

Global Strategy Prof's Paper is a Business Pace-Setter

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An article by business strategy Professor [Mike W. Peng](#) has generated so much buzz in the scientific community that a science trend tracker recently recognized the work as a "Hot Paper."

[Essential Science Indicators](#) (ESI), a data and statistics analyzer, based its designation on the speed with which the 18-page treatise has attracted attention from other scholars and the number of times they have cited it since its publication.

Peng is the Provost's Distinguished Professor of Global Strategy in the [School of Management](#). The paper, "The Institution-Based View as a Third Leg for Strategy Tripod," was first published in August 2009.

His paper explores how the laws, rules, regulations, and norms that society devises to define acceptable behavior are more than the background against which management strategies play out. Collectively, researchers refer to all the formal and informal standards as institutions, and Peng and his co-authors focus on how an institution-based view gives context to and plays a leading role in the study of strategic management.

An example? Because of success with groundbreaking automobiles and electronics, Japan is generally viewed as an innovative country. But its lack of even one top-notch pharmaceutical company undermines this reputation, Peng writes. This industry-specific failure tracks back to an institutional tradition, Peng says. Specifically, the Japanese Ministry of Health sets lifetime drug prices, and this practice acts as an institutional disincentive for investment into research and development of new medicines.

The article by Peng and his UT Dallas PhD student co-authors, Sunny Si Lun (now an assistant professor at the University of Missouri at Kansas City), Brian Pinkham, and Hao Chen, appeared in *Academy of Management Perspectives* (Vol. 23, Issue 3). The "tripod" in their work's title refers to the argument that the institution-



Dr. Mike W. Peng work has been cited by the United Nations and the World Bank. He is the author of five books, including three best-selling textbooks

based view is one of three essential outlooks in strategic management. Introduced and developed earlier in the approximately 30-year history of the field, the other two views are industry-based and resource-based views.

Because Peng's was the newest Hot Paper in economics and business, Sciencewatch.com, a companion website to ESI, highlighted his work in November. "In two words," he said in a [commentary](#) on his work, "institutions matter. More specifically, institutions, which have typically been in the background of much strategy research, deserve to be brought to the forefront of the strategy research agenda."

Peng, who came to UT Dallas in 2005, is a prolific and influential global strategy scholar. Both the United Nations and the World Bank have cited his work, and he has published almost 80 articles in leading journals. He has authored five books, including three best-selling textbooks. He teaches master's, doctoral and executive courses in strategic management and global business.

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