 22: 275-286.
- Lane, P., J. Salk, and M. Lyles (2001). Absorptive capacity, learning, and performance in IJVs. SMJ, 22: 1139-1161.
- Poppo, L. and T. Zenger (2002). Do formal contracts and relational governance function as substitutes or complements? SMJ, 23: 707-725.
- Koka, B. and J. Prescott (2002). Strategic alliances as social capital. SMJ, 23: 795-816.
- Steensma, H. K., M. Tihanyi, M. Lyles, and C. Dhanaraj (2005). The evolving nature of foreign partnerships in transitioning economies. AMJ, 48: 213-235.

Optional:

- Lane, P. and M. Lubatkin (1998). Relative absorptive capacity and interorganizational learning. SMJ, 19: 461-477.
- Steensma, H. K. and M. Lyles (2000). Explaining IJV survival in a transition economy through social exchange and knowledge-based perspectives. SMJ, 21: 831-851.
- Kale, P., J. Dyer, and H. Singh (2002). Alliance capability, stock market response, and long-term alliance success. SMJ, 23: 747-767.

- Li, Y., E. Xie, H. Teo, and M. W. Peng (2006). Formal control and social control in domestic and international buyer-supplier relationships. Working paper.
- Tong, T., J. Reuer, and M. W. Peng (2007). International joint ventures and the value of growth options. AMJ (in press) [we read it last semester]

M 2/12: How to manage competitive dynamics?

- Peng (2006). Chapter 8.
- Chen, M. and D. Miller (1994). Competitive attack, retaliation, and performance. SMJ, 15: 85-102.
- Chen, M. (1996). Competitor analysis and interfirm rivalry. AMR, 21: 100-134. [The most influential theory paper in this area and an AMR award winner]
- Miller, D. and M. Chen (1996). The simplicity of competitive repertoires. SMJ, 17: 419-439.
- McGrath, R., M. Chen, and I. MacMillan (1998). Multimarket maneuvering in uncertain spheres of influence. AMR, 23: 724-740.
- Ferrier, W., K. Smith, and C. Grimm (1999). The role of competitive action in market share erosion and industry dethronement. AMJ, 42: 372-388.
- Golden, B. and H. Ma (2003). Mutual forbearance: The role of intrafirm integration and rewards. AMR, 28: 479-493.

Optional

- Jayachandran, S., J. Gimeno, and P. R. Varadarajan (1999). The theory of multmarket competition. Journal of Marketing, 63: 49-66.
- Baum, J. and H. Korn (1996). Competitive dynamics of interfirm rivalry. AMJ, 39: 255-291.
- Ferrier, W. (2001). Navigating the competitive landscape. AMJ, 44: 858-878.

M 2/19: How to engage in product diversification?

- Peng (2006). Chapter 9.
- Hill, C., M. Hitt, and R. Hoskisson (1992). Cooperative versus competitive structures in related and unrelated diversified firms. OSc, 3: 501-521.
- Palich, L., L. Cardinal, and C. Miller (2000). Curvilinearity in the diversification-performance linkage. SMJ, 21: 155-174.
- Khanna, T. and K. Palepu (2000). The future of business groups in emerging markets. AMJ, 43: 268-285.
- Robins, J. and M. Wiersema (2003). The measurement of corporate portfolio strategy. SMJ, 23: 39-59.

- Peng, M. W., S. Lee, and D. Wang (2005). What determines the scope of the firm over time? A focus on institutional relatedness. *AMR*, 30: 622-633.
- Peng, M. W. and A. Delios (2006). What determines the scope of the firm over time and around the world? An Asia Pacific perspective. *APJM*, 23: 385-405.

Optional

- Rumelt, R. (1974). *Strategy, Structure, and Economic Performance*. HBS Press.
- Liebeskind, J. (2000). Internal capital markets. *OSc*, 11: 58-76.
- Wan, W. and R. Hoskisson (2003). Home country environments, corporate diversification strategies, and firm performance. *AMJ*, 46: 27-45.
- Lee, K.B., M. W. Peng, and K. Lee (2006). From diversification premium to diversification discount during institutional transitions. Working paper.

M 2/26: How to engage in geographic diversification?

