# **FEA**USP

## ARTICLE IN PRESS

Available online at www.sciencedirect.com

### Revista de Administração



http://rausp.usp.br/

Revista de Administração xxx (2016) xxx-xxx

Technology management

## An analysis of the relationship between embedded ties and supplier innovation in the cooperative sector

Uma análise da relação entre laços imersos e inovação do fornecedor no setor de cooperativismo

Un análisis de la relación entre vínculos enraizados e innovación del proveedor en el sector de cooperativismo

#### Valter Afonso Vieira\*, Winsley Bonifácio-da-Silva

Universidade Estadual de Maringá, Programa de Pós-Graduação em Administração (PPA/UEM), Maringá, PR, Brazil Received 8 August 2013; accepted 14 March 2014

#### Abstract

What are the main predictors of the development of embedded ties? What are the impacts of supplier-knowledge, client-knowledge, and embeddedtie variables on the development of supplier innovation in the cooperative sector? What is the moderating role of embedded ties in the development of supplier innovation? This study brings together 126 responses from suppliers of a large agro-industrial cooperative. The results show that embedded ties have a positive impact on the development of innovation and knowledge for innovation. Furthermore, a significant association between supplier knowledge and innovation was found, which is moderated by embedded ties. Data show that embedded ties amplify the ability to develop innovation in industrial relationships.

© 2016 Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP. Published by Elsevier Editora Ltda. This is an open access article under the CC BY license (http://creativecommons.org/licenses/by/4.0/).

Keywords: Embedded ties; Innovation; Suppliers; Knowledge

#### Resumo

Quais são os principais preditores do desenvolvimento dos laços imersos? Qual é o impacto das variáveis conhecimento do fornecedor, conhecimento do cliente e laços imersos no desenvolvimento de inovações no fornecedor no segmento de cooperativismo? Qual é o papel moderador dos laços imersos no desenvolvimento de inovações no fornecedor? Este estudo reúne 126 respostas dos fornecedores de uma grande cooperativa agrícola. Os resultados evidenciaram que há impacto positivo dos laços imersos no desenvolvimento da inovação e no conhecimento da inovação. Ademais, a pesquisa mostrou que há associação significativa entre o conhecimento dos fornecedores e a inovação, a qual é moderada pelo laço imerso. Isto evidencia que o laço imerso amplifica a capacidade de desenvolver inovação.

© 2016 Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP. Publicado por Elsevier Editora Ltda. Este é um artigo Open Access sob a licença de CC BY (http://creativecommons.org/licenses/by/4.0/).

Palavras-chave: Laços; Imersos; Inovação; Fornecedores; Conhecimento

#### Resumen

¿Cuáles son los principales determinantes del desarrollo de los vínculos enraizados? ¿Cuál es el impacto de las variables conocimiento del proveedor, conocimiento del cliente y vínculos enraizados en el desarrollo de innovaciones del proveedor en el sector de cooperativismo? ¿Cuál es el papel

\* Corresponding author.

#### http://dx.doi.org/10.1016/j.rausp.2016.07.003

0080-2107/© 2016 Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP. Published by Elsevier Editora Ltda. This is an open access article under the CC BY license (http://creativecommons.org/licenses/by/4.0/).

Please cite this article in press as: Vieira, V. A., & Bonifácio-da-Silva, W. An analysis of the relationship between embedded ties and supplier innovation in the cooperative sector. *Revista de Administração* (2016), http://dx.doi.org/10.1016/j.rausp.2016.07.003

E-mails: valterafonsovieira@gmail.com (V.A. Vieira), winsleybonifacio@hotmail.com (W. Bonifácio-da-Silva).

Peer Review under the responsibility of Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP.

2

## **ARTICLE IN PRESS**

#### V.A. Vieira, W. Bonifácio-da-Silva / Revista de Administração xxx (2016) xxx-xxx

moderador de los vínculos enraizados en el desarrollo de innovaciones del proveedor? Este estudio reúne 126 respuestas de proveedores de una gran cooperativa agrícola. Los resultados muestran que existe una influencia positiva de los vínculos enraizados en el desarrollo y el conocimiento de la innovación. Además, se comprueba que hay una relación significativa entre el conocimiento de los proveedores y la innovación, la cual es moderada por los vínculos enraizados. Así, el vínculo enraizado incrementa la capacidad de desarrollar innovaciones.

© 2016 Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP. Publicado por Elsevier Editora Ltda. Este es un artículo Open Access bajo la licencia CC BY (http://creativecommons.org/licenses/by/4.0/).

