

Preliminary Version

Syllabus: Networks and Organizations

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Location: TUM School of Management, München
Date: June 20th, 2022 – June 24th, 2022

COURSE OBJECTIVES

The study of networks has become crucial for the understanding of organization. In this class, we discuss research on social networks and examine how it informs our understanding of organizations – informing a variety of topics such as strategy, innovation, or entrepreneurship.

The goal of the class is to understand the theory as well as the methods underlying research on social networks.

ASSIGNMENTS

For each class you have to prepare a short memo about the paper. The memo should be no more than 1 + ½ page long. Do NOT summarize the readings. Outline instead how they relate to one another, for example how does one paper add to the finding of another paper. Also, use the end of the memo to suggest in 2-3 sentences a related idea you may study. You need to submit the memo by email before the class starts.

In the last session you need to present an idea for a research project on paper. The presentation is 10 minutes long. You do not need to have data – but an idea for a research design on how the question could be studied should be there. You can bring slides – but you do not have to.

GRADING

- 1) Class Memo (50 %)
- 2) Class Presentation (20 %)
- 3) Class Participation (30 %)

CLASSES AND READINGS**(1) Introduction & Nature of Ties - Monday – June 20th: Morning Session**

- Granovetter, M. (1985). Economic action and social structure: The problem of embeddedness. *American Journal of Sociology*, 91(3), 481–510.
- Uzzi, B. (1997). Social structure and competition in interfirm networks: The paradox of embeddedness. *Administrative Science Quarterly*, 42(1), 35–67.
- Powell, W. W. (1990). Neither market nor hierarchy: Network forms of organization. *Research in Organization Behavior*, 12, 295-336.

Optional

- Gibbons, R., & Henderson, R. (2012). Relational contracts and organizational capabilities. *Organization Science*, 23(5), 1350-1364.
- Frydlinger, D., Hart, O., & Vitasek, K. (2019). A new approach to contracts how to build better long-term strategic partnerships. *Harvard Business Review*.

(2) Weak Ties and Brokerage - Monday – June 20th: Morning Session

- Granovetter, M. S. (1973). The strength of weak ties. *American Journal of Sociology*, 78(6), 1360-1380.
- Burt, R. S. (2004). Structural holes and good ideas. *American Journal of Sociology*, 110(2), 349-399.
- Obstfeld, D. (2005). Social networks, the Tertius lungens orientation, and involvement in innovation. *Administrative Science Quarterly*, 50(1), 100-130.
- Sinan, A., & Van Alstyne, M. (2011). The diversity-bandwidth trade-off. *American Journal of Sociology*, 117(1), 90-171.

Optional

- Vedres, B., & Stark, D. (2010). Structural folds: Generative disruption in overlapping groups. *American Journal of Sociology*, 115(4), 1150-90.

(3) Partner Selection - Tuesday – June 21st: Morning Session

- Gulati, R., & Gargiulo, M. (1999). Where do interorganizational networks come from? *American Journal of Sociology*, 104(5), 1439-1493.
- Ingram, P., & Morris, M. W. (2007) Do people mix at mixers? Structure, homophily, and the “Life of the Party.” *Administrative Science Quarterly*, 52(4), 558-585.
- Mindruta, D., Moeen, M., & Agarwal, R. (2016). A two-sided matching approach for partner selection and assessing complementarities in partners' attributes in inter-firm alliances. *Strategic Management Journal*, 37(1), 206-231.
- Katila, R., Piezunka, H., Reineke, P., & Eisenhardt, K. M. (2021) Big fish Vs. big pond? Entrepreneurs, established firms, and antecedents of tie formation. *Academy of Management Journal*, Forthcoming.

Optional

- Baum, J. A. C., Cowan, R., & Jonard, N. (2010). Network-independent partner selection and the evolution of innovation networks. *Management Science*, 56(11): 2094-2110.

- Clement, J., & Puranam, P. (2018). Searching for structure: Formal organization design as a guide to network evolution. *Management Science*, 64(8), 3879-3895.
- Sytch, M., & Kim, Y. H. (2021) Quo Vadis? From the schoolyard to the courtroom. *Administrative Science Quarterly*, 66(1):177-219.

(4) Tie Evolution - Tuesday – June 21st: Afternoon Session

- Sorenson, O., & Waguespack, D. M. (2006). Social structure and exchange: Self-confirming dynamics in Hollywood. *Administrative Science Quarterly*, 51(4), 560-589.
- Dahlander, L., & McFarland, D. A. (2013). Ties that last: Tie formation and persistence in research collaborations over time. *Administrative Science Quarterly*, 58(1), 69-110.
- Piezunka, H., & Dahlander, L. (2019). Idea rejected, tie formed: Organizations' feedback on crowdsourced ideas. *Academy of Management Journal*, 62(2), 503–530.
- Clough, D. R., & Piezunka, H. (2020). Tie dissolution in market networks: A theory of vicarious performance feedback. *Administrative Science Quarterly*, 65(4), 972-1017.

