Overview
Strategy research aims to understand what drives the heterogeneity of performance across firms. This PhD seminar surveys the major theoretical perspectives used in strategy research. An illustrative list of issues addressed in this seminar includes: identifying the profit potential of different industry configurations; exploring relationships between firm scale, scope, and performance; and understanding the cognitive and organizational antecedents of firm-level outcomes such as innovation and profitability.

This seminar is a required course for doctoral students in the strategy department at the University of Michigan. Because many of the issues examined in the course (e.g., vertical integration, firm diversification, industry structure, organizational and inter-organizational networks) are also common themes in other disciplines such as industrial organization economics, accounting, marketing, information systems, and organizational and economic sociology, this course may also be useful to students with research interests in these areas.

The goals of the seminar are the following:

1. To familiarize you with the main theoretical, empirical, and methodological traditions in strategy research.
2. To help you develop the skills to understand, critique, and contribute to the field of strategy.

The course is informed by both economic and behavioral views of strategy. In order to cover a broad array of issues in strategy research, the readings are biased towards foundational and survey works, although most sessions include at least one empirical or modeling paper that exemplifies work that is done near the knowledge frontier.

Because of the breadth of strategy research, a course like this is inevitably incomplete. Hence, the course aims to inform you about the main conversations in the field, while you are responsible for mastering the specific literatures that matter to your research.

Requirements
You are required to read all the assigned materials for each session and be prepared to actively participate in the discussions. In addition, the course has three other requirements:

1. Reaction notes. For four sessions of the course (you choose which ones), you should prepare a one-page document with your critical thoughts about the readings assigned to that session. Do not write a summary of the readings (doing so will be penalized), but provide your thoughts on what you find particularly remarkable or problematic about the readings, and what novel connections or extensions the readings spark on
you. Please upload this document to our shared folder before 8:00am the day of the corresponding session.\footnote{The Internet address of the folder will be shared before the first session. All documents you upload to this folder must be in PDF format. Please include your last name in the file name.}

2. **Paper discussion.** All the readings of the course will be evenly split among the students.\footnote{I will assign the readings for session \#1, for all the other sessions, you are in charge of assigning the readings among yourselves. All of the readings will be available in the course shared folder.} Your role is to initiate the discussion of the reading you are in charge of. To do so, prepare a 5-minute presentation with no more than six slides (or an equivalent text outline) with the following suggested headings: (1) main question and why it matters, (2) method, (3) result, (4) implications, (5) discussion (i.e., thoughtful questions and ideas you pose to the class regarding key assumptions, problems, extensions, connections, etc.). You can add a sixth heading anywhere in the structure to delve into further detail about any other aspect of the paper you consider important. *The goal of your presentation is not to summarize the reading (which we will all have read), but to highlight what you believe is particularly remarkable.* Please upload this document to our shared folder before the beginning of the corresponding session.

3. **Term paper.** Each student is responsible for an individual research project. A first deliverable (due on session \#3) is a 1-page proposal pointing to a relevant, open question in strategy and outlining a method for investigating it. You need to clear your proposal with me before proceeding to write your term paper. The term paper (due on Wednesday, December 23 at 9:00am) consists of the front end of a paper (i.e., introduction and theoretical motivation) plus an outline of the rest of the paper. For instance, if in the front end you propose an empirical test, then the rest of the paper could discuss the dataset you would use, examples of analyses you would run, and a preliminary discussion; or, if in the front end of the paper you propose a model, the rest of the paper could include a first draft of the model, a simple analysis, and a preliminary discussion of the results. The paper should be no longer than 25 double-spaced pages.

### Grading

The final grade is computed using the following weights:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
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<tbody>
<tr>
<td>Class participation</td>
<td>20%</td>
</tr>
<tr>
<td>Reaction notes</td>
<td>20%</td>
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<tr>
<td>Paper discussions</td>
<td>20%</td>
</tr>
<tr>
<td>Term paper</td>
<td>40%</td>
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</tbody>
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### Reading List

Note: for each session, all the numbered readings are required, while those marked with a bullet are optional. I suggest you at least skim the optional readings, as they will add valuable context to your understanding of the literature.
1. Origins of strategy, positioning, and diversification

*Monday, October 19, 3:00pm–6:00pm*


2. Resources, capabilities, and dynamic capabilities

Monday, October 26, 3:00pm–6:00pm


3. Firm boundaries and the value-based view

Monday, November 2, 3:00pm–6:00pm


4. Knowledge and learning
Monday, November 9, 3:00pm–6:00pm


5. Information processing

Monday, November 16, 3:00pm–6:00pm


6. Evolution and fit

Monday, November 30, 3:00pm–6:00pm


7. Technological change and organizational adaptation

Monday, December 7, 3:00pm–6:00pm


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Appendix: Reading the classics

The articles we discuss in the course have their intellectual roots in a core set of classic books. We do not have time in the course to read and explicitly discuss these books, but I strongly recommend that you read them during your first few years in the PhD program. The books I consider “the classics” are:

You may also find it helpful to read books that provide an overview of a literature. The following are some examples:


