

## MANAGEMENT OF INSTITUTIONS AND INNOVATION

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### **Project description:**

Until recently, the strategy literature assumed the dominant role of institutional environment (e.g. legislation, rules, regulations and norms) in innovative activity of international firms (John and Lawton, 2020; John and Lawton, 2018) and decisions about innovations such as external sourcing, exploitation of knowledge and open innovation strategies (Rasiah, 2017; Filiou and Golesorkhi, 2016). Scholars agree that institutional quality supports innovations whereas businesses struggle to innovate in contexts with weaker institutions (D'Ingiullo and Evangelista, 2020; Tingey and Webb 2020); hence the preference for contexts with greater institutional comparative advantage (Coriat and Weinstein, 2002) and the institutional escapism to environments with pro-innovation policies (John *et al.*, 2018; Yoo and Reimann, 2017; Ying *et al.*, 2016).

Ontologically, we invite the future applicants to contribute to the emerging discourse challenging the assumption of the institutional determinism—the condition where businesses adopt a passive role *vis-à-vis* institutions (John and Lawton 2020; John and Lawton, 2020; Liedong, 2020; Gao *et al.*, 2017; McGuire *et al.*, 2012). Specifically, we are looking forward to proposals that will explore whether and how innovative activity of businesses is enabled, or perhaps, constrained by proactive management of institutions (e.g. formally—by lobbying individually or collectively as members of trade associations and other meta-organizations, and informally—by building informal relations with policy makers) (John *et al.*, 2015; McGuire *et al.*, 2012).

We are open to proposals considering any of the following innovation models:

- Open innovation
- Radical innovation
- Business innovation
- Technology innovation

The proposed innovations may be examined in established and/or new firms.

The proposals may consider the proactive institutions' management—innovations link in various contexts.

- For example, they may choose to consider it in the context of external shocks (e.g. epidemic, pandemic, and natural disasters) which may contribute to liminality—the situation where the existing institutions have become futile and the new ones are not yet in place (John and Lawton, 2020; John and Vicente, 2020) and stimulate a new

wave of creative destruction (Eggers and Park, 2018) leading to a paradigm shift in strategies of businesses (Filiou 2020).

- Another potentially interesting, and related, context is proposed in the challenge-based view; it refers to personal challenges—socio-economic hardship, loss, subjective experience of being different or absence of common alternatives—of business leaders (Ng and Arndt, 2019; Wiklund *et al.*, 2018; Miller and Le Breton-Miller, 2017).

Proposals may focus on any geographic region, industry, and country (e.g. advanced and emerging economies) but should offer genuinely novel ideas and perspectives. Methodologically, applicants may use qualitative approaches, quantitative approaches or mixed approaches to literature synthesis, data analysis and synthesis but should justify methodological choices and sources of data.

### **About the Supervisors:**

**Dr Despoina Filou's** research has focused on the role of external sourcing and exploitation of knowledge in firm innovation in sectors undergoing radical technical change, by looking at the role of strategic alliances and open innovation strategies for both established and new technology firms in sectors such as bio-pharmaceuticals.

For more information: <http://www.open.ac.uk/people/df5743#tab2>

**Dr Anna John's** research looks into nonmarket strategies of profit and non-profit organizations from advanced and emerging economies. Her recent work focuses on the quantitative and qualitative syntheses of the research into business-government-society relations and how these relations affect market performance of firms.

For more information: <http://business-school.open.ac.uk/people/aj5852>

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