

---

## Industry and Market Evolution

Course No : 02804110

Program : Postgraduate

Credit : 1

Instructor : 路江涌

Prerequisite :

Semester : 2015Spring

---

### Instructor's resume/brief introduction(Within 500 words) :

Prof. Jiangyong Lu is a Professor, the Vice Chair of Department of Strategic Management, and a deputy director of Center for Innovation and Entrepreneurship at Guanghua School of Management, Peking University. He got PhD degree from School of Business at University of Hong Kong. His current research interests include innovation strategy, entrepreneurship and venture capital investment in China, and internationalization of China firms. He has published more than thirty papers in international journals such as *Strategic Management Journal*, *Organization Science*, *Journal of International Business Studies*, *Journal of Business Venturing*, *Research Policy*, *Management International Review*, *Management and Organizational Review*, *American Economic Review*, *Journal of International Economics*, *Journal of Urban Economics*, *Journal of Comparative Economics*. He has also published more than ten papers in leading Chinese Economics Journals including *Economic Research Journal*, *China Economic Quarterly*, *China Journal of Economics*, and *Management World*. Dr. Lu has coauthored three books – *Researches on Collaboration and Comparison between Chinese Returnee Enterprises and Local Enterprises* and *Dynamic Management – Perspectives from Customers* – which published by Peking University Press in early 2012. Dr. Lu has published more than ten cases through Harvard Business Publishing. Currently, he teaches Strategic Management, Competitive Strategy, Entrepreneurship courses at MBA level and International Business seminars at PhD level.



### Instructor's contact information :

Address: Room 476, Building #2,  
Guanghua School of Management, Peking University

Telephone: (8610) 62767406 (office)

Fax: (8610) 62751463

E-mail: [lujiangyong@gsm.pku.edu.cn](mailto:lujiangyong@gsm.pku.edu.cn)

TA's contact information::

Office hour:

### Program Learning Goals and Objectives

- 1 **Learning Goal 1** Graduates will be thoroughly familiar with the specialized knowledge and theories required for the completion of academic research.
  - 1.1 Objective 1 Graduates will have a deep understanding of basic knowledge and theories in their specialized area.

- 
- 1.2 Objective 2 Graduates will be familiar with the latest academic findings in their specialized area and will be knowledgeable about related areas.
  - 1.3 Objective 3 Graduates will be familiar with research methodologies in their specialized area, and will be able to apply them effectively.
- 2 **Learning Goal 2** Graduates will be creative scholars, who are able to write and publish high-quality graduation dissertation and research papers.
    - 2.1 Objective 1 Graduates will write and publish high-quality graduation dissertation and research papers
    - 2.2 Objective 2 Graduates will be critical thinkers and innovative problems solvers.
- 3 **Learning Goal 3** Graduates will have a broad vision of globalization and will be able to communicate and cooperate with international scholars
    - 3.1 Objective 1 Graduates will have excellent oral and written communication skills
    - 3.2 Objective 2 Graduates will be able to conduct efficient academic communication in at least one foreign language
- 4 **Learning Goal 4** Graduates will be aware of academic ethics and will have a sense of social responsibility.
    - 4.1 Objective 1 Graduates will have a sense of social responsibility.
    - 4.2 Objective 2 Graduates will be aware of potential ethical issues in their academic career.
    - 4.3 Objective 3 Graduates will demonstrate concern for social issues.

### **Course Overview**

This course helps students to develop an overview of the major domains and issues in the research field of strategic management. We select some of the most important readings that contributed to the evolution of the research domains in the field. The seminar consists of 11 sessions.

### **Course Objectives**

The major purpose of this course is to provide first year iPhD students in the Department of Strategic Management an overview of the field. In particular, after taking this class, students should have concrete understanding about the arts and sciences in strategy research.

The secondary purpose of this class is to train students how to think and analyze things in academic style, i.e. logically and critically. During the course, students have plenty chances to practice these academic skills by synthesizing research, elaborating thoughts, developing research ideas, and making academic presentations.

### **Detailed Course Plan**

#### **Session 1: Competitive Advantage of Firms**

---

**Required readings:**

- D'Aveni, R. A., G. B. Dagnino, et al. (2010). "The age of temporary advantage." *Strategic Management Journal* 31(13): 1371-1385.
- Chen EL, Katila R, McDonald R, Eisenhardt KM. 2010. Life in the fast lane: origins of competitive interaction in new vs. Established markets. *Strategic Management Journal* 31(13): 1527-1547.
- Campbell BA, Coff R, Kryscynski D. 2012. Rethinking sustained competitive advantage from human capital. *Academy of Management Review* 37(3): 376-395.
- Powell TC. 1992. Organizational alignment as competitive advantage. *Strategic Management Journal* 13(2): 119-134.
- Sosa ML. 2013. Decoupling market incumbency from organizational prehistory: Locating the real sources of competitive advantage in R&D for radical innovation. *Strategic Management Journal* 34(2): 245-255.

