

CASE STUDIES: WHEN, WHEN NOT & HOW



Kathleen M. Eisenhardt

BYU/Utah Strategy Conference 2016

AGENDA

- What is theory building from cases?
- When (and when not) to use?
- How to get started
- Rigor?

WHAT IS TBCS?

- ***Theory-building:***
 - Grounded theory building. Inductive – from data to theory
 - Goals is constructs, propositions and underlying theoretical arguments. Alternative method is formal models.
- ***Case:***
 - Rich, empirical description of particular instance of a phenomenon based on multiple data sources.
 - Analyzed via replication logic
- ***Not:*** All qualitative or case research

WHEN TO USE?

- *No theory*
 - Graebner – Acquisition from the seller side
 - Davis – How do joint R&D collaborations succeed?
- *Poor theory*
 - Martin – How do multi-biz firms create synergy?
 - Ozcan – How do entrepreneurs create alliance portfolios?
- *Unique exemplar*
 - Tripsas - Digital Photography Company
- *In general, how questions*

WHEN NOT TO USE?

- *Effect sizes*
- *Interactions*
- *Additional variable(s)*
- *In general, what and how much questions*

COMPLEMENTS

- *Empirical*
 - **Hallen, 2008, 2012: How entrepreneurs form ties?**
 - **Use cases to identify model better**
- *Simulation*
 - **Davis, Bingham: 2009: Simple rules & market dynamism**
 - **Use simulation to experiment with case findings**
- *Formal models*
 - **Sarkhatov & Folta: Redeployment and uncertainty**
 - **Use formal model to unpack part of case findings**

WHAT TO DO - FIRST

- *Know the literature*
- *Develop a research question that fits TBCS*

WHAT TO DO - RIGOR

- *Research design – Neglected but critical, control and variation using theoretical sampling*
 - **Race: McDonald: Search for a viable business model?**
 - **Polar types: Martin: How to create x-biz synergies?**
 - **Equifinal Paths: Hallen: How do entrepreneurs gain ties?**
 - **Variance: Davis: How do R&D collaborations succeed? Santos: How do entrepreneurs manage their boundaries?**
 - **Process: Bingham: What do executives learn from experience? Graebner: Acquisition from the seller side**

WHAT TO DO - RIGOR

- *Logic – underlying theoretical arguments – why the proposition is likely to be true. Sources are logic per se, data, distant research. Best theory is parsimonious and accurate.*
- *Data collection and analysis “process” – current emphasis among researchers. Correct data, hierarchical coding, etc.*

CONTROVERSY & SURPRISES

- *Qualitative*
 - **Richness debate**
 - **Coding debate**

- *Positivist*
 - **Theoretical, not random, sampling**
 - **Replication, not pooled, logic**

TO CONCLUDE

- Jump into the TBCS pool!

Example

THE SELLER'S SIDE SIDE OF THE STORY: ACQUISITIONS AS COURTSHIP IN ENTREPRENEURIAL FIRMS

Melissa Graebner and Kathleen Eisenhardt

(Administrative Science Quarterly, 2004)

Second Example

ORIGIN OF ALLIANCE PORTFOLIOS:
ENTREPRENEURS, NETWORK
STRATEGIES AND FIRM PERFORMANCE

Pinar Ozcan and Kathleen Eisenhardt

(Academy of Management Journal, 2009)

First Example

RATIONAL HEURISTICS: THE “SIMPLE RULES” THAT STRATEGISTS LEARN FROM PROCESS EXPERIENCE

Christopher Bingham and Kathleen Eisenhardt

(Strategic Management Journal, 2011)