

Syllabus: Networks and Organizations

Henning Piezunka (Instructor)

Associate Professor

henning.piezunka@insead.edu

Location: TUM School of Management, München

Date: July 10th, 2023 – July 14th, 2023

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 papers. The memo should be no more than 2 pages long (font size 12; double spaced, Times New Roman). 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. Please write into the subject simply “Memo for Session [Session Number]”. While the focus should be on the readings assigned for the focal session, I encourage to also draw upon and integrate readings from other sessions.

GRADING

- 1) Class Memo (50 %)
- 2) Class Participation (50 %)

CLASSES AND READINGS

(1) Introduction - Monday – July 10th: Morning Session: 9:00 – 12:00

- 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.
- Borgatti, S. P., Mehra, A., Brass, D. J., & Labianca, G. (2009). Network analysis in the social sciences. *Science*, 323(5916): 892-895.

(2) Partner Selection - Monday – July 10th: Afternoon Session: 14:00 – 17:00

- 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.
- 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.
- Sytch, M., & Kim, Y. H. (2021) Quo Vadis? From the schoolyard to the courtroom. *Administrative Science Quarterly*, 66(1):177-219.
- Reagans, R., Zuckerman, E., & McEvily, B. (2004). How to make the team: Social networks vs. demography as criteria for designing effective teams. *Administrative Science Quarterly*, 49(1): 101-133.
- Rogan, M., & Sorenson, O. (2014). Picking a (poor) partner: A relational perspective on acquisitions. *Administrative Science Quarterly*, 59(2): 301-329.
- Casciaro, T., & Lobo, M. S. (2015). Affective primacy in intraorganizational task networks. *Organization Science*, 26(2): 373-389.
- Rivera, L. A. (2015). Go with your gut: Emotion and evaluation in job interviews. *American Journal of Sociology*, 120(5): 1339-1389.
- Rivera, L. A. (2020). Employer decision making. *Annual Review of Sociology*, 46: 215-232.
- Brennecke, J. (2020). Dissonant Ties in Intraorganizational Networks: Why Individuals Seek Problem-Solving Assistance from Difficult Colleagues. *Academy of Management Journal*, 63(3): 743–778.

(3) Tie Evolution - Tuesday – July 11th: Morning Session: 9:00 – 12:00

- 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.
- Brands, R. A., & Fernandez-Mateo, I. (2017). Leaning out: How negative recruitment experiences shape women's decisions to compete for executive roles. *Administrative Science Quarterly*, 62(3): 405-442.
- Rogan, M. (2014). Executive departures without client losses: The role of multiplex ties in exchange partner retention. *Academy of Management Journal*, 57(2): 563-584.

(4) Competition – Tuesday – July 11th: Afternoon Session: 14:00 – 17:00

- Porac, J. F., Thomas, H., Wilson, F., Paton, D., & Kanfer, A. (1995). Rivalry and the industry model of Scottish knitwear producers. *Administrative Science Quarterly*, 40(2): 203-227.
- 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. *Academy of Management Annals*, 2(1): 275-303.
- Piezunka, H., Lee, W., Haynes, R., & Bothner, M. S. (2018). Escalation of competition into conflict in competitive networks of Formula One drivers. *Proceedings of the National Academy of Sciences*, 115(15): E3361-E3367.
- Piezunka, H., & Grohsjean, T. (2023). Collaborations that hurt firm performance but help employees' careers. *Strategic Management Journal*, 44(3): 778-811.
- Thatchenkery, S., & Katila, R. (2021). Seeing what others miss: A competition network lens on product innovation. *Organization Science*, 32(5): 1346-1370.
- Thatchenkery, S., & Piezunka, H. (2023). Renewal of interfirm collaborations: A theory of (mis-)aligned perception. *Working Paper*.
- Zuckerman, E. W., & Sgourev, S. V. (2006). Peer capitalism: Parallel relationships in the US economy. *American Journal of Sociology*, 111(5): 1327-1366.
- Gimeno, J., & Woo, C. Y. (1996). Hypercompetition in a multimarket environment: The role of strategic similarity and multimarket contact in competitive de-escalation. *Organization Science*, 7(3) : 322-341.