**Suggested Readings:**

- Porter, Michael E. (1980), *Competitive Strategy*, Free Press, New York.
- Porter, Michael E. (1985), *Competitive Advantage*, Free Press, New York.
- Nelson, Richard, (1991), "Why do firms differ, and how does it matter?" *Strategic Management Journal*, 12(winter): 61-74.
- Rumelt R.P, Schendel, D.E, & Teece D.J. (1994), *Fundamental Issues in Strategy: A research agenda*, HBS Press Boston MA, pp. 9-47 & 527-555.
- Barney, J. B. (1991), "Firm resources and sustained competitive advantage", *Journal of Management*, 17: 99-120.

**Session 2: Competitive Dynamics****Required readings:**

- Chen, Ming-Jer. 2009. "Competitive Dynamics Research: An Insider's Odyssey," *Asia Pacific Journal of Management*, 26: 5-26.
- Chen, Ming-Jer and Danny Miller. 2012. "Competitive Dynamics: Themes, Trends, and a Prospective Research Platform," *Academy of Management Annals*, 6 (1): 135-210.

- Chen, Ming-Jer and Danny Miller. 2014. "Reconceptualizing Competitive Dynamics: A Multidimensional Framework," *Strategic Management Journal*, forthcoming.
- Chen, Ming-Jer, Ken G. Smith, and C.M. Grimm. 1992. "Action Characteristics as Predictors of Competitive Responses." *Management Science*, 38: 439-455.
- Chen, Ming-Jer. 1996. "Competitor Analysis and Inter-firm Rivalry: Toward a Theoretical Integration," *Academy of Management Review*, 21: 100-134

### **Suggested Readings:**

- Barnett, William P. and Hansen, Morten T. (1996), "The Red Queen in organizational evolution." *Strategic Management Journal*, 17(special issue): 139-157.
- Gimeno J. and Woo, C.Y. (1999), "Multimarket contact, economies of scope, and firm performance." *Academy of Management Journal*, 42(3):239-259.
- Baum, Joel A.C., and Korn, Helaine J. (1999), "Dynamics of dyadic competitive interaction." *Strategic Management Journal*, 20(3): 251-278.
- Ferrier, Walter J., Smith, Ken G. and Grimm, Curtis M. (1999), "The role of competitive action in market share erosion and industry dethronement: A study of industry leaders and challengers." *Academy of Management Journal*, 42(4): 372-388.

### **Session 3: Strategy and Structure**

#### **Required readings:**

- Bloom N, Sadun R, Van Reenen J. 2012. The Organization of Firms across Countries. *Quarterly Journal of Economics* 127(4): 1663-1705.
- Wasserman N. 2008. Revisiting the strategy, structure, and performance paradigm: The case of venture capital. *Organization Science* 19(2): 241-259.
- Haleblian, J., G. McNamara, et al. (2012). "Exploring firm characteristics that differentiate leaders from followers in industry merger waves: a competitive dynamics perspective." *Strategic Management Journal* 33(9): 1037-1052.
- Menz M. 2012. Functional Top Management Team Members: A Review, Synthesis, and Research Agenda. *Journal of Management* 38(1): 45-80.
- 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.

### **Suggested Readings:**

Chandler, A. C. (1962), *Strategy and Structure: Chapters in the History of the American Industrial Enterprise*. Cambridge, MA: MIT Press.

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

Lamont, B. T., & Williams, R. J. (1994), "Performance during 'M-form' reorganization and recovery time: The effects of prior strategy and implementation speed." *Academy of Management Journal*, 37(1): 153-166.

Nickerson, J. A., & Zenger, T. R. (2002), "Being efficiently fickle: A dynamic theory of organizational choice." *Organization Science*, 13(5): 547-566.

Jones, G. R., & Hill, C. W. L. (1988), "Transaction cost analysis of strategy-structure choice." *Strategic Management Journal*, 9: 159-172.

### **Session 4: General Manager and the Top Management Team**

#### **Required readings:**

Hambrick, D. C. 2007. Upper echelons theory: An update. *Academy of Management Review*, 32(2): 334-343.

Lin HC, Shih CT. 2008. How executive SHRM system links to firm performance: The perspectives of upper echelon and competitive dynamics. *Journal of Management* 34(5): 853-881.

Hambrick, Donald C., Theresa Cho, and Ming-Jer, Chen. (1996), "The influence of top management team heterogeneity on firms' competitive moves." *Administrative Science Quarterly*, 41: 659-684.

Souitaris V, Zerbinati S, Liu G. 2012. Which iron cage? Endo- and exoisomorphism in corporate venture capital programs. *Academy of Management Journal* 55(2): 477-505.

Qian C, Cao Q, Takeuchi R. 2013. Top management team functional diversity and organizational innovation in China: The moderating effects of environment. *Strategic Management Journal* 34(1): 110-120.