- Tallman, S. and J. T. Li (1996). Effects of international diversity and product diversity on the performance of multinational firms. *AMJ*, 39: 179-196.
- Hitt, M., R. Hoskisson, and H. Kim (1997). International diversification. *AMJ*, 40: 767-798.
- Delios, A. and P. Beamish (1999). Geographic scope, product diversification, and the corporate performance of Japanese firms. *SMJ*, 20: 711-727.
- Geringer, J. M., S. Tallman, and D. Olsen (2000). Product and international diversification among Japanese multinational firms. *SMJ*, 21: 51-80.
- Contractor, F., S. Kundu, and C. Hsu (2003). A three-stage theory of international expansion, *JIBS*, 34: 5-18.
- Goerzen, A. and P. Beamish (2003). Geographic scope and multinational enterprise performance. *SMJ*, 24: 1289-1306.
- Lu, J. and P. Beamish (2004). International diversification and firm performance: The S-curve hypothesis? *AMJ*, 47: 598-609.
- Rugman, A. and A. Verbeke (2004). A perspective on regional and global strategies of multinational enterprises. *JIBS*, 35: 3-18.
- Meyer, K. (2006). Globalfocusing: From domestic conglomerate to global specialist. *JMS*, 43: 1109-1144.

Optional

- Barkema, H. and F. Vermeulen (1998). International expansion through start-up or acquisition. *AMJ*, 41: 7-27.

- Nachum, L. (2004). Geographic and industrial diversification of developing country firms. JMS, 41: 273-294.

M 3/12: How to make mergers and acquisitions work?

- Roll, R. (1986). The hubris hypothesis of corporate takeovers. J of Business, 59: 197-216.
- Seth, A., K. Song, and R. Pettit (2000). Synergy, managerialism, or hubris? JIBS, 31: 387-405.
- Anand, J. and A. Delios (2002). Absolute and relative resources as determinants of international acquisitions. SMJ, 23: 119-134.
- Harzing, A. (2002). Acquisitions versus green-field investments. SMJ, 23: 211-227.
- King, D., D. Dalton, C. Daily, and J. Covin (2004). Meta-analyses of post-acquisition performance. SMJ, 25: 187-200.
- Uhlenbruck, K. (2004). Developing acquired foreign subsidiaries. JIBS, 35: 109-123.

Optional

- Morosini, P., S. Shane, and H. Singh (1998). National cultural distance and cross-border acquisition performance. JIBS, 29: 137-158.
- Uhlenbruck, K. and J. De Castro (2000). Foreign acquisitions in Central and Eastern Europe. AMJ, 43: 381-402.

M 3/19: How to align strategy-structure relationship and maximize organizational learning?

DUE: First draft of your term paper!!!!

- Peng (2006). Chapter 10.
- March, J. (1991). Exploration and exploitation in organizational learning. OSc, 2: 71-87. [Most influential paper published by OS]
- Kogut, B. and U. Zander (1993). Knowledge of the firm and the evolutionary theory of the multinational corporation. JIBS, 24: 625-645. [Winner of the JIBS decade award]
- Grant, R. (1996). Toward a knowledge-based theory of the firm. SMJ, 17: 109-122.
- Szulanski, G. (1996). Exploring internal stickiness. SMJ, 17: 27-43.
- Birkinshaw, J. and N. Hood (1998). Multinational subsidiary evolution. AMR, 23: 773-796.
- Wolf, J. and W. Egelhoff (2002). A reexamination and extension of international strategy-structure theory. SMJ, 23: 181-189.

- Martin, X. and R. Salomon (2003). Knowledge transfer capacity and its implications for the theory of the multinational enterprise. JIBS, 34: 356-373.

Optional

- Frost, T., J. Birkinshaw, and P. Ensign (2002). Centers of excellence in multinational corporations. SMJ, 23: 997-1018.
- Acar, W., et al. (2003). Peering at the past century's corporate strategy through the looking glass of time-series analysis. JMS, 40: 1225-1254.
- Meyer, K. (2004). Perspectives on multinational enterprises in emerging economies. JIBS, 35: 259-276.

