

SELECTED READINGS

Bazerman, Max H.; and Jared R. Curhan. (2000). Negotiation. *Annual Review of Psychology*, vol. 51, no. 1, pp. 279–315.

This article focuses on the psychological study of negotiation, including the history of the negotiation game; the development of mental models on negotiation; the definition of negotiation rules based on concerns of ethics, fairness, and values; the impact of the selection of communication medium on the negotiation game; and the impact of cross-cultural issues on perception and of behavior on negotiation.

Chang, Sea Jin. (2004). Venture Capital Financing, Strategic Alliances, and the Initial Public Offerings of Internet Startups. *Journal of Business Venturing*, vol. 19, no. 5, pp. 721–41.

In this study the author examines how Internet start-ups' venture-capital financing and strategic alliances affect these start-ups' ability to acquire the resources necessary for growth. Using the initial public offering (IPO) event as an early-stage measure for an Internet start-ups' performance and controlling for the IPO market environment, this study found that three factors positively influence a start-up's time to IPO: (1) the reputations of participating venture-capital firms and strategic alliance partners, (2) the amount of money the start-up raised, and (3) the size of the start-up's network of strategic alliances.

Dietmeyer, Brian J.; and Max H. Bazerman. (2001). Value Negotiation. *Executive Excellence*, vol. 18, no. 4, p. 7.

This article advises executives on value negotiation, including developing wise trades in value creation, building trust and sharing information in an open and truthful manner, asking questions, making multiple offers simultaneously, and searching for postsettlement settlements.

George, Gerard; Shaker A. Zahra; and D. Robley Wood, Jr. (2002). The Effects of Business–University Alliances on Innovative Output and Financial Performance: A Study of Publicly Traded Biotechnology Companies. *Journal of Business Venturing*, vol. 17, no. 6, pp. 557–90.

Analysis of 2,457 alliances undertaken by 147 biotechnology firms shows that companies with university linkages have lower R&D expenses and higher levels of innovative output. However, the results do not support the proposition that companies with university linkages achieve higher financial performance than similar firms without such linkages.

Gulati, Ranjay; and Monica C. Higgins. (2003). Which Ties Matter When? The Contingent Effects of Interorganizational Partnerships on IPO Success. *Strategic Management Journal*, vol. 24, no. 2, pp. 127–45.

This paper investigates the contingent value of interorganizational relationships at the time of a young firm's initial public offering (IPO). Results show that ties to prominent venture-capital firms are particularly beneficial to IPO success during cold markets, while ties to prominent investment banks are particularly beneficial to IPO success during hot markets; a firm's strategic alliances with major pharmaceutical and health-care firms did not have such contingent effects.

Holmberg, Stevan R.; and Kathryn Boe Morgan. (2003). Franchise Turnover and Failure: New Research and Perspectives. *Journal of Business Venturing*, vol. 18, no. 3, pp. 403–19.

This paper's new franchise failure concept reconciles many prior, seemingly inconsistent study results based largely on franchisors' surveys. Overall franchisee turnover rates are significant and appear to have increased over time.

Katila, Riitta; Jeff Rosenberger; and Kathleen Eisenhardt. (2008). Swimming with Sharks: Technology Ventures, Defense Mechanisms and Corporate Relationships. *Administrative Science Quarterly*, vol. 53, no. 2, pp. 295–332.

This paper focuses on the tension that firms face between the need for resources from partners and the potentially damaging misappropriation of their own resources by corporate "sharks." The findings show that entrepreneurs take a risk when they need resources that established firms uniquely provide (i.e., financial and manufacturing) and when they have effective defense mechanisms to protect their own resources (i.e., secrecy and timing). [Abstract from authors.]

Kenis, Patrick; and David Knoke. (2002). How Organizational Field Networks Shape Interorganizational Tie-Formation Rates. *Academy of Management Review*, vol. 27, no. 2, pp. 275–94.

The authors investigate the impact of communication in field-level networks on rates of formation of interorganizational collaborative ties, such as strategic alliances and joint ventures.

Marino, Louis; Karen Strandholm; Kevin H. Steensma; and Mark K. Weaver. (2002). The Moderating Effect of National Culture on the Relationship between Entrepreneurial Orientation and Strategic Alliance Portfolio Extensiveness. *Entrepreneurship: Theory & Practice*, vol. 26, no. 4, pp. 145–61.

This article examines the moderating effect of national culture on the relationship between entrepreneurial orientation and strategic alliance portfolio extensiveness.

Michael, Steven C. (2003). First Mover Advantage through Franchising. *Journal of Business Venturing*, vol. 18, no. 1, pp. 61–81.

Franchising has been argued to be a technique used by entrepreneurs in service industries to assemble resources to rapidly create large chains and gain first-mover advantage. Whether and how such first-mover advantage is created is the subject of this paper. A structural equations model is specified, and empirical results from the restaurant industry support the model's predictions that the first-mover advantage initially takes the form of a lead in the number of retail outlets, followed by a market share lead and, finally, superior profitability.

Michael, Steven C. (2000). Investment to Create Bargaining Power: The Case of Franchising. *Strategic Management Journal*, vol. 21, no. 4, pp. 497–517.

In this article the author argues that the franchisor can make investments in activities to increase its bargaining power and decrease conflict and litigation in a franchise system. Includes tapered integration, ownership of some units with franchisement of others, selection of inexperienced franchisees, and employment of a long training program.

Park, Seung H.; Roger R. Chen; and Scott Gallagher. (2002). Firm Resources as Moderators of the Relationship between Market Growth and Strategic Alliances in Semiconductor Start-Ups. *Academy of Management Journal*, vol. 45, no. 3, pp. 527–46.

The results of this study indicate that, in volatile markets, resource-rich firms access external resources through alliances whereas resource-poor firms are less likely to do so. However, in relatively stable markets, this relationship reverses, and resource-poor firms become more active in alliance formation.

Pearce II, John A.; and Louise Hatfield. (2002). Performance Effects of Alternative Joint Venture Resource Responsibility Structures. *Journal of Business Venturing*, vol. 17, no. 4, pp. 343–65.

The authors examine the relationship between the acquirers of a joint venture's (JV's) resources and the JV's performance in achieving its partners' goals in the United States. Topics covered include the impact of alternative resource responsibility structures on JV performance, variation in resources received by JVs, and implications for business theory development and practicing managers.

Sarkar, M. B.; R. A. J. Echambadi; and Jeffrey S. Harrison. (2001). Alliance Entrepreneurship and Firm Market Performance. *Strategic Management Journal*, vol. 22, no. 6/7, pp. 701–12.

This article extends entrepreneurship into the domain of alliances and examines the effect of alliance proactiveness on market-based firm performance, including the higher performance of firms that are proactive in forming alliances, and the moderating influences of firm size and environmental uncertainty on the relationship between alliance proactiveness and performance.

Wiklund, Johan; and Dean A. Shepherd. (2009). The Effectiveness of Alliances and Acquisitions: The Role of Resource Combination Activities. *Entrepreneurship: Theory & Practice*, vol. 33, no. 1, pp. 193–212.

Resource complementarity increases the potential value of alliances and acquisitions, but the extent to which the value potential of an alliance or an acquisition becomes realized depends on the ability of the firm to discover and conduct productive resource combinations. Using a sample of 319 small firms, the authors separate domestic from international alliances and acquisitions and show that alliances and acquisitions bring limited benefits to firms unless a deliberate effort is devoted to resource combination.