Palabras clave: Vínculos enraizados; Innovación; Proveedores; Conocimiento

#### Introduction

Embedded ties are a type of relationship where social relations are reciprocal between those partners involved (Baldi & Vieira, 2006). Strong embedded ties are more characterized by the influence of an established social structure, the exchange of insider information, and the mutual cooperation to resolve problems than by the proximity and frequency of actors' interaction (Uzzi, 1996). Dyer and Singh (1998) demonstrated that a pair of organizations (dyads) or a network of companies can develop relationships that mutually collaborate with each other, resulting in performance differentials, as well as the integration and development of knowledge, which provides competitive advantages such as innovation.

Authors disagree about the effects of embedded ties on the development of innovation. Specifically, Anderson and Weitz (1989), Day (1994), Rowley, Behrens, and Krackhardt (2000), and Rindfleisch and Moorman (2001) argue that embedded ties favor the development of innovation in relationships between organizations because there is greater trust between partners. In this sense, collaboration between partners creates mutual support (Narayanan, Narasimhan, & Schoenherr, 2015) and innovation is encouraged. Moreover, there is transfer of knowledge and effort in collaboration with a partner that can overcome difficult situations (Figueiredo, Andrade, & Brito, 2010).

However, Anderson and Jap (2005), Granovetter (1985, 2005), Moorman, Zaltman, and Deshpandé (1992), and Selnes and Sallis (2003) point out that embedded ties can provoke associate accommodation, which maintains the status quo in a relationship between partners, decreasing innovation. In this context, there may be a softening in the exchange of knowledge between agents to the point that there is no significant new information to share, harming the development of new product strategies. Arguments from those who believe that embedded ties favor the ability to develop innovation and those who believe that embedded ties diminish it were the insights to be advanced in this research. Therefore, this investigation studies the embedded ties of suppliers of a large agro-industrial cooperative and the consequent development of innovations in a supplier dyad. This research not only empirically tests the antecedents of embedded ties and innovation with suppliers from this cooperative, but also analyzes the moderating and mediating role of embedded ties, contributing in four different ways.

First, this paper encounters evidence of the positive effect of embedded ties in the development of supplier innovation, consistent with the aspects discussed by Granovetter (1985), Moorman et al. (1992), and Selnes and Sallis (2003). Second, the result shows that relations between supplier knowledge and innovation as well as between client knowledge and innovation are moderated by embedded ties, altering the magnitude of the effects (Rindfleisch & Moorman, 2001; Rowley, Behrens, & Krackhardt, 2000). Specifically, when embedded ties are present and strong, the relationship between knowledge and innovation development becomes amplified, increasing the direct effect. Third, this research shows that client flexibility (based on Moura, Botter, & da Silva, 2010), supplier flexibility, and client investment in the supplier explain variations in the creation and maintenance of embedded ties. Such conditions of flexibility are relevant and meaningful as being the antecedents for the level of an embedded tie. Fourth, this study demonstrates that client and supplier flexibility and investments have indirect effects on innovation via embedded ties, supporting the mediating condition of the embedded tie.

After this introduction, the article presents the hypotheses of the research and the theoretical model. Subsequently, the survey research method with cooperative suppliers is explained and analysis, discussion of the findings, and general considerations are presented.

#### **Research hypotheses**

#### Direct effects

The first hypothesis indicates the relationship of embedded ties between the supplier and client and the development of supplier innovation. This association is based on social networks literature (Granovetter, 1985) and basically has two different lines of argument. The first line states that embedded ties allow for the development of innovations between partners of a relationship (Anderson & Weitz, 1989; Day, 1994; Rindfleisch & Moorman, 2001; Rowley, Behrens, & Krackhardt, 2000), which is called the "bright side" of embedded ties. The second line of argument holds that embedded ties weaken the development potential of innovation between associates (Granovetter, 1973; Moorman, Zaltman, & Deshpande, 1992; Selnes & Sallis, 2003), which is referred to as the "dark side".

We suggest a positive influence to support this relationship in line with the bright side, which we argue from three different perspectives. First, the positive effects of embedded ties between partners can result in innovation and improve supplier knowledge about their own business, facilitating the transfer of complex, tacit knowledge between business associates (Noordhoff, Kyriakopoulos, Moorman, & Dellaert, 2011). Second, Rowley et al. (2000) argue that motivations caused by a supplier's embedded ties with a client positively stimulates the supplier in the development or use of experiences

Please cite this article in press as: Vieira, V. A., & Bonifácio-da-Silva, W. An analysis of the relationship between embedded ties and supplier innovation in the cooperative sector. *Revista de Administração* (2016), http://dx.doi.org/10.1016/j.rausp.2016.07.003

Download English Version:

# https://daneshyari.com/en/article/7438305

Download Persian Version:

https://daneshyari.com/article/7438305

Daneshyari.com