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Antecedents and effects of co-mobility after an organizational failure: results from a quasi-natural experiment in trading industry

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Abstract

There is a vast existing body of management literature on tie formation, at firm and individual level and its importance for individual and organizational outcomes. A particular subset of these studies focuses on employees mobility, an instance of a new tie formation between an employee and new employer, for both: individual and firm level outcomes and performance (Carnahan & Somaya, 2013; Corredoira & Rosenkopf, 2010; Marcus & Kongsted, n.d.; Rosenkopf & Almeida, 2003; Rosenkopf & Nerkar, 2001; Somaya & Williamson, 2008). Employee's migration is not however phenomenon restricted to one individual: 10-11% of all employees in the population move in groups by two or more. Such relatively high number provided by the first and, to author's best knowledge, only exploratory study of antecedents and effects of co-mobility (Marx & Timmermans, 2015), indicating a clear gap in such field of studies, including antecedents co-mobility, and avenues for future research with use of natural experiment or instrumental variables, possibly also in other than traditional, knowledge intensive industries. Simultaneously, economic geography raised the potential usefulness of use of network theories and methods in studies on the role of space in organizational outcomes and antecedents (Ter Wal & Boschma, 2009). Even though the main sources of data mentioned are roster analysis and patent data, the delineated gap mentions mobility as possible empirical set up, possibly not explored enough because of difficult access to data. Moreover, economic geographers (Boschma, 2005) elaborated a framework of various types of proximities, antecedents of tie formation. I consider co-mobility an instance of tie formation between two employees (and shared new employer). Merging the two perspectives and respective gaps: co-mobility and economic geography, I explore the effects of various dimensions of distance (or proximity) as characteristic of a prior tie separating the dyad, as antecedents of co-mobility. I use a proprietary data set on individual migrations from failed MNE's locations worldwide that I transform into dyadic data set including 42000 realized and potential co- moves. The failure of the MNE is considered exogenous and unexpected thus used as a quasi-experiment. My results suggest a penalty for dyads distant in terms of geographical (not-collocated) and horizontal (heterogeneous in terms of occupational position) dimensions. Nevertheless, regardless of the geographical distance separating individuals within a dyad, individuals that are not homogenous (distant horizontally such as trading employee and a manager), contrarily to the stand alone predictions, benefit from a premium in terms of increased likelihood of co-mobility. I explain the results with increasing costs and lack of complementarities between employees in the trading industry. My study uncovering

proximity-based antecedents of co-mobility has practical, managerial implications, but can also provide, macro-level implication such as insights into how connectivity between clusters arises through co-mobility of employees from different locations.

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Antecedents of employees' co-mobility: homophilic ties and organizational structure. Evidence from a natural experiment.

INTRO

There is a vast existing body of management literature on tie formation and its importance for individual and organizational outcomes. A particular subset of these studies focuses on employees' mobility, an instance of a new tie formation between an employee and a new employer and the links between the mobility and performance for individuals and both: losing and receiving firms (Carnahan & Somaya, 2013; Corredoira & Rosenkopf, 2010; Rosenkopf & Almeida, 2003; Agrawal & Cockburn, 2003, Rosenkopf & Nerkar, 2001; Somaya & Williamson, 2008 , Mawdsley & Somaya, 2015, Hoisl, 2007; Maliranta, Mohnen, & Rouvinen, 2009). A particular subset of the mobility literature includes studies analyzing mobility subsequent to disruptive events such as organizational failure (Cannella, Fraser, & Lee, 1995; 1998; Rider & Negro, 2015; Semadeni, Cannella, Fraser, & Lee, 2008) or graduation (Faggian, McCann, & Sheppard, 2007; Faggian, McCann, & Sheppard, 2006). Regardless of the empirical context, mobility is not a phenomenon restricted to a single individual: 10-11% of all employees move in groups of two or more. Such relatively high number is provided by the first and, to author's best knowledge, only exploratory study of antecedents and effects of co-mobility (Marx & Timmermans, 2015). Given the importance of the phenomenon, the study indicates a clear existing gap on co-mobility, including its antecedents, and a use of natural experiment or instrumental variables allowing for a causal inference as avenues for future research, possibly also in other, global, outside of the traditionally studied knowledge intensive industries.

