

RESEARCH METHODS SBS

INTRODUCTION

This course is designed to lay a foundation for empirical research in management. The course is not meant to create skilled researchers in any particular method. Rather, this course will complement all the other basic and advanced courses you are / will be taking with the goal of grasping a better understanding of the steps required to develop successfully your research projects.

OBJECTIVES

The main objective of this course is to improve the design of your future research projects. To this end, we will focus on the importance of careful theoretical thinking and on the conceptual difficulties associated with establishing causality in empirical work. This is not a “cookbook tools” course, though several tools will be discussed. And this is not a statistics course, though statistical concepts, problems, and analyses will be considered.

LEARNING OUTCOMES

When you have completed this course, you will be (better) able to:

- Understand and criticize the main research methods that can be applied in management studies;
- Understand what it takes to write a (good) dissertation;
- Identify the best research methods for your research questions;
- Understand that good research depends on the careful application of techniques to a carefully defined and interesting problem, rather than unusual genius or expertise in the researcher;
- Develop and practice the knowledge and skills necessary to conduct, review, and publish management research;
- Present and defend your research ideas.

COMPETENCIES

GENERAL COMPETENCIES

CG6: Use appropriate tools and techniques for problem solving, correction contrasting and decision validation.

SPECIFIC COMPETENCIES

CE1: Understand the concepts of social and human sciences relevant and necessary to carry out research projects of international level in the area of business management.

CE3: Organization, planning and implementation of a research project related to social sciences.

CE4: Distinguishing of the different fields of management sciences and acknowledgement of the research methodologies related to them.

CE5: Ability to understand state-of-the-art research in organization theory published in the top academic journals (Administrative Science Quarterly, Academy of Management Journal, Organization Science, etc.) and compare and contrast the arguments developed in the papers from a logical and empirical point of view.

CE7: Ability to articulate research questions that could extend our understanding of the field, and design a research program to answer them.

CE9: Analyze and relate the main contributions of the economy to the study of organizations and contrast them with statistical, econometric or qualitative methods.

CE17: Ability to critically establish, the relevance and significance of the results obtained with respect to the proposed objectives, and prepare conclusions within the framework of current scientific knowledge on the topic in question.

CE18: Develop a scientific / technical report or research work with the objective to inform the scientific community on the contribution of the research conducted, making use of adequate information technology for both acquisition and dissemination of research results.

CONTENT

The course is divided in three main blocks: (1) Introduction to research in the field of management; (2) Introduction to the importance of theory in management research; (3) Discussion of the main conceptual issues related to establishing causality in empirical work.

METHODOLOGY

The course will be organized as a collaborative seminar in which the instructor and the students work together in the production of the content and of the learning.

EVALUATION

There are three main requirements for successfully completing this course:

1. Class participation
 2. “Research idea” presentation
 3. Review of a paper
- You are expected to come to class prepared to discuss all the material assigned and to contribute to class discussion. Class participation will count for 40% toward your final grade.
 - You are expected to present and discuss (with particular emphasis on the methodological issues and empirical strategy) a “research idea”. This does not need to be a full-blown research proposal that will necessarily lead to your thesis, but rather an opportunity for you to choose an issue that is of interest to you, and spend some time thinking about what you need to do in order to accomplish it – see Assignments 1, 2, and 3. These three assignments will count for 40% toward your final grade.
 - You are also expected to write up a critical review of a paper – see Assignment 4. This means that, just like you will do in the future of your career, you will be reviewing a paper discussing its merits and its shortcomings, identifying and recommending a possible course of action to improve the paper. This will count 20% toward the definition of your final grade.

ASSIGNMENTS

1. Write a brief statement (max 1 page of a Word document) on a research question you are interested in. Due on January 5, 2:00 pm (send it via email to the instructor).
2. On the basis of what we have seen so far in the course and given the discussion of your previous Assignment (i.e., Assignment 1), re-write a short document on your research question, suggesting also some explicit hypotheses. Due on February 3, 2:00 pm (send it via email to the instructor).
3. Present and discuss an “ideal” research design and empirical strategy to test your research question. I expect to see a description of your data (clearly, you do not need to

have the data you would like to use, but it should be feasible to collect them), a specification for the regression(s) you will perform, and a discussion of the assumptions that are necessary in order to believe that your analyses are an answer to your research question. This document should be a Power Point and will be also presented in class. Due on March 9, 2:00 pm (send it via email to the instructor).

4. Read the paper assigned for the session and then write a critical review of the paper (Due on March 16, 2:00 pm, send it via email to the instructor). In particular, you might want to answer the following questions:
- Is there a clear research question? Is it well motivated? Is it relevant and interesting? Why or why not?
 - How do you evaluate the hypotheses implicitly or explicitly provided in the paper? Are they well grounded and justified? Why or why not? Are they novel and original? Why or why not?
 - Consider the empirical section of the paper. Is it convincing / appropriate? What criticisms can you (meaningfully) raise? What suggestions would you provide? What additional empirical analyses would you like to see?
 - How do you evaluate the paper overall? Does the submission make a significant contribution to existing research? How and why? What do you think is the 'key point' of the paper that needs to be highlighted? What is the most important limitation of the paper?
 - Should you suggest an interesting avenue for future, related research to the authors, what would you suggest? (You can read the question also in the following way: should you plan a study in this -or a strictly related- field, what issue/theme would you like to explore?)

COURSE OUTLINE AND BIBLIOGRAPHY

Session 1 (Jan 7). Introduction to the course.

- King A., Baatartogtokh B. 2015. How useful is the theory of disruptive innovation? *Sloan Management Review*, Fall: 77-90.
- Harton R. 2015. Offline. What is medicine's 5 sigma? *The Lancet*, 385: 1380.
- Gulati R. 2007. Tent poles, tribalism and boundary spanning: The rigor-relevance debate in management research. *Academy of Management Journal*, 50: 775-782.

Session 2 (Jan 7). Discussion of students' research questions.

See Assignment 1.

Sessions 3 and 4 (Jan 14). What is theory and why do we need it?

- Stinchcombe A. 1968. *Constructing social theories*. The University of Chicago Press. Chapter 2.
- Corley KG., Gioia DA. 2011. Building theory about theory building: What constitutes a theoretical contribution? *Academy of Management Review*, 36: 12-32.
- Bettis R., Gambardella A., Helfat C., Mitchell W. 2014. Theory in strategic management. *Strategic Management Journal*, 35: 1411-1413.
- Hambrick DC. 2007. The field of management's devotion to theory: Too much of a good thing? *Academy of Management Journal*, 50: 1346-1351.

Sessions 5 and 6 (Jan 21). Verbal theory.

- Barney J. 1991. Firm resources and sustained competitive advantage. *Journal of Management*, 17: 99-120.
- Priem RL., Butler JE. 2001. Is the Resource-Based Theory a Useful Perspective for Strategic Management Research? *Academy of Management Review*, 26: 22-40.
- Barney JB. 2001. Is the Resource-Based Theory a Useful Perspective for Strategic Management Research? Yes. *Academy of Management Review*, 26: 41-56.
- Priem RL., Butler JE. 2001. Tautology in the Resource-Based View and Implications of Externally Determined Resource Value: Further Comments. *Academy of Management Review*, 26: 57-66.
- Adner R., Polos L., Ryall M., Sorenson O. 2009. The case for formal theory. *Academy of Management Review*, 34: 201-208.

Sessions 7 and 8 (Jan 28). Simulations and analytic models.

- Rivkin J. 2000. Imitation of complex strategies. *Management Science*, 46: 824-844.
- Davis J., Eisenhardt K., Bingham C. 2007. Developing theory through simulation methods. *Academy of Management Review*, 32: 480-499.
- Saloner G. 1991. Modeling, game theory, and strategic management. *Strategic Management Journal*, 12: 119-136.
- Camerer CF. 1991. Does strategy research need game theory? *Strategic Management Journal*, 12: 137-152.
- Schmalensee R. 1983. Entry deterrence in the ready-to-eat breakfast cereal industry. *The Bell Journal of Economics*, 9: 305-327.
- Klepper S. 1996. Entry, exit, growth, and innovation over the product life cycle. *American Economic Review*, 86: 562-583.

Session 9 (Feb 4). Discussion of students' revised research questions.

See Assignment 2.

Session 10 (Feb 4). Identification.

- Angrist J., Pischke JS. 2009. *Mostly harmless econometrics*. Princeton University Press. Chapter 1 and chapter 2.
- Freeman DA. 1991. Statistical model and shoe leather. *Sociological Methodology*, 21: 219-313.

Sessions 11 and 12 (Feb 11). Inferring causality from non-experimental data.

- Villalonga B. 2004. Does Diversification Cause the 'Diversification Discount'? *Financial Management*, 33: 5-27.
- Shaver JM. 1998. Accounting for endogeneity when assessing strategy performance: Does entry mode choice affect FDI survival? *Management Science*, 44: 571-585.
- Cuñat V., Gine M., Guadalupe M. 2012. The vote is cast: The effect of corporate governance on shareholder value. *The Journal of Finance*, 67: 1943-1977.
- Winship C., Morgan, S.L. 1999. The estimation of causal effect from observational data. *Annual Review of Sociology*, 25: 659-706.

Sessions 13 and 14 (Feb 18). Quasi-natural experiments.

- Waldinger F. Quality Matters: The Expulsion of Professors and the Consequences for PhD Student Outcomes in Nazi Germany. *Journal of Political Economy*, 118: 787-831.
- Azoulay P., Graff Zivin J., Wang J. 2010. Superstar extinction. *Quarterly Journal of Economics*, 125: 549-589.
- Bertrand M., Mullainathan S. 2003. Enjoying the quiet life? Corporate governance and managerial preferences. *Journal of Political Economy*, 111: 1043-1075.
- Karpoff J., Wittry M. 2014. *Test identification with legal changes: The case of antitakeover laws*. Working paper.

Sessions 15 and 16 (Feb 25). Field and lab experiments.

- Blank R. 1991. The effect of double-blind versus single-blind reviewing: Experimental evidence from the American Economic Review. *American Economic Review*, 81: 1041-1067.
- Bloom N., Eifert B., Mahajan A., McKenzie D., Roberts J. 2013. Does management matter? Evidence from India. *Quarterly Journal of Economics*, 128: 1-51.
- Lacetera N., Macis M., Slonim R. 2014. Rewarding volunteers: A field experiment. *Management Science*, 60: 1107-1129.

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- Hoever IJ., Van Knippenberg D., Van Ginkel WP., Barkema HG. 2012. Fostering Team Creativity: Perspective Taking as Key to Unlocking Diversity's Potential. *Journal of Applied Psychology*, 97: 982-996.

Sessions 17 and 18 (Mar 3). Insider econometrics and reverse causality.

- Gelman, A., Imbens, G. 2013. *Why ask why? Forward causal inference and reverse causal questions*. NBER Working Paper No. 19614.
- Bertrand M., Schoar A. 2003. Managing with style: The effect of managers on firm policies. *Quarterly Journal of Economics*, 118: 1169-1208.
- Birhanu A., Gambardella A., Valentini G. 2015. Bribery and investments: Firm-level evidence from Africa and Latin America. *Strategic Management Journal*, forthcoming.
- Ichniowski C., Shaw KL. 2009. *Insider econometrics: Empirical studies of how management matters*. NBER Working Paper No. 15618.

Sessions 19 and 20 (Mar 10). Presentation of students' empirical strategy.

See Assignment 3.

Session 21 (Mar 17). Scientific inference in qualitative research.

- King G., Keohane R.O., Verba S. 1996. *Designing social inquiry: Scientific inference in qualitative research*. Princeton University Press. Chapter 1.
- Siggelkow N. 2007 Persuasion with case studies. *Academy of Management Journal*, 50: 20-24.
- Eisenhardt K., Graebner M. 2007. Theory building from cases: Opportunities and challenges. *Academy of Management Journal*, 50: 25-32.

Session 22 (Mar 17). Publishing your work and reviewing the work of others.

- Conti R., Valentini G. 2015. *Super partes? Assessing the effect of judicial independence on entry*. Working paper.

See Assignment 4.

PROFESSOR'S BIOGRAPHY

Giovanni Valentini holds a PhD in Management from IESE Business School. Before joining IESE, he was an Associate Professor of Strategy at Bocconi University, Milan.

Most of his research has tried to contribute to a better understanding of how firms can combine internal and external knowledge to gain competitive advantage through technological innovation and growth.

His work has been published in journals such as *Global Strategy Journal*, *Industrial and Corporate Change*, *Journal of International Business Studies*, *Organization Science*, *Research Policy*, *Strategic Organization*, and *Strategic Management Journal*.

He is co-editor of *Industrial and Corporate Change* and serves of the editorial board of the *European Management Review*, *Journal of Management*, and *Strategic Management Journal*.