

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

HARNESSING CONFIDENCE DIVERSITY: EXPLORING TOP MANAGEMENT TEAM CONFIDENCE DIVERSITY AND ITS INFLUENCE ON INNOVATION EFFICIENCY

By

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Date : 24 Feb 2025 (MON)
Time : 10:30 am – 12 noon
Venue : GH120c, PolyU

Abstract

In this paper, we introduce the novel construct, top management team (TMT) confidence diversity, which we define as the degree to which confidence levels vary within the TMT. By integrating upper echelons theory and the information processing theory on diversity, we examine the effect of TMT confidence diversity on firm innovation efficiency. Specifically, we argue that TMT confidence diversity will be positively related to firm innovation efficiency due to information processing benefits gained when making decisions about innovation. Additionally, we draw on the group information processing perspective and examine two contexts likely to shape the importance of information processing—industry competitive intensity and firm financial maturity—and thus moderate the relationship between TMT confidence diversity and firm innovation efficiency. We test our theory using a broad panel dataset of S&P 1500 firms between 1992 and 2017, finding strong support for our hypotheses. Our study serves to reconceptualize executive confidence from an individual-level attribute to a TMT-level attribute, moving beyond the CEO-centric focus of prior research. We also advance TMT diversity research to incorporate a dynamic deep-level attribute that directly affects cognition and decision-making, moving beyond extant research that has focused on static surface-level attributes, primarily in the form of demographic characteristics.

Dr Daniel L. Gamache is an Associate Professor in Management at the University of Georgia's Terry College of Business. He received his Ph.D. in strategic management from Michigan State University. His research takes a behavioral approach to studying executive decision-making, emphasizing how executive characteristics, compensation, and social evaluations of the firm shape strategic decisions. His published work focuses on strategic implications of CEO characteristics, impression management, CEO relative pay standing, and the strategic implications of media coverage. His work has appeared in the *Academy of Management Journal*, *Academy of Management Review*, *Strategic Management Journal*, and the *Journal of Management*. He is an editorial board member at *Academy of Management Journal*, *Academy of Management Review*, *Strategic Management Journal*, and *Administrative Science Quarterly*.

All interested are welcome.



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