In the network and management studies, homophily: a multidimensional concept based on shared characteristics such as gender, status, professional affiliation or co-location, has been studied as main driver of tie formation (Dahlander & McFarland, 2013; Rivera, Soderstrom, & Uzzi, 2010, Boschma, 2005). Furthermore, scholars voiced the need of accounting for structural contingencies in the studies of homophily in organizational contexts. This started an important stream in research on the interplay of homophily and structural contingencies on the tie formation (Kleinbaum, Stuart, & Tushman, 2013).

In this paper, I consider co-mobility an instance of tie formation between two employees sharing an immediate former experience and transitioning together to a new employer. I merge the co-mobility literature with existing body of literature on the interplay of homophily and structural contingencies to explore the effects and the interplay of homophilic prior ties of co-mobile employees as antecedents of co-mobility in an Adhocracy.

I use a unique, proprietary data set on individual mobility induced by a failure of a world-leading MNE and all its locations worldwide¹ that I transform into commonly used type of network data: a dyadic data set (Kleinbaum et al., 2013; Mizruchi;M & Marquis, 2005) including 42.643 realized and potential co-moves of employees. The failure of the MNE is considered exogenous and unexpected thus is used as a natural experiment. My results suggest a negative effect in the likelihood of co-mobility for dyads distant in terms of both: geographical (not-located) and horizontal (in terms of occupational position) dimensions, or a strong effect of homophilic prior ties on the likelihood of co-mobility. Relying on the empirical setting and more specifically organizational structure of an Adhocracy (Mintzberg, 1980), I explain these findings with the existence of strong ties between employees sharing the same location and position in the organizational structure of an Adhocracy (Blyler & Coff, 2003). The Adhocracy is indeed characterized by the coordination mechanism of mutual adjustment, more than on traditional line of authority implying employees' full independence in the task competition and low level of vertical complementarities. Inputs from 18 qualitative interviews with former MNE's employees and ad-hoc analysis corroborate the existence of strong ties for co-located employees, and possibly employees in the same occupation position, who move simultaneously. I find that the interaction product of both: horizontal and geographic distance, is strongly positive and significant suggesting an increased likelihood of co-mobility for geographically and horizontally distant dyads moving sequentially. This result is explained by complementarities present in this empirical set up and originating from a particular market specialization between managers and traders in teams in a different geographical location, common to an Adhocracy based on market specialization. Even though I cannot entirely rule out the existence of informational flows such as scouting out of opportunity, in particular for the latter finding, I exclude the existence of strong ties for the sequential mobility. My study uncovering antecedents of co-mobility and contingencies of the organizational structure has practical, managerial implications, but also macro- level implication such as insights into how co-mobility arises through geographical distance contributing to the literature on connectivity and connectedness (Lorenzen & Mudambi, 2015) of firms and clusters but also on behavioral aspects of tie formation based on homophily between individuals.

¹ Such somewhat alleviates the potential issue of local character of migrations mentioned Ter Wal & Boschma (2009)

EMPIRICAL SETTING

Founded in 1980, OW Bunker was a Danish company active in trading activities and physical supply of marine fuel (bunker) to shipping firms. The company grew continuously throughout the 90' and 00' thanks to high oil prices and good access to financial assets secured by credit lines from well prospering banks. It reached the effective of 622 employees spread out in 30 offices worldwide and 30 operating supply ships at the end of 2013. OW Bunker was known for the quality of its co-workers assured through internal training program and efficient careers development. In a highly complex and competitive market, the Danish company accounted up to 15% of global market share assuring, by far, its position of the biggest player in global market of bunker intermediaries. In March 2014, OW Bunker finalized the second most successful IPO in the recent history of the Danish stock exchange². Six months later, information about the financial fraud committed by the head of one of the most important trading subsidiaries in Singapore was released to the media. On November 7th, the company filed for bankruptcy. The remainder of this section first reviews the circumstances of the OW Bunker collapse. It then describes its core activities and organizational structure. Lastly it highlights some important characteristics of the HR system in place.

