

The Role on Study of Corporate Alliance & Networks

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Abstract – *The primary focus of research on corporate alliances & network has been to ask the focuses on understanding some of the reasons Corporate enter alliances, structure them in certain ways, manage and change them, and the performance benefits sought from them. More important, this leads to an avoidance of the focuses on some of the conditions under which certain behavior and performance outcomes are likely. This study poses the corporate alliances and network highlights an important set of conditions deriving from the social networks in which corporate, firms come to be placed that influences their behavior and performance related to alliances. It demonstrates how social networks can be influential in the creation and success of corporate alliances and shows how a perspective informed by the structural embeddedness of Corporate can provide important new insights into some of the key current issues on strategic corporate alliances & network.*

Keywords: *Corporate, Alliance & Networks, Research, Manage, Change, Benefits, Performance, Important, Behavior, Social Networks, Firms, Success, etc.*

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INTRODUCTION

This study introduces a social network perspective to the study of corporate alliances & network. It extends prior research, which has primarily considered corporate alliances as dyadic exchanges and paid less attention to the fact that key precursors, processes, and outcomes associated with alliances can be defined and shaped in important ways by the social networks within which most corporate are embedded (Asker *et. al.*, 2015. Bodnaruk *et. al.*, 2013. Chu *et. al.*, 2015. Dessaint *et. al.*, 2016).

It identifies five key issues for the study of alliances:

- (1) The formation of alliances,
- (2) The choice of governance structure,
- (3) The dynamic evolution of alliances,
- (4) The performance of alliances, and
- (5) The performance consequences for corporate entering alliances.

For each of these issues, this study outlines some of the current research and debates at the corporate and network level and then discusses some of the new and important insights that result from introducing a

network perspective. It highlights current network research on alliances and suggests an agenda for future research.

Corporate alliances between firms are now a ubiquitous phenomenon. Their proliferation has led to a growing stream of research by strategy and organizational scholars who have examined some of the causes and consequences of such partnerships, mostly at the dyadic level. In this study I don't intend to review this vast and burgeoning field of research (Foucault, Fresard, 2014). Instead, I will develop a social network perspective on some of the key questions associated with corporate alliances & network, going beyond the dyadic level to the larger network in which alliances are embedded. I will discuss how this perspective provides new insights on important factors that may influence the behavior and performance of Corporate, firms. I define strategic alliances as voluntary arrangements between firms involving exchange, sharing, or co-development of products, technologies, or services. They can occur as a result of a wide range of motives and goals, take a variety of forms, and occur across vertical and horizontal boundaries. While I focus here on highlighting the importance of a social network perspective on strategic alliances, I will also discuss some of the valuable contributions and current research debates at the Corporate and network level for each of the key questions. This discussion of research on corporate alliances &

network admittedly reflects my own biases and research preferences, and there is a large amount of research on this topic that will not fall under my purview.

From a strategic standpoint, some of the key facets of the behavior of firms, Corporate as it relates to alliances can be understood by looking at the sequence of events in alliances. This sequencing includes the decision to enter an alliance, the choice of an appropriate partner, the choice of structure for the alliance, and the dynamic evolution of the corporate alliance & network as the relationship develops over time. While all alliances may not necessarily progress through the same sequence of events, nonetheless, the decisions involved constitute some of the key behavioral issues that arise in corporate alliances & network (König, *et. al.*, 2014).

REVIEW OF LITERATURE:

Prior research on corporate alliances has led to valuable insights on the behavior of corporate in alliances and networks the performance consequences from such partnerships. Three related themes run across these prior efforts. First, the unit of analysis that is usually adopted is the corporate or the alliance. For instance, researchers have tried to identify the attributes of firms corporate that influence their proclivity to enter alliances or their choice of corporate, or to identify the characteristics of alliances that may influence the formal contracts used to organize them. A second and related theme has been examining the formation and performance of corporate alliances & network in an asocial context (Li, *et. al.*, 2016). The role of the external environment is usually encapsulated within measures of competitiveness in product or supplier markets. For instance, from a transaction costs standpoint, this translates to the argument that the lower the competition, the more likely that a corporate will be exposed to 'small numbers bargaining' and other forms of opportunistic behavior (Lindsey, 2008). Resource dependence theorists, similarly, make the case that at intermediate levels of industry concentration; corporate, firms experience high levels of competitive uncertainty and are likely to mitigate this competitive interdependence by entering into frequent joint ventures (Robinson, 2008). Finally, prior research on corporate alliances has focused primarily on firm- and industry-level factors that impel firms to enter corporate alliances. For the study of corporate alliances, & network scholars have primarily focused on the existing competence (or lack thereof) that may propel firms to enter into new alliances, but they have generally paid less attention to factors that may lead to the availability of and access to alliance opportunities in the first place. Thus, in Andrews' terms, they have focused primarily on the competence side of the conditions that propel strategic actions and not on the conditions that

determine the opportunity set firms may perceive. The focus on the firm or corporate alliance as the unit of analysis and the description of external context in competitive terms has typically assumed an atomistic notion of firms evaluating alternative courses of action and does not take into account the actions of other firms or the relationships in which they themselves are already embedded. Moreover, it ignores the interactive elements of the market, whereby participants discover market information through their interactions in the market (Rosenkopf, Schilling, 2007. Wang, 2012. Ahern, Harford, 2014). It is important to recognize that although strategic corporate alliances & network are essentially dyadic exchanges, key precursors, processes, and outcomes associated with them can be defined and shaped by the social networks within which most corporate are embedded. There is a rich strand of research in economic sociology that has devoted itself to explaining how economic actions may be influenced by the social structure of ties within which they are embedded (Bebchuk *et. al.*, 2009). Sociologists have convincingly demonstrated that the distinct social structural patterns in exchange relations within markets shape the flow of information (Brown, Petersen, 2009). This in turn provides both opportunities and constraints for corporate and can have implications for their behavior and performance. Viewed from this standpoint, much of the research on strategic corporate alliances represents an under socialized account of corporate behavior. In recent years there has been a growing interest in understanding the influence of the social context in which corporate are embedded on their behavior and performance. A number of researchers have explicitly incorporated embeddedness, broadly defined, into our understanding of strategic management questions relating to the behavior and performance of corporate (Gao, 2015). The social context in which corporate are embedded includes a whole array of elements that can be classified broadly as structural, cognitive, institutional, and cultural. While each of these facets can be significant, my focus in this study will be on the structural context, which highlights the significance of the social networks in which economic actors may be placed. Prior to discussing the key questions for the study of corporate alliances, I will provide a general theoretical perspective for examining the implications of social embeddedness on corporate behavior and network performance.

CONCLUSION:

The primary focus of research on alliances has been focuses on understanding some of the reasons corporates enter alliances, structure them in certain ways, manage and change them, and the performance benefits sought from them. This study poses the 'alliances and highlights an important set of conditions deriving from the social networks in which corporates come to be placed that influences their behavior and performance related to alliances. It

demonstrates how social networks can be influential in the creation and success of alliances and shows how a perspective informed by the structural embeddedness of corporates can provide important new insights into some of the key current issues on strategic alliances.

This study suggests that social networks are valuable conduits of information that provide both opportunities and constraints for corporates and have important behavioral and performance implications for their alliances. By channeling information, social networks enable corporates to discover new alliance opportunities and can thus influence how often and with whom those corporates enter into alliances. Once two corporates decide to enter an alliance, their relative proximity in the network may influence the specific governance structure used to formalize the alliance. The extent to which two partners are socially embedded can also influence their subsequent behavior and affect the likely future success of the alliance.

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