

Syllabus: Innovation from a Learning and Change Perspective

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Overview

Learning and change are important topics in organization theory and have obvious relevance to innovation: learning is a component of the innovation process, and innovations entail change. Within organization theory, learning characterizes a cluster of different intellectual traditions, but most learning research is founded on the Carnegie School/behavioral theory of the firm. Likewise, research on change is heterogeneous but often applies ideas from the learning tradition.

In this mini course we will devote one session to foundational works and recent reviews of organizational learning research. We jump from that work to applied work, most of it modern. The sessions on learning and internal innovation and change and innovation are inter-related, but the treatments place different emphasis on the problem of gaining knowledge and the problem of gaining change acceptance. The session on the diffusion of secrets deals with the problem of innovations that are valuable as long as they are kept secret. How does it affect the spread of an innovation that its adopters do not want to make its benefits known, but the potential adopters seek out such knowledge?

Please read and analyze each paper in advance. How does each reading contribute to our knowledge of innovations? How does it apply a learning/change perspective? How does it relate to the other readings? What questions does it raise that now would be worthwhile answering? What research ideas do you get that apply to your topic or domain of research?

As you read these papers, please keep in mind that they are a small sample of a rich and fast-moving research stream. You may find it useful to look up papers that you see referenced often or in the introduction of papers. The additional readings are also intended to give you a broader overview. They are not required for this course; they are highly useful if you plan research on innovation from a learning and change perspective.

1. Foundations of Learning and Change (Monday September 16th 10:00 to 13:00)

Cyert, Richard M., and James G. March. 1963. *A behavioral theory of the firm*. Englewood Cliffs, NJ: Prentice-Hall, *Chapter 6 (chapter 7 in the second edition)*.

March, James G. 1981. "Footnotes to organizational change." *Administrative Science Quarterly* 26:563-77.

Levitt, Barbara, and James G. March. 1988. "Organizational learning." Pp. 319-40 in *Annual Review of Sociology, 14*, edited by W. Richard Scott and Judith Blake. Palo Alto, CA: Annual Reviews.

Gavetti, Giovanni, Henrich R. Greve, Daniel A. Levinthal, and William Ocasio. 2012. "The Behavioral Theory of the Firm: Assessment and Prospects." *Academy of Management Annals* 6:1-40.

Additional readings:

Cyert, Richard M., and James G. March. 1963. *A behavioral theory of the firm*. Englewood Cliffs, NJ: Prentice-Hall, *The rest of the book (the second edition is also OK)*.

Fiol, C. Marlene. 1996. "Squeezing harder doesn't always work: Continuing the search for consistency in innovation research." *Academy of Management Review* 21(4):1012-21.

Argote, Linda, and Ella Miron-Spektor. 2011. "Organizational learning: From experience to knowledge." *Organization Science* 22(5):1123-37.

2. Learning and Internal Innovation (Monday September 16th 13:00 to 17:00)

Singh, J., M. T. Hansen, and J. M. Podolny. 2010. "The world is not small for everyone: Inequity in searching for knowledge in organizations." *Management Science* 56(9):1415-38.

Bresman, Henrik. 2013. "Changing routines: A process model of vicarious group learning in pharmaceutical R&D." *Academy of Management Journal* 56(1):35-61.

Mors, Marie Louise. 2010. "Innovation in a global consulting firm: When the problem is too much diversity." *Strategic Management Journal* 31(8):841-72.

Taylor, Alva, and Henrich R. Greve. 2006. "Superman or the Fantastic Four? Knowledge combination and experience in innovative teams." *Academy of Management Journal* 49(4):723-40.

Additional readings:

Ancona, Deborah G., and David F. Caldwell. 1992. "Bridging the Boundary: External Activity and Performance in Organizational Teams." *Administrative Science Quarterly* 37(4):634-65.

Hansen, Morten T. 1999. "The search-transfer problem: The role of weak ties in sharing knowledge across organization subunits." *Administrative Science Quarterly* 44(March):82-111.

Haas, M. R. 2010. "The double-edged swords of autonomy and external knowledge: Analyzing team effectiveness in a multinational organization." *Academy of Management Journal* 53(5):989-1008.

Bercovitz, J., and M. Feldman. 2011. "The mechanisms of collaboration in inventive teams: Composition, social networks, and geography." *Research Policy* 40(1):81-93.

3. Change and Internal Innovation (Tuesday September 17th 9:00 to 12:00)

Tripsas, Mary, and Giovanni Gavetti. 2000. "Capabilities, cognition, and inertia: Evidence from digital imaging." *Strategic Management Journal* 21(10):1147-61.