The OW Bunker collapse came as a shock to the industry and most importantly to all companies' employee (Skouboe, 2015, confirmed by 18 qualitative interviews with former traders and trading managers). The mail sent by the top management, on November 5th, requiring an immediate interruption of all trading activities found the trading staff by their daily activities and caused a great shock and confusion. The first mention of fraud in OW Singaporean subsidiary and the life-threatening situation came along later on that day, supplemented with information on management's ongoing efforts to find a corporate buyer. Two days later, employees have been informed about the failure of negotiations, retreat of banks from the agreements on the granted credit lines and subsequent collapse of their employer. The bankruptcy resulted in an unseen market turmoil: customers, ship owners or operators, with running contracts were often left with no fuel supplies, while some fuel suppliers couldn't receive their payment for already delivered supplies. In order to solve raising claims from counter-parties, the trustees took possession of some of the firm's subsidiaries. The collapse ended the employment contracts of almost all employees, except few ones who worked along with debtors or trustees. Such spectacular bankruptcies have been rarely observed in a global context. The cases of Enron, Arthur Andersen(Jensen, 2006), or

² <http://www.bloomberg.com/news/articles/2014-03-28/ow-bunker-s-980-million-ipo-denmark-s-second-biggest-since-2010>

Brobeck, Phleger & Harrison (Rider & Negro, 2015) are probably the sole exceptions. To our best knowledge, a similar collapse is also without precedent in the bunker logistics industry and, as such, has raised an important and long-lasting interest of industry and international media.

The core activity of OW Bunker was purchase and re-sales of marine fuel (from suppliers to ship owners/operators) including covering the financial risk of the transaction. Oftentimes the value chain was extended and the trading activity involves an additional-competitive trader. The industry activities are based on very fast-paced decisions with an important extent of uncertainty due to fluctuating prices of bunker fuels and derivative and credit lines. According to the IPO prospectus drafted 11 months before the firm's collapse, out of company's 622 employees 32 % were resellers, directly linked with firm's core activity, 33% were hired in concern functions, 22 % in seafaring positions, and 10% in ship operations³ and 3% in purchase. Resellers functions at OW Bunker are split between pure trading, so called "world-wide trading" (spot purchase in order to resell immediately) and physical operations (purchase, storage, resell) with use of dedicated infrastructure, such as floating ships. The main roles of resellers in the world-wide trading and physical distribution were located at managerial (team leader, trading manager, branch/office manager and global manager) and employee level (trader and senior trader) in various, mostly non-overlapping locations worldwide. Employees in all trading position had to take on some risk-management tasks as from 2010 on, by the same not only reporting to their direct trading manager but also to the related risk management department providing them with a green light for each transaction. The company structure can be therefore understood as a matrix with cross-departmental dependencies and units based on geographical market specialization.

OW Bunker was the industry leading. Part of its excellent reputation came from employees' qualities, assured through the policy of a thorough professional training, so called Bunker Academy⁴. An employee corroborates: *"Not even the best remaining company in the market now, is close to the working culture and professionalism we achieved at OW due to our training"*. Such reputation subsisted on the market even company's epic failure. One of our interviewees corroborates: *"Until now, as my opening line with any given supplier or customer I would use: "I used to work for OW Bunker". It opens all doors"*. OW Bunker employees benefitted from good working environment and offered possibilities of development

³ https://www.dr.dk/NR/rdonlyres/AA094742-2280-4F19-86CCE4D262F6B17C/6034757/OWBunker_Prosept_IPO_2014.pdf