(5) Multiplexity and Competition – June 22nd: Morning Session

- Ingram, P., & Roberts, P. W. (2000). Friendships among competitors in the Sydney hotel industry. *American Journal of Sociology*, 106(2), 387–423.
- Ingram, P. & Yue, L. Q. Y. (2008). Structure, affect and identity as bases of organizational competition and cooperation. *The Academy of Management Annals*, 2(1), 275-303.
- Piezunka, H., W. Lee, R. Haynes, and M. S. Bothner. 2018 “The Escalation of Competition into Conflict in Competitive Networks of Formula One Drivers.” *Proceedings of the National Academy of Sciences*, 115(15): E3361–E3367
- Li, J. B., & Piezunka, H. (2020). The uniplex third: Enabling single-domain role transitions in multiplex relationships. *Administrative Science Quarterly*, 65(2), 314-358.

(6) Network Perception - Wednesday – June 22nd: Afternoon Session

- Krackhardt, D. (1990). Assessing the political landscape: Structure, cognition, and power in organizations. *Administrative Science Quarterly*, 35(2), 342-369.
- Byron, K., & Landis, B. D. (2019). Relational Misperceptions in the Workplace: New Frontiers and Challenges. *Organization Science*, 31(1), 223-242.
- Smith, E. B., Brands, R. A., Brashears, M. E., & Kleinbaum, A. M. (2020). Social networks and cognition. *Annual Review of Sociology*, 46(1), 159–174.

(7) Networks, Innovation, and Creativity - Thursday – June 23rd: Morning Session

- Powell, W. W., Koput, K. W., & Smith-Doerr, L. (1996). Interorganizational collaboration and the locus of innovation: Networks of learning in biotechnology. *Administrative Science Quarterly*, 41(1), 116–145.
- Uzzi, B., & Spiro, J. (2005). Collaboration and creativity: The small world problem. *American Journal of Sociology*, 111(2), 447–504.
- de Vaan, M., Vedres, B., & Stark, D. (2015). Game changer: The topology of creativity. *American Journal of Sociology*, 120(4), 1144–1194.

**(8) Diffusion, Information Flow, and Learning - Thursday – June 23rd:
Afternoon Session**

- Davis, G. F., & Greve, H. R. (1997). Corporate elite networks and governance changes in the 1980s. *American Journal of Sociology*, 103(1), 1-37.
- Hansen, M. T. (1999). The search-transfer problem: The role of weak ties in sharing knowledge across organization subunits. *Administrative Science Quarterly*, 44(1), 82-111.
- Argote, L., & Ingram, P. (2000). Knowledge transfer: A basis for competitive advantage in firms. *Organizational Behavior and Human Decision Processes*, 82(1), 150–169.
- Centola, D., & Macy, M. (2007). Complex contagions and the weakness of long ties. *American Journal of Sociology*, 113(3), 702-734.

(9) People in organizations - Friday – June 24th: Morning Session

- Piezunka, H. and T. Grohsjean: “Peer Competition among Firms Sharing the same Partner: Divergent Effect on Firm- and Employee-Success”
- Kleinbaum, A. M. (2012). Organizational misfits and the origins of brokerage in intrafirm networks. *Administrative Science Quarterly*, 57(3), 407–452.
- Goldberg, A., Srivastava, S. B., Manian, V. G., Monroe, W., & Potts, C. (2016). Fitting in or standing out? The tradeoffs of structural and cultural embeddedness. *American Sociological Review*, 81(6), 1190-1222.
- Phillips, D. J., & Zuckerman, E. W. (2001). Middle - Status conformity: Theoretical restatement and empirical demonstration in two markets. *American Journal of Sociology*, 107(2), 379-429.

(10) Your ideas - Friday – June 24th: Afternoon Session

In this session you present your ideas

ABOUT THE INSTRUCTOR



Henning Piezunka is an Associate Professor of Entrepreneurship at INSEAD. He obtained a Diplom Kaufmann from the University of Mannheim (Germany), a Master of Science from the London School of Economics (UK), and a PhD from Stanford University (US). At Stanford, he received the scholarship in computational social science. Henning is a researcher in the areas of competition and

innovation and publishing his work in top academic journals (e.g., the *Administrative Science Quarterly*; *Academy of Management Journal*, and *PNAS*).

Before entering academia, he co-founded an IT company in 1998 and was the founder-CEO before selling it in January 2016. By 2016 Henning's company employed more than 30 people and served customers in more than 80 countries

Henning's teaching focus is on the class "New Business Ventures". He teaches the class for MBAs as well as for Executive MBAs. Henning has received outstanding teaching ratings, has been on the INSEAD Dean's list for excellence in MBA teaching, and has won the INSEAD best teacher award multiple times.