THE MICRO-ACTIVITIES APPROACH: A FRIENDLY CRITIQUE

• Sympathetic with Gerry’s arguments

• Gatorade versus Snapple example
  (Finkelstein book)

NANOTECHNOLOGY ANALOGY

• Cement versus Sea-shells:
  – Same chemical elements
  – Different nanostructures
    • (atoms arranged differently)

  – Cement crumbles when cut thin
  – Delicate shells endure

  (Economist, 1/17/04)
NANOTECHNOLOGY ANALOGY

• Nearly 1000 start-ups in 2003
• Applications in: chemicals, coatings, sensors, cosmetics, lighting, medical diagnosis, drug delivery, and computing, among others
• Investors’ dilemma: which will “hit”?

(Economist, 1/17/04)

THE MICRO-ACTIVITIES APPROACH

• Which activities matter from among so many?
  – One-time small acts of great consequence?
  – Repeated small acts that over time are consequential?
THE MICRO-ACTIVITIES APPROACH

• How “micro” should one go?
  – “Nano” organizational activities?
  – Differences from “micro” org behavior?

CURRENT EXEMPLARS AND POSSIBLE DIRECTIONS

• Farjoun (AMJ, 2002)
• Pricing conventions in the On-line Database Industry
  – Qualitative historical analysis
• Genesis of connect time pricing
  – Industry pioneers’ key decision
• Transformation to flat rate pricing
  – Niche players’ actions
CURRENT EXEMPLARS AND POSSIBLE DIRECTIONS

• Sherer & Lee (AMJ, 2002)
• Institutional changes in Law Office HR practices
  – Event history study
• Cravath System (Paul Cravath’s design)
  – Partner or out (like tenure)
• Addition of permanent, non-partner track
  – Highly legitimate innovator, others adopt later