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Developing Alliance Formation Process Capabilities: Replication, Adaptation and Flexibility in Creating Research and Development Consortia

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Our study draws from learning theory and path dependence research to hypothesize how companies build the capability for managing strategic alliance formation processes. Specifically, we focus on firms' patterns of R&D consortia formation processes in the United States. Prior research identified two different consortium formation processes: emergent and engineered processes. This study explores the sequences of these processes for 1063 companies entering into alliances with 737 US-based consortia between 1984-2005, resulting in 3767 independent consortium joining events. Our results suggest that companies build alliance formation capabilities through a combination of replication, adaptability and flexibility. In showing these results, our study contributes to the alliance capability literature, the alliance formation process literature and research into organizational learning and path dependence.