

IIM Trichy Research Seminar Series

Central to the academic life is the spirit of enquiry, conversation and debate. The primary intention of the IIM Trichy Research Seminar Series is to nurture this spirit amongst the Fellow Program (FP) community. This initiative was conceptualized by and is administered by the FP students.



Session 10

Date: 31st July 2019, Venue: CR013, Time: 02:30 PM

Role of gender-specific behavior in supply contract decisions – An experimental study

Category: Paper presented in EURO-K Conference 2019, Dublin, Ireland

Presented by: Mr. Kumaravel S (FPM, OMQT Area)

Abstract

From the extant literature on supply chain contracts, we observe that decision makers often deviate from the optimal order quantity decisions. This study aims to empirically examine the role of gender specific characteristics and behavioral differences amongst individuals on those decisions. We address our objective by designing and conducting an experimental study, wherein subjects take the role of a retailer, who has a contract with a supplier, and faces an uncertain demand for a perishable product, which has to be estimated before the selling season. The experimental protocol consists of a behavioral assessment, followed by ordering decisions for revenue sharing and buyback contracts. The baseline experiment is followed by an intervention to improve the decision, viz. motivate subjects to move towards the optimal quantity by providing visual pattern of the demand.

<u>Broad Theme of Discussion</u>	<u>The Inquisitives</u>
<ul style="list-style-type: none">• EQ: In understanding gender specific behavioral differences	 <i>Jitesh (Strategy)</i>
<ul style="list-style-type: none">• Spread of demand in experiment and Its effect on outcomes	 <i>Abhishek (OMQT)</i>
<ul style="list-style-type: none">• Manipulation check used in the study	 <i>Sudeep (Marketing)</i>
<ul style="list-style-type: none">• Producer's influence on demand spread and significance to the overall study	 <i>Prof. Godwin (OMQT)</i>
<ul style="list-style-type: none">• Demand variation: Experimental values vs. Actuals	 <i>Prof. Sankalp (Strategy)</i>

**Micro-practices of rent-appropriation: Indigenous entrepreneurial class
versus nonentrepreneurial classes**

Category: Paper presented in 35th EGOS Colloquium, Edinburgh, UK

Presented by: Mr. Jitesh Mohnot (FPM, Strategy)

Abstract

Strategy scholars studying the phenomenon of value appropriation argue that it is not organizations that appropriate rent, but the people within it (Coff, 1999; Raffiee & Coff, 2016 etc.). They maintain that value lies in resources and capabilities that are embodied in individuals', who can be referred to as stakeholders of the firm, with a claim over the rents generated. However, it is not always possible to appropriate the value contributed by a stakeholder, as it depends on the bargaining power of the respective actors. While examining the dynamics of bargaining power, scholars have studied the link between rent appropriation and firm-specific human capital (Raffiee & Coff, 2016) as well as the changes in bargaining power with the change in the external environment (Ramirez & Tarjizan, 2018) i.e. the "what" of strategy. However, extant literature implicitly assumes that rent appropriation is driven only by commercial spaces and economic forms of capital, with little focus on other forms such as social, cultural, spiritual and symbolic ones, which – as our study found – has a bearing on rent appropriation. The primary focus of other forms of capital has only been in the realm of firm-specific capital. This exclusion is not consistent with the extant conceptualization of capabilities being embodied in individuals whose sources may not be specific to firm and commercial field but even outside it. Therefore, there is a need to supplement literature on stakeholder rent appropriation to understand additional sources of resources and capabilities such as bargaining practices informed through a wider socio-cultural context. This not only enlarges the scope of rent appropriation capabilities but deepens it at the micro level to address the issue of 'how are rents appropriated' in addition to the 'what of rent appropriation'. Therefore, we ask, how micro-practices of rent-appropriation by stakeholders are built and sustained? Through this study, we contribute to two sets of conversations in strategic management – one on rent-appropriation and other on strategy-as-practice scholarship which has not been linked hitherto.

An ethnographic investigation in a cluster of a fragmented industry in India was conducted and we observed that the dynamics of value appropriation were grounded in historicized and embodied daily doings of stakeholders, whose source can be traced to the long-standing cultural toolkits of the social classes that they belong to. Our context of fragmented industry of textiles is interesting because the scope for appropriation in such industries is thin and bargaining power is relatively low (Porter, 1980), thereby allowing us to stress test rent appropriation. We observed marked differences between two sets of actors, one belonging to the traditional entrepreneurial class (EC), and others belonging to the non-entrepreneurial classes (NEC) in terms of their rent appropriation and bargaining capabilities, with the former dominating the other. More specifically, we were interested in sources of their rent appropriation and bargaining capabilities as well as how they have emerged and sustained over generations. We find that there were differences between EC and NEC in terms of practices, logics, routines, symbols, and system of meanings such as child-rearing, concept and categories of money, and the very notion of value. To explain such rooted differences having a bearing on strategizing, we draw upon Bourdieu's practice theory (Bourdieu, 1984) that provides vocabulary to class-differences in embodied ways of 'doings' at micro-level. While the explicit class distinction on occupational lines had waned down in India leading to reduction in entry barriers to entrepreneurship field, we found it to be existing implicitly, manifesting itself in daily doings of bargaining.

<u>Broad Theme of Discussion</u>	<u>The Inquisitives</u>
<ul style="list-style-type: none"> • Answering the ‘Why’ of the Research Question • Establishing conversation with the literature 	 <p><i>Prof. Sankalp (Strategy)</i></p>
<ul style="list-style-type: none"> • Bourdieu practice theory and relevance to problematizing • Entrepreneurial orientation 	 <p><i>Mueen (Strategy)</i></p>