Knott, Anne Marie. 2001. "The dynamic value of hierarchy." *Management Science* 47(3):430-48.

Greve, Henrich R. 2003. "A behavioral theory of R&D expenditures and innovation: Evidence from shipbuilding." *Academy of Management Journal* 46(6):685-702.

Beckman, Christine M. 2006. "The influence of founding team company affiliations on firm behavior." *Academy of Management Journal* 49(4):741-58.

Additional readings:

Dougherty, Deborah. 1992. "Interpretive barriers to successful product innovation in large firms." *Organization Science* 3(2 (May)):179-202.

Cattani, Gino. 2005. "Preadaptation, firm heterogeneity, and technological performance: A study on the evolution of fiber optics, 1970--1995." *Organization Science* 16(6):563-80.

Gaba, Vibha, and Shantanu Bhattacharya. 2012. "Aspirations, innovation, and corporate venture capital: A behavioral perspective." *Strategic*

Entrepreneurship Journal 6(2):178-99.

4. **Learning and Environmental Influences** (Wednesday September 18th 13:00 to 16:00)

Murmann, Johann Peter, and Koen Frenken. 2006. "Toward a systematic framework for research on dominant designs, technological innovations, and industrial change." *Research Policy* 35(7):925-52.

Knott, Anne Marie, Hart E. Posen, and Brian Wu. 2009. "Spillover Asymmetry and Why It Matters." *Management Science* 55(3):373-88.

Carroll, Glenn R., Lyda S. Bigelow, Marc-David Seidel, and Lucia B. Tsai. 1996. "The fates of de novo and de alio producers in the American automobile industry 1885-1981." *Strategic Management Journal* 17(Summer Special Issue):117-37.

Baum, Joel A. C., and Kristina B. Dahlin. 2007. "Aspiration performance and railroads' patterns of learning from train wrecks and crashes." *Organization Science* 18(3):368-85.

Additional readings:

Banaszak-Holl, Jane, Will Mitchell, Joel A. C. Baum, and Whitney B. Berta. 2006. "Transfer learning in ongoing and newly acquired components of multiunit chains: US nursing homes, 1991-1997." *Industrial and Corporate Change* 15(1):41-75.

Simon, Daniel H., and Marvin B. Lieberman. 2010. "Internal and external influences on adoption decisions in multi-unit firms: The moderating effect of experience." *Strategic Organization* 8(2):132-54.

Cattani, Gino, Roger L. M. Dunbar, and Zur Shapira. 2012. "Value Creation and Knowledge Loss: The Case of Cremonese Stringed Instruments." *Organization Science*.

5. **The Diffusion of Secrets** (Wednesday September 18th 9:00 to 12:00)

Whittington, Kjersten Bunker, Jason Owen-Smith, and Walter W. Powell. 2009. "Networks, Propinquity, and Innovation in Knowledge-intensive Industries." *Administrative Science Quarterly* 54(1):90-122.

Greve, Henrich R. 2009. "Bigger and safer: The diffusion of competitive advantage." *Strategic Management Journal* 30(1):1-23.

Gaba, Vibha, and Alan D. Meyer. 2008. "Crossing the organizational species barrier: How venture capital practices infiltrated the information technology sector." *Academy of Management Journal* 51(5):976-98.

Aime, Federico, Scott Johnson, Jason W. Ridge, and Aaron D. Hill. 2010. "The routine may be stable but the advantage is not: Competitive implications of key employee mobility." *Strategic Management Journal* 31(1):75-87.

Additional readings:

Henderson, Rebecca M., and Kim B. Clark. 1990. "Architectural innovation: The reconfiguration of existing product technologies and the failure of established firms." *Administrative Science Quarterly* 35:9-30.

Jonsson, Stefan. 2009. "Refraining from Imitation: Professional Resistance and Limited Diffusion in a Financial Market." *Organization Science* 20(1):172-86.

Greve, Henrich R. 2011. "Fast and expensive: the diffusion of a disappointing innovation." *Strategic Management Journal* 32(9):949-68.

6. **NORSI-PIMS Executive Forum** (Wednesday September 18th 13:00 to 16:00)

The Network Advantage: How to Unlock Competitive Advantage from your Alliances and Partnerships

Greve, Henrich R., Timothy J. Rowley, and Andrew V. Shipilov. In press. *The Network Advantage: How to Unlock Competitive Advantage from your Alliances and Partnerships*. Wiley. Chapters 1 and 2.

Greve, Henrich R., Timothy J. Rowley, and Andrew V. Shipilov. 2013. How Partners Shape Strategy. *Harvard Business Review*, June 2013: 28.

7. **Roundtable Discussion of Individual Research Projects** (Thursday September 19th 9:00-15:00)