(5) Networks, Innovation, and Creativity - Wednesday – July 12th: Morning Session: 9:00 – 12:00

- 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 iungens 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.
- 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.
- Reagans, R., & Zuckerman, E. W. (2001). Networks, diversity, and productivity: The social capital of corporate R&D teams. *Organization Science*, 12(4): 502-517.

- Uzzi, B., & Spiro, J. (2005). Collaboration and creativity: The small world problem. *American Journal of Sociology*, 111(2): 447–504.
- Haas, M. R., & Hansen, M. T. (2007). Different knowledge, different benefits: Toward a productivity perspective on knowledge sharing in organizations. *Strategic Management Journal*, 28(11): 1133-1153.
- Davis, J. P., & Eisenhardt, K. M. (2011). Rotating leadership and collaborative innovation: Recombination processes in symbiotic relationships. *Administrative Science Quarterly*, 56(2): 159-201.

(6) Embedded Interactions - Wednesday – July 12th: Afternoon Session: 14:00 – 17:00

- Li, J. B., & Piezunka, H. (2020). The uniplex third: Enabling single-domain role transitions in multiplex relationships. *Administrative Science Quarterly*, 65(2): 314-358.
- Levin, D. Z., Walter, J., & Murnighan, J. K. (2011). Dormant ties: The value of reconnecting. *Organization Science*, 22(4): 923-939.
- Gibson, D. R. (2005). Taking turns and talking ties: Networks and conversational interaction. *American Journal of Sociology*, 110(6): 1561-1597.
- Ertug, G., Brennecke, J., & Tasselli, S. (2023). Theorizing about the implications of multiplexity: An integrative typology. *Academy of Management Annals*, In-Press.
- McFarland, D. A., Jurafsky, D., & Rawlings, C. (2013). Making the connection: Social bonding in courtship situations. *American Journal of Sociology*, 118(6): 1596-1649.
- Clement, J., & Puranam, P. (2018). Searching for structure: Formal organization design as a guide to network evolution. *Management Science*, 64(8): 3879-3895.
- Pillemer, J. & Rothbard, N. P. (2018). Friends without benefits: Understanding the dark sides of workplace friendship. *Academy of Management Review*, 43(4): 635–660.

Please let me know which reading from other (prior) sessions you find helpful for this session at the beginning of the class.

(7) Network Perception - Thursday – July 13th: Morning Session: 9:00 – 12:00

- Krackhardt, D. (1990). Assessing the political landscape: Structure, cognition, and power in organizations. *Administrative Science Quarterly*, 35(2): 342-369.
- Casciaro, T. (1998). Seeing things clearly: Social structure, personality, and accuracy in social network perception. *Social Networks*, 20(4): 331-351.
- Casciaro, T., Carley, K. M., & Krackhardt, D. (1999). Positive affectivity and accuracy in social network perception. *Motivation and Emotion*, 23: 285-306.
- Byron, K., & Landis, B. D. (2019). Relational misperceptions in the workplace: new frontiers and challenges. *Organization Science*, 31(1): 223-242.
- Kuwabara, K., Cao, J., Cho, S. S., & Ingram, P. (2022). Lay theories of instrumental relations: Explaining individual differences in dispositional similarity-attraction. *Academy of Management Journal*, In-Press.
- Kuwabara, K., Hildebrand, C. A., & Zou, X. (2018). Lay theories of networking: How laypeople's beliefs about networks affect their attitudes toward and engagement in instrumental networking. *Academy of Management Review*, 43(1): 50-64.

- Kuwabara, K., Zou, X., Aven, B., Hildebrand, C., & Iyengar, S. (2020). Lay theories of networking ability: Beliefs that inhibit instrumental networking. *Social Networks*, 62: 1-11.

Please let me know which reading from other (prior) sessions you find helpful for this session at the beginning of the class.

