Francois Collet CABDyN Workshop Friday 22nd October 2004

"Status, Alliance Networks and Alliance Partner Selection in the Global Software Industry"

This article shows that the influence of status on alliance partner selection in an alliance network is neither homogeneous nor constant in time. Service oriented firms give a greater weight to status in partner selection than product focused firms. These differences are interpreted as the result of a relative behavioral bias resulting from the different constraints encountered in the service business as opposed to the product business. The article also finds some evidence contradicting the conjectures that the influence of prior direct and indirect ties increases with uncertainty. The results of this study calls for more research on the relationship between, on the one hand, corporate strategy and its outcomes and on the other hand the behavioral biases resulting from the skills developed by managers through practical confrontation with their business environment.