

SUSAN E. LYNCH

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EDUCATION

- 2000- Ph.D. in Strategic and International Management, London Business School, London, United Kingdom.
Dissertation: Structuring interaction inside firms: Formal boundaries and tie formation
Advisors: Olav Sorenson, Bjorn Lovas
Committee: Peter Hedstrom (Oxford University), Gerry George (London Business School)
Expected date of completion: December 2006
- 1992 B. Commerce (Hons), L.L.B. (Hons), University of Queensland, Brisbane, Australia

DISSERTATION

Structuring interaction inside firms: Formal boundaries and tie formation

Despite wide acceptance that internal networks are important for organizational and individual outcomes, we know little about how intraorganizational relationships evolve or how a firm's interaction patterns can be influenced by managerial action. Organizations, with explicitly designed formal structures and inherently uncertain and onerous conditions of membership, differ from other contexts, where much existing research on relationship evolution has been done. I consider these differences and ask: How does formal structuring influence the pattern of relationships inside firms?

I explore this question in parts. First, I consider the direct effects of formal structuring. I draw on sociological mechanisms to consider how relationships are influenced by current and past assignment to formal groups, by the size of those groups, and by the nested or cross-functional nature of the broader organizational design. Second, I draw from the existing literature and consider how formal structure and two well established aspects of informal structure – gender homophily and structural embeddedness – jointly influence relationship formation and maintenance. Third, I consider how changes in formal structure affect the formation of new ties. I argue that formal influence will, in the case of certain disruptive structural changes, compete with the influence of the informal organization. I test my arguments with longitudinal qualitative and quantitative survey and archival data on formal structures and patterns of informal relationships formed between employees in a 271-person multinational customer services organization of a financial services provider.

RESEARCH PAPERS

- Lynch, S. 2006. Organizational restructuring: the influence of formal and informal structure on tie formation. (Job market paper).

This paper considers how changes in formal structure and a key element of informal structure – the embeddedness of employee relationships – influence tie formation. I argue that changing

formal structure to separate employees or put employees together will increase tie formation rates because new and past affiliations create more opportunities for interaction and increase preferences to form ties. At the same time, moving employees may decrease the structural alignment between the informal networks and the formal position of moved employees. This can result in conflicting contributions to organizational identity that may reduce the rate of tie formation when employees are heavily embedded. To test my arguments, I use a two-period panel of data on employee relationships in the customer services division of a financial services provider. Results show evidence of competing formal position and informal networks but the magnitude of these effects suggest misalignments help rather than hinder restructuring efforts.

- Lynch, S. 2006. Formal disaggregation and gender homophily inside firms. Working paper.

Formal structure and a key influence on informal structure – gender homophily – are likely to jointly influence tie formation inside firms. Irrespective of individual preferences, the division of labor inside firms is likely to decrease relationship diversity. Because functional expertise tends to be gender-biased, segregating employees is likely to decrease the structural opportunity to form relationships with those of the opposite gender. Hence macro-social effects imply that the combined effect of membership in a common formal group and sharing a common gender is likely to make tie formation more likely. I test my hypotheses in a study of tie formation in the customer services organization of a financial services provider.

- Lynch, S & Lovas, B. 2005. Reversing the flow of influence: Networks, power and resistance to organizational change. Working paper.

Social networks can shape management’s ability to implement formal changes and employees’ ability to resist. While an organization may have more power to influence change when working relationships are more heavily embedded, individual power can reverse the flow of influence in the network. An individual with power can use the dependency of others to gather support from surrounding contacts to support resistance to change. Our arguments are supported by analysis of the effectiveness of formal change upon 600 internal relationships of 59 partners in a global professional services firm.

ACADEMIC AND TEACHING EXPERIENCE

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| 2000-2006 | <i>Lead faculty</i> , McKinsey & Company Micro-economics based strategy course. Work with Business School faculty to deliver the strategy module of a condensed MBA for consultants with non-business postgraduate degrees. Provide design and content direction. Completed over 20 programs. Average teaching ratings 4.1 to 4.5. USA, Netherlands, Austria, Spain, Canada. |
| 2004 | <i>Teaching assistant/guest lecturer</i> , London Business School strategy course: Growth and Corporate Entrepreneurship elective. Guest lectured on standard setting and network design. Assisted in the development of a model to simulate the dynamic effect of social networks and organizational change. London. |
| 2000-2001 | <i>Guest faculty</i> , London Business School General Management Course. Developed and conducted lectures in strategic problem solving for MBA students. London. |

OTHER WORK EXPERIENCE

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| 1993-2000 | McKinsey & Company , Sydney, New York. San Francisco, California. |
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Strategic management consultant. Led and contributed to teams supporting Fortune 500 companies around the world. Principal industry focus in private equity, telecommunications and media

Associate Principal, New York (2000)

- Supported investment decision-making of leading private equity firm; identified deal opportunities in business-to-business e-commerce, conducted due diligence and market research on cable industry investments
- Provided launch support for a start-up DLEC offering DSL services for small businesses in second tier US markets
- Co-leader of Harvard Business School recruiting team

Engagement Manager, New York (Oct 1997 – 1999)

- Supported new CEO in first 100 days at a US telecommunications company to design and implement changes to streamline the organization
- Led team to create a globally based IP strategy for a US telco
- Led team to design and implement a change program to improve sales force effectiveness for a US telco
- Developed strategy for a European telco to enter the IT services industry, with a focus on opportunities in IT outsourcing, e-commerce and call centres

Associate (1996 – Sep 1997)/Analyst (1993-1995), Sydney and New York

- Led client and consulting team to identify and implement cost reduction program for the studio facilities group of a leading Hollywood studio
- Supported product development group in a US telco to develop business case for a web hosting service targeted at small to medium sized businesses
- Created a detailed market segmentation, conducted market research and identified key functionality by segment for an on-line service targeting US small businesses

SCHOLARSHIPS AND AWARDS

- Advanced Institute of Management (sponsored by the Economic and Social Research Council), financial award for dissertation research of \$14,000, 2005.
- Organization and Management Theory Division ABCD Best Reviewer award, Academy of Management, 2005.
- London Business School PhD Scholarship (2000-2004).

CONFERENCE PRESENTATIONS

- Translating strategy into action; shaping informal interaction through organizational design. To be presented at the British Academy of Management, September, 2006.
- Reversing the flow of influence: Networks, power and resistance to organizational change. Presented at the XXV Sunbelt INSA Conference, February, 2005 (with Bjorn Lovas).
- Resistance to organizational change: Rethinking the role of resource dependencies and structural embeddedness. Presented at the Academy of Management Conference, August, 2004 (with Bjorn Lovas).
- Resistance to organizational change: Using resource dependencies to flex your social structure. Presented at the Transatlantic Doctoral Conference, May, 2004 (with Bjorn Lovas).

- Embeddedness and change in organizations. Presented at the Transatlantic Doctoral Conference, June, 2003.

PROFESSIONAL AFFILIATIONS AND ACTIVITIES

- Member of the Academy of Management.
- Member of the International Network for Social Network Analysis (INSA).
- Member of the American Sociological Association

REFERENCES

- Professor Olav Sorenson
Jeffrey S. Skoll Chair in Technical Innovation and Entrepreneurship
Professor of Strategic Management
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- Professor Costas Markides
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