⁴ According to the IPO prospectus: "a total of approximately USD 450,000 for the year ended 31 December 2013 on employee training for approximately 120 front office employees (...) (average of approximately USD 3,700 per employee who attended the training (is spent))".

through a personal development plan. On average an employee's career at the time of collapse was: 62 months with a minimum of 1 and max of 282 (standard deviation of 56). Even though this number may be a result of a constraint employees' mobility induced by non-compete clauses frequently applied in the bunker trading industry, it reflects somewhat employees' job satisfaction. Also, the career path followed a specific pattern: many of the former traders were offered an internal promotion either to a team leader or trading manager: 46 out of all 207 employees were internally promoted, among which 75% (29) out of 69 managers. One particularity of such set-up is that every given manager would excel in trading job and just take over some additional management or risk management responsibilities. The same individual may have experienced multiple internal promotions, which in many cases coincided with geographical transfers (particular at play for more senior employees). Since the main differences in tasks performed by the trading staff were the result of a market specialization, the geographic mobility coinciding with vertical mobility reflects somewhat an HR practice of providing an opportunity to growth by a horizontal job extension.

THEORY AND HYPOTHESES

CO-MOBILITY AND CHARACTERISTICS OF PRIOR TIES: DIMENSIONS OF HOMOPHILY

A common consensus exists on the fact that various types of proximity within a dyad (such as geographic, or personal-cognitive social based on homophily) affect the likelihood of tie formation (Dahlander & McFarland, 2013, Rivera, Soderstrom, & Uzzi, 2010, Mcpherson & Smith-Lovin, 1987) Also, scholars from the field of economic geography contributed to the understanding of various dimensions of proximity such as geographical, cognitive, social, personal (Boschma, 2005, Caniëls, Kronenberg, & Werker, 2014; Werker, Ooms, & Caniëls, 2014), reflecting the principles of homophily, and linked these to various instances of tie formation such as collaborations, alliances and others (Balland, 2012; Cassi & Plunket, 2012; Torre & Rallet, 2005).

According to the proximity frameworks and homophily theory, the geographic proximity or co-location has a positive impact on tie formation within a dyad. It operates through various mechanisms such as random encounters and fostering of the existence of strong ties among employees sharing the same organizational loci. According to the empirical setting, employees working in the same location share similar working environment and specialize in the same market segment. Also the recent studies (Kleinbaum et al., 2013) advanced the restrictions induced by the exposure to others, sharing similar characteristics (Mcpherson & Smith-Lovin, 1987) such as employees in subunits, or induced homophily as opposed to the choice homophily, on the tie formation. Based on the theoretical inputs on the

geographical proximity between two employees within a dyad and the empirical setting advancing local market specialization based on geographical location of employees, I hypothesize:

H1: The probability of co-mobility is lower (higher) in case of dyad characterized by geographic distance (geographic proximity).

Homophily is a multi-dimensional concept. Consequently, it does not only operate based on behavioral characteristics (Cohen & Levintal, 1990, Huber, 2012), but also based on other such as education, race, citizenship of affiliation with a particular profession (Bacharach, Bamberger, & Vashdi, 2005; Kleinbaum et al., 2013). Analogously, other dimensions or homophily between two actors in a dyad result in fostering the tie formation between them. Furthermore, scholars recently raised the need for investigating the interplay of homophily and organizational structure (Kleinbaum et al., 2013) aiming at disentangling how homophily operates contingent on the organizational structures.

Scholars in organizational design and economics distinguished between various forms of organizational structure: ranging from a simple structure, through (professional and machine) bureaucracy and divisionalized form to the most flexible and currently fashionable structure of Adhocracy (Mintzberg & McHugh, 1985; Mintzberg, 1980; Waterman, n.d.). The Adhocracy is characterized as operating in highly dynamic and uncertain environment and reliant on mutual adjustment as main coordination mechanism between its employees replacing a formal line of authority. There are two types of Adhocracy: the administrative and operating. Within the operating Adhocracy, employees are independent in their task completion and avoid traditional managerial authority associated with structures such as Bureaucracy. As such, due to the high extent of mutual adjustment, teams are built of trained, independent experts specializing in their particular field.