(8) Network Agency - Thursday – July 13th: Afternoon Session: 14:00 – 17:00

- Gargiulo, M., & Benassi, M. (2000). Trapped in your own net? Network cohesion, structural holes, and the adaptation of social capital. *Organization Science*, 11(2): 183-196.
- Dufour, L., Escribano, P. I., & Maoret, M. (2021). (How) will I socialize you? The impact of supervisor initial evaluations and subsequent support on the socialization of temporary newcomers. *Organization Science*, 32(3): 881-908.
- Carnabuci, G., & Quintane, E. (2022). When people build networks that hurt their performance: Structural holes, cognitive style, and the unintended consequences of person-network fit. *Academy of Management Journal*, In-Press.
- Lee, Y. G., & Gargiulo, M. (2022). Escaping the survival trap: Network transition among early-career freelance songwriters. *Administrative Science Quarterly*, 67(2): 339-377.
- Bensaou, B. M., Galunic, C., & Jonczyk-Sédès, C. (2014). Players and purists: Networking strategies and agency of service professionals. *Organization Science*, 25(1): 29-56.
- Mell, J. N., Quintane, E., Hirst, G., & Carnegie, A. (2022). Protecting their turf: When and why supervisors undermine employee boundary spanning. *Journal of Applied Psychology*, 107(6): 1009–1019.

Please let me know which reading from other (prior) sessions you find helpful for this session at the beginning of the class.

(9) Fitting in - Friday – July 14th: Morning Session: 9:00 – 12:00

- 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.
- Rivera, L. A. (2012). Hiring as cultural matching: The case of elite professional service firms. *American Sociological Review*, 77(6): 999-1022.

Please let me know which reading from other (prior) sessions you find helpful for this session at the beginning of the class.

(10) Diversity and Networks - Friday – July 14th: Afternoon Session: 14:00 – 17:00

- Ely, R. J. (1994). The effects of organizational demographics and social identity on relationships among professional women. *Administrative Science Quarterly*, 39(2): 203-238.
- Ibarra, H. (1995). Race, opportunity, and diversity of social circles in managerial networks. *Academy of Management Journal*, 38(3): 673-703.
- Ely, R. J., & Thomas, D. A. (2001). Cultural diversity at work: The effects of diversity perspectives on work group processes and outcomes. *Administrative Science Quarterly*, 46(2): 229-273.
- Fernandez-Mateo, I., & Fernandez, R. M. (2016). Bending the pipeline? Executive search and gender inequality in hiring for top management jobs. *Management Science*, 62(12): 3636-3655.
- Fernandez, R. M., & Fernandez-Mateo, I. (2006). Networks, race, and hiring. *American Sociological Review*, 71(1): 42-71.
- Mehra, A., Kilduff, M., & Brass, D. J. (1998). At the margins: A distinctiveness approach to the social identity and social networks of underrepresented groups. *Academy of Management Journal*, 41(4): 441-452.
- Dumas, Tracy L., Phillips, Katherine W., & Rothbard, Nancy P. (2013). Getting Closer at the Company Party: Integration Experiences, Racial Dissimilarity, and Workplace Relationships. *Organization Science*, 24(5): 1377–1401.
- Mollica, K. A., Gray, B., & Trevino, L. K. (2003). Racial homophily and its persistence in newcomers' social networks. *Organization Science*, 14(2): 123-136.
- Merluzzi, J. (2017). Gender and negative network ties: Exploring difficult work relationships within and across gender. *Organization Science*, 28(4): 636-652.
- Phillips, K. W., Liljenquist, K. A., & Neale, M. A. (2009). Is the pain worth the gain? The advantages and liabilities of agreeing with socially distinct newcomers. *Personality and Social Psychology Bulletin*, 35(3): 336-350.

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). Henning studies how organizations can be more innovative and effective by being more structurally inclusive. He has expertise on family

businesses, crowdsourcing, social networks, 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*, *Organization Science*, 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.