### **Suggested Readings:**

- Hambrick, D. & Mason, P., 1984. "Upper echelons: The organization as a reflection of its top managers." *Academy of Management Review*, 193-206.
- Wiersema, Margarethe F. and Bantel, Karen A. (1992), "Top management team demography and corporate strategic change." *Academy of Management Journal*, 35: 91-121.
- Knight, Don, et al. (1999), "Top management team diversity, group process, and strategic consensus." *Strategic Management Journal*, 20(5):445-465.
- Finkelstein, Sydney. (1992), "Power in top management teams: Dimensions, measures and validation." *Academy of Management Journal*, 35:505-538.

### **Session 5: Innovation**

#### **Required readings:**

- Gupta, A. K., Tesluk, P. E., & Taylor, M. S. 2007. Innovation at and across multiple levels of analysis. *Organization Science*, 18(6): 885-897.
- Guan, J.C., R.C.M. Yam, E.P.Y. Tang, A.K.W. Lau. 2009. Innovation strategy and performance during economic transition: Evidences in Beijing, China. *Research Policy* 38(5) 802-812.
- Semadeni, M. and B. S. Anderson (2010). "The follower's dilemma: innovation and imitation in the professional services industry." *Academy of Management Journal* 53(5): 1175-1193.
- Arora, A., S. Bbbelenzon, L. rios, 2014, Make, buy, organize: The interplay between research, external knowledge, and firm structure. *Strategic Management Journal*, 35(3): 317-337.
- Li, Q., Maggitti, P. G., Smith, K. G., Tesluk, P. E., & Katila, R. 2013. Top management attention to innovation: The role of search selection and intensity in new product introductions. *Academy of Management Journal*, 56(3): 893-916.

#### **Suggested Readings:**

- Tushman, M. and Anderson, P. (1986), "Technological discontinuities and organizational environments," *Administrative Science Quarterly*, 31: 439-465.
- Henderson, Rebecca, and Clark, Kim. (1990), "Architectural innovation: The reconfiguration of existing product technologies and the failure of established firms," *Administrative Science*

*Quarterly*, 35: 9-30.

Christensen, C. and Bower, J. (1996), "Customer power, strategic investment and the failure of leading firms," *Strategic Management Journal*, 17: 197-218.

Van de Ven, Andrew H. (1986), "Central problems in the management of innovation", *Management Science*, 32(5): 590-607.

Langlois, R.N. (2002), "Modularity in technology and organization", *Journal of Economic Behavior and Organization*, 49(1): 19-37.

### **Final Exam**

### **Teaching Methods**

Throughout the course, students will learn and hopefully soon become proficient in taking responsibility for discussing the readings and raising issues, both individually and as a group. Every student should be fully prepared to summarize the week's assigned readings, including:

- a) research questions (especially why it is important/meaningful)
- b) the key arguments and the logic behind
- c) pros and cons of research design
- d) conclusions and its relevance to business theory and phenomenon
- e) strengths, weaknesses, contributions to the field of strategy
- f) interesting areas/questions for discussion.

In order to facilitate the group learning, I will assign one student with primary responsibility for co-leading the discussion. His/her specific responsibility is:

- a) to assign each one of the weekly readings to a student (could be the co-leader himself), and let him/her present the paper along the above guidelines to the class. The presentation should be no more than 15 minutes. Please choose your own way to present that you believe is most effective (meaning no compulsory requirement for doing PPT slides, etc).
- b) co-lead class discussion with the instructor

The class format will involve some introductory remarks by the instructor, followed by

---

the paper presentation, and then the group discussion of your understanding of the papers for the day. We will conclude class by synthesizing the connections among the readings.

### **IT tools to be used in the classroom**

Computer and Projector

### **Textbooks**

None (Learning and class discussion is based on journal articles, not books)

### **References & Readings**

None (Learning and class discussion is based on journal articles, not books)

### **Videos, CD-ROMs and other adjunct learning resources used**

None

### **Rules students must follow**

Regular attendance and participation are critical to your successful completion of this course—we cover a great deal of material in each class and later classes build on work covered earlier in the term. You should prepare your note before each session and submit it to the instructor 12 hours before the class meeting. In the note, you are expected to discuss at least two of the required readings, describe the topics and core points of the readings, and, most importantly, offer your analysis of the strengths and weaknesses of the readings' central arguments.

It is important to appreciate that every member of the class is a co-producer of the class discussion, listen carefully to one another, and attempt to build on or constructively critique prior comments. An effective participant:

- \* is a good listener
- \* makes points relevant to the ongoing discussion
- \* makes comments that add to our understanding of the reading or article
- \* is willing to challenge ideas that are being expressed
- \* integrates material from past classes, other courses

### **Course Assessment**

The general course requirements are:

1. Class participation (40%):
2. Class preparation and memo (30%):



3. Term paper and presentation (30%)



光华管理学院  
Guanghua School of Management

30

1985-2015

• UG&PG  
本科 研究生 项目

---