Given that Bunker is active in a dynamic, uncertain environment and reliant on a low formalization of behavior and high focus on training, its structural characteristics correspond to the ones of an Adhocracy. The theoretical advances highlight the mutual adjustment and lack of formal line of command within an Adhocracy where individual employee is in control of his own task completion to a high extent. While one could argue that, given the high rate of promotions from within, dyads of managers and traders are equally likely to be formed within co-mobility as dyads based on homophily, the coincidence of vertical and geographical mobility goes against this argument. Based on the theoretical advances on homophilic ties and the characteristics of the Adhocracy from the empirical setting, I further hypothesize as follows:

H2: The probability of co-mobility is lower (higher) in case of dyads characterized by horizontal distance (hierarchical proximity)

Complementarities and interdependencies arising between firms or individuals from different “niches “ (Gulati & Gargiulo, 1999, Nohria & Garcia-Pont, 1991) have been advanced as important mechanisms driving of co-mobility (Marx& Timmermans, 2015). Based on the empirical description and the theory of organizational design, the main complementarities that arise within an Adhocracy are likely to come from the market specialization. Based on the potential complementarities arising between individuals from different geographic locations, and especially within different occupational categories based on the coinciding vertical and geographical promotion, I hypothesize further:

H3: A geographical distance (proximity) will positively (negatively) moderate the effects of horizontal distance on the likelihood of co-mobility.

STUDY DESIGN

The sudden failure of OW Bunker offers a natural experiment setting for testing my hypotheses on the homophilic ties and co-mobility. The organizational failure of OW Bunker was unexpected and exogenous, induced by fraud committed by an isolated individual in one organizational subsidiary. Following the fraud and the subsequent failure of the MNE, employees depart simultaneously in search of second best employment options.

DATA/METHOD ANALYSIS

In order to study the antecedents of co-mobility after organizational failure, I combine insights from hand collected quantitative data with qualitative interviews. The quantitative data provides information on the career trajectories of 207 (out of a total 230) core front office employees directly involved in trading at OW Bunker immediately prior to the organizational failure. The 18 qualitative interviews with relocated OW Bunker employees have been conducted at both trading and managerial level.

For the purpose of the quantitative sample, I identified employees at OW Bunker at the time of collapse as follows. First, I identified all bankrupt companies’ subsidiaries by name. Following (Rider & Negro, 2015) I used company websites (<http://www.dynamiccoiltrading.com/contact-singapore.php>) in order to, subsequently, identify employees by name. Second, in absence of other sources, I relied on abundant industry media releases, industrial reports and qualitative interviews with former traders and managers in further employees’ identification process.

Based on the outcome of the nominal identification, I proceeded further with the collection of detailed personal information on education, experience and location, restricting our criteria to front-office bunker/fuel/derivate world-wide and physical traders, both juniors, seniors and managers being part of OW Bunker at the time of collapse. My primary source in this respect was the LinkedIn networking platform. Due to its wide-spread use among employees in the industry, I managed to retrieve detailed self-reported information on most employees' background and careers. In total, due to incomplete information, I exclude 8 observations from the final data set. Furthermore, I identify employees not having LinkedIn accounts in number of 9. I succeed in gathering complete information on 4 of them.