M 3/26: How to govern the corporation? Foundations

- Peng (2006). Chapter 11.
- Finkelstein, S. and R. D'Aveni (1994). CEO duality as a double-edged sword. AMJ, 37: 1079-1038.
- Westphal, J. and E. Zajac (1995). Who shall govern? ASQ, 40: 60-83.
- Zajac, E. and J. Westphal (1996). Director reputation, CEO-board power, and the dynamics of board interlocks. ASQ, 41: 507-529.
- Shleifer, A. and R. Vishny (1997). A survey of corporate governance. J of Finance, 52: 737-783.
- Dalton, D., C. Daily, A. Ellstrand, and J. Johnson (1998). Meta-analytic reviews of board composition, leadership structure, and financial performance. SMJ, 19: 269-290.
- Rajan, R. and L. Zingales (2003). The great reversals: The politics of financial development in the 20th century. J of Financial Economics, 69: 5-50. [An optional paper under "agency theory" last semester]
- Peng, M. W. (2004). Outside directors and firm performance during institutional transitions. SMJ, 25: 453-471. [An optional reading last semester]

Optional

- Daily, C., D. Dalton, and A. Cannella (2003). Corporate governance. AMR, 28: 371-382.
- Westphal, J. and P. Khanna (2004). Keeping directors in line. ASQ, 48: 361-399.

M 4/2: How to govern the corporation? Applications

DUE: Peer review of another student's paper!!!

- Lane, P., A. Cannella, and M. Lubatkin (1998). Agency problems as antecedents to unrelated mergers and diversification. SMJ, 19: 555-578.
- Gedajlovic, E. and D. Shapiro (1998). Management and ownership effects. SMJ, 19: 533-553.

- Sanders, W. G. and M. Carpenter (1998). Internationalization and firm governance. *AMJ*, 41: 158-178.
- Claessens, S., S. Djankov, and L. Lang (2000). The separation of ownership and control in East Asian corporations. *JFE*, 58: 81-112.
- Thomson, S. and T. Pederson (2000). Ownership structure and economic performance in the largest European companies. *SMJ*, 21: 689-705.
- Bruton, G., D. Ahlstrom, and J. Wan (2003). Turnaround in East Asian firms. *SMJ*, 24: 519-540.
- Chang, S. (2003). Ownership structure, expropriation, and performance of group-affiliated companies in Korea. *AMJ*, 46: 238-254.
- Young, M., M. W. Peng, D. Ahlstrom, G. Bruton, and Y. Jiang (2007). Principal-principal conflicts in emerging economies. *JMS* (in press).

Optional

- Faccio, M. and L. Lang (2002). The ultimate ownership of Western European corporations. *JFE*, 65: 365-395.
- Doidge, C., K. A. Karolyi, and R. Stulz (2003). Why are foreign firms listed in the US worth more? *JFE*, 71: 205-238.
- Peng, M. W., S. Zhang, and X. Li (2006). CEO duality and firm performance during institutional transitions. Working paper.

M 4/9: How to strategize with corporate social responsibility?

- Peng (2006). Chapter 12.
- Russo, M. and P. Fouts (1997). A resource-based perspective on corporate environmental performance and profitability. *AMJ*, 40: 534-559.
- Waddock, S. and S. Graves (1997). The corporate social responsibility-financial performance link. *SMJ*, 18: 303-319.
- A. Hoffman (1999). Institutional evolution and change. *AMJ*, 42: 351-371.
- Berman, S., A. Wicks, S. Kotha, and T. Jones (1999). Does stakeholder orientation matter? *AMJ*, 42: 488-506.
- Christmann, P. (2000). Effects of “best practices” of environmental management on cost advantage: The role of complementary assets. *AMJ*, 43: 663-680.
- Margolis, J. and J. Walsh (2003). Misery loves companies: Rethinking social initiatives by business. *ASQ*, 48: 268-305.

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M 4/16: Catch up (agenda to be announced)

M 4/23: Presentations

- Each student makes a presentation, no more than 12 slides (Slide 1, title page, is mandatory, which means that you will only have 11 real slides)
- Print 6 slides on one side of the paper, print on both sides of the sheet, and distribute one such copy to each member of the class
- Each presentation will be no more than 15 minutes (standard conference presentation time), to be followed by Q&As of no more than 15 minutes on each paper.

DUE: Submit in hardcopy (1) your final paper and (2) a point-by-point response document on the reviews to me and your peer reviewer, within 72 hrs after the presentation—that is, no later than 5 PM on Thursday 4/26 in my box. Absolutely no late submission please.

Appendix 1. AMJ review form, which we will use to provide peer review to classmates' first drafts

Academy of Management Journal
Manuscript Evaluation Form

Manuscript # and title

REVIEWER # and name

DUE DATE:

Instructions: Please rate this manuscript on the following criteria (place X under appropriate category):

CRITERIA	EVALUATION OF CRITERIA				
	Completely inadequate	Weak	Marginal	Satisfactory	Strong
A. Conceptual adequacy					
B. Technical adequacy					
C. Appropriateness of the topic for AMJ					
D. Clarity of exposition					
E. Implications for practical application					
F. Potential significance of contribution					

Your recommendation:

1. _____ Clear reject
2. _____ Doubtful, needs major revision for me to tell
3. _____ Promising, but needs major revision
4. _____ Accept with minor revision
5. _____ Accept as is

If you recommend revision: Most suitable as: _____ Regular full length article _____ Shorter paper ("research note")

Comments to editor: Those that you DO NOT wish the author to see. No more than 1 paragraph please.

Comments to author: No length limitation. I'd suggest no more than 2 pages (single spaced)

NOTE TO PhD STUDENTS: At *AMJ*, author has *no* access to this evaluation form. Only "comments to author" will be sent together with the editorial decision letter. These comments will also be sent to all reviewers (while maintaining author anonymity). For our exercise, email me this form, which I will not share with anybody. Note that your "comments to author" will not only be shared with the author, but also with the entire class.



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Krannert Graduate School of Management
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W. Lafayette, IN 47907 USA
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Associate Editor Rich Bettis

REFEREE'S REPORT

DATE DUE:

Title:

Manuscript Number:

Please return to: Dan Schendel

AIM: The Strategic Management Journal publishes papers, research notes, and communications devoted to strategic management defined in the broadest sense and which appeal to either practitioners and/or academics, on an international basis, involved with profit and/or not-for-profit organizations.

CRITERIA: The criteria for publication are: 1) competent scholarship, 2) readability, 3) contribution to the theoretical, conceptual, and/or empirical foundations of strategic management, 4) either or both academic and practitioner would find the work of value, 5) value is determined by originality and significance to some aspect of strategic management; 6) must be tested or testable in one or more of these ways: a) it is in accord with theory, or if in disagreement, is carefully argued and/or tested in other ways; b) it is internally consistent and logical; c) it has passed the practical test of successful use in an organization: or, d) it has been empirically tested with accepted research methodology rooted in scientific method.

ITEM: Select rating by marking "X" in the boxes labeled 1 (poor) to 5 (outstanding)

Item	Poor – 1	Low – 2	Average - 3	Acceptable - 4	Outstanding - 5	Not Apply
1. Technical Adequacy						
2. Readability						
3. Contribution to the Field						
4. Value to Reader:						
Academic						
Practitioner						
5. Value in Terms of Originality						
Originality						
Significance						
6. Tested or Testable:						
Agreement with theory						
Consistency/Logic						
Empirical base						
7. Length Relative to Message						

EVALUATION: Considering the present version of this paper it is:

- ___ Outstanding
- ___ Publishable, not outstanding. The (ideas/methods/data/results) are of unusual interest
- ___ Probably publishable, a sound contribution
- ___ Marginally publishable in the SMJ (Could be a Research Note, 15 pages or less ____)
- ___ Not publishable in the SMJ

REVISION: Your recommendation for revision is

- ___ Needs only routine copy editing
- ___ Minor revisions are needed by the author as noted in my report
- ___ Major revisions are suggested as noted in my report
- ___ Probably cannot be revised satisfactorily

Referees' names are held in confidence. Please type your comments to be communicated to the author on the page labeled "Referee's Comments (for author)." These comments should be constructive and as helpful to the author as possible. Comments for the editor should be candid, direct, and to the point.

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Is the Title adequate?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
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Is the arrangement and sequencing of material suitable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
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In addition, *SMJ* asks reviewers to provide comments for editors' eyes only, with a fixed format, whereas *AMJ* does not have such a format.

For our exercise, if you want to choose the *SMJ* form (as opposed to the *AMJ* form), that is fine with me. Please email me the *SMJ* form, which I will not share with anybody. Note that your "comments to author" will not only be shared with the author, but also with the entire class (despite the *SMJ* policy).