

BEHAVIORAL STRATEGY IN PERSPECTIVE

ADVANCES IN STRATEGIC MANAGEMENT

Series Editor: Gino Cattani

Recent Volumes:

- Volume 27: Globalization of Strategy Research
Edited by: Joel A.C. Baum and Joseph Lampel
- Volume 28: Project-Based Organizing and Strategic Management
Edited by: Gino Cattani, Simone Ferriani, Lars Frederiksen and Florian Taube
- Volume 29: History and Strategy
Edited by: Steven J. Kahl, Brian S. Silverman and Michael A. Cusumano
- Volume 30: Collaboration and Competition in Business Ecosystems
Edited by: Ron Adner, Joanne E. Oxley and Brian S. Silverman
- Volume 31: Finance and Strategy
Edited by: Belén Villalonga
- Volume 32: Cognition and Strategy
Edited by: Giovanni Gavetti and William Ocasio
- Volume 33: Business Models and Modelling
Edited by: Charles Baden-Fuller and Vincent Mangematin
- Volume 34: Strategy Beyond Markets
Edited by: John M. De Figueiredo, Michael Lenox, Felix Oberholzer-Gee and Richard G. Vanden Bergh
- Volume 35: Resource Redeployment and Corporate Strategy
Edited by: Timothy B. Folta, Constance E. Helfat and Samina Karim
- Volume 36: Geography, Location, and Strategy
Edited by: Juan Alcácer, Bruce Kogut, Catherine Thomas, Bernard Yin Yeung
- Volume 37: Entrepreneurship, Innovation, and Platforms
Edited by: Jeffrey Furman, Annabelle Gawer, Brian S. Silverman and Scott Stern
- Volume 38: Sustainability, Stakeholder Governance & Corporate Social Responsibility
Edited by: Sinziana Dorobantu, Ruth V. Aguilera, Jiao Luo and Frances J. Milliken

ADVANCES IN STRATEGIC MANAGEMENT VOLUME 39

BEHAVIORAL STRATEGY IN PERSPECTIVE

EDITED BY

MIE AUGIER

Naval Postgraduate School, USA

CHRISTINA FANG

*Leonard N. Stern School of Business,
New York University, USA*

VIOLINA P. RINDOVA

*Marshall School of Business,
University of Southern California, USA*



United Kingdom – North America – Japan
India – Malaysia – China

Emerald Publishing Limited
Howard House, Wagon Lane, Bingley BD16 1WA, UK

First edition 2018

Copyright © 2018 Emerald Publishing Limited

Reprints and permissions service

Contact: permissions@emeraldinsight.com

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

ISBN: 978-1-78756-348-3 (Print)

ISBN: 978-1-78756-347-6 (Online)

ISBN: 978-1-78756-349-0 (Epub)

ISSN: 0742-3322 (Series)



ISOQAR certified
Management System,
awarded to Emerald
for adherence to
Environmental
standard
ISO 14001:2004.

Certificate Number 1985
ISO 14001



INVESTOR IN PEOPLE

CONTENTS

<i>List of Contributors</i>	vii
-----------------------------	-----

Introduction – Behavioral Strategy: A Quick Account <i>Mie Augier, Christina Fang, and Violina P. Rindova</i>	1
---	---

PART I THE FIELD OF BEHAVIORAL STRATEGY AND ITS EVOLUTION

Some Thoughts on the Development of Disciplines, with Particular Attention to Behavioral Strategy <i>James G. March</i>	13
---	----

A Strategy for Behavioral Strategy: Appraisal of Small, Midsize, and Large Tent Conceptions of this Embryonic Community <i>Donald C. Hambrick and Craig Crossland</i>	23
---	----

Decoupling and Intergroup Dynamics in Behavioral Strategy, and a More Integrative Alternative <i>James D. Westphal</i>	41
--	----

A Behavioral (Simonian) Perspective on (Behavioral) Strategic Management Research <i>Mie Augier and Nicholas Dew</i>	51
--	----

PART II PERSPECTIVES ON BEHAVIORAL STRATEGY AND STRATEGIZING

From Strategy to Strategic Organization <i>Daniel A. Levinthal</i>	71
--	----

The Organizational Foundations of Behavioral Strategy <i>Phanish Puranam</i>	79
--	----

Where to Search <i>Henrich R. Greve</i>	91
---	----

Organizational Sensing and the Occasions for Strategizing <i>Sidney G. Winter</i>	101
Hierarchical Sensing and Strategic Decision-making <i>Elad Green and Zur Shapira</i>	123
Bounded Rationality, Heuristics, Computational Complexity, and Artificial Intelligence <i>Richard A. Bettis and Songcui Hu</i>	139
Romantics, Mercenaries, and Behavioral Rationality <i>Thomas C. Powell</i>	151
The Three Minds of the Strategist: Toward an Agentic Perspective in Behavioral Strategy <i>Violina P. Rindova and Luis L. Martins</i>	167
Praxis, Character, and Competence: From a Behavioral to a Communitarian View of the Firm <i>Haridimos Tsoukas</i>	181

PART III BEHAVIORAL STRATEGY IN ACTION

Behavioral Strategy and Strategy Prescription <i>Philip Bromiley and Devaki Rau</i>	197
Behavioral Strategy: An Alternative Account of Superior Profitability? <i>Christina Fang and Chengwei Liu</i>	209
Behavior in Behavioral Strategy: Capturing, Measuring, Analyzing <i>Charlotte Reypens and Sheen S. Levine</i>	221
Teaching Strategists to Take Advantage of What Happens <i>William Starbuck</i>	247

PART IV EPILOGUE

Confessions of a Behavioral Strategist! <i>Edward J. Zajac</i>	267
<i>Index</i>	275

LIST OF CONTRIBUTORS

<i>Mie Augier</i>	Naval Postgraduate School, USA
<i>Richard A. Bettis</i>	University of North Carolina Chapel Hill - Kenan-Flagler Business School, USA
<i>Philip Bromiley</i>	University of California, Irvine, USA
<i>Craig Crossland</i>	University of Notre Dame, USA
<i>Nicholas Dew</i>	Naval Postgraduate School, USA
<i>Christina Fang</i>	New York University, USA and CKGSB, China
<i>Elad Green</i>	Google, Switzerland
<i>Henrich R. Greve</i>	INSEAD, Singapore
<i>Donald C. Hambrick</i>	Pennsylvania State University - Smeal College of Business, USA
<i>Songcui Hu</i>	University of Arizona, USA
<i>Sheen S. Levine</i>	University of Texas at Dallas, USA
<i>Daniel A. Levinthal</i>	Wharton School, University of Pennsylvania, USA
<i>Chengwei Liu</i>	University of Warwick, UK
<i>James G. March</i>	Stanford University, USA
<i>Luis L. Martins</i>	University of Texas at Austin, USA
<i>Thomas C. Powell</i>	Saïd Business School, University of Oxford, UK
<i>Phanish Puranam</i>	INSEAD, Singapore
<i>Devaki Rau</i>	Northern Illinois University, USA
<i>Charlotte Reypens</i>	University of Warwick & University of Texas Dallas, USA
<i>Violina P. Rindova</i>	Marshall School of Business, University of Southern California, USA
<i>Zur Shapira</i>	New York University, USA

<i>William Starbuck</i>	Lindquist College at University of Oregon and NYU, USA
<i>Haridimos Tsoukas</i>	University of Cyprus and University of Warwick, Cyprus
<i>James D. Westphal</i>	Stephen M. Ross School of Business, University of Michigan, USA
<i>Sidney G. Winter</i>	Wharton School, University of Pennsylvania, USA
<i>Edward J. Zajac</i>	Northwestern University - Kellogg School of Management, USA