The data collection process leaves me with 207 observations: 5 junior trainees, 108 traders (52%), 25 senior traders (12%) and managers 69 (33%). Such numbers seem to be relatively close to the last information on the distribution of occupational positions within the company accounting for possible promotion and intensive hiring of traders occurring between 2013 and 2014 (roughly 60% in trading- both junior and senior positions and the remainder in managerial positions accounting for a regular distribution of occupational categories for the mentioned physical trading). According to the last available information at the end of 2013, the total population of various reselling position at OW Bunker equaled 32% of total 622 employees (205), our interviewees provided me with a number of 230 trading related positions at the time of firm's failure in November 2014. I believe that my final dataset is representative for the population of OW Bunker employees at various levels in all reselling positions at the time of collapse. Based on the 207 individual observations, I further construct a dyadic data base including all potential and realized moves with a total of 42.643 dyads. I exclude, as a potential source of noise, all employees who became unemployed after the organizational failure which leaves me with a final dyadic data set that comprises 34.040 observations. The long average careers duration at OW Bunker, makes the setting of unexpected collapse of particular interest reflecting a particular institutional context. Indeed, because of the viciously enforced non-competing clauses worldwide in bunker trading, the failure of OW Bunker resulted in a sudden important supply of traders in the market, free of legal restrictions. Since the failure of OW Bunker was exogenous and largely unexpected by employees and the market, I advance that subsequent moves and changes in employees' careers can be attributed to the firm's failure.

Measures and Method

I investigate the antecedents of co-mobility after OW Bunker collapse with use of two main dependent variables. The first one "co-mobility" is denoting the event of co-mobility. I use a conservative definition and consider co-mobility exclusively in case of two or more employees migrating to the same

nominal firm in the exact same geographic location- city. While in the individual data set 48% of all 207 employees are co-mobile, in the dyadic data set, due to the multiplication of dyads in instances where more than two employees transition together, there are 330 instances of co-mobility. The second dependent variable is a three- level ordinal variable (0-1-2) denoting respectively no co-mobile dyads, simultaneous co-mobile dyads and sequential co-mobile dyads. Out of 330 instances of co-mobility 156 are simultaneous and 174 are sequential transitions. Since the mechanisms behind sequential and simultaneous co-mobility may not be the same, this measure is supposed to fine-grain the findings obtained with the simple measure of co-mobility by linking them to particular mechanism.

The main independent variables used define the characteristics of prior ties. Following (Dahlander & McFarland, 2013; Kleinbaum et al., 2013) the main independent variables are at dyadic level and are computed as dummies. “Geographical distance” is a dummy variable that takes the value of one for individuals being located in different cities and the value of zero for individuals being located in the same city (location in the city coincides with a single office location). Out of total 34,040 observations, 31,330 are characterized by geographical distance. The “horizontal distance” is a dummy taking the value of one for dyads formed between a trader/senior trader and a manager the value of zero for other, homophilic dyads accordingly to the distinction suggested by Kleinbaum et al (2013). Out of total 34,040 observations, 15,128 are characterized by the horizontal distance. As alternative, I compute a 6 levels scale of occupational category according to the description in the empirical setting (junior, trader, senior trader, trading manager, area manager, global manager and managing partner) and calculate the absolute difference between employees in a dyad based on such scale. The maximum distance obtained with such a computation is 4. Due to the extremely fine-grained character of the variable and the risk that it does not exactly capture the main mechanism (difference between managers and non-managers) this variable is mainly used in a robustness check. While it performs worst as compared to the dummy, the magnitude and sign of its coefficient confirm the main results⁵.

13,908 of all dyads are characterized by distance along the two dimensions. 256 out of all 330 co-mobile dyads are geographically proximate, 192 of all co-mobile dyads are horizontally proximate. I report the statistics for dyad-level variables in Table 1 and the correlation matrix in the Table 2:

⁵ The robustness check referred to is presented in the Table 4 in the Online Appendix: <https://www.dropbox.com/sh/tznwx6uj8twvz9v/AABPQ-SGjsD1JBBO4Xpt9JBPa?dl=0>.

Table 1 Descriptive Statistics for Dyad-Level variables

	mean	sd	count
co-mobility	.0096945	.0979836	34040
horizontal distance	.4444183	.4969084	34040
geographic distance	.9203878	.2706959	34040
Observations	34040		

Table 2 Correlation matrix for Dyad-Level variables⁶

	co-mobility	horizontal distance	geographical distance
co-mobility	1		
horizontal distance	-0.00522	1	
geographical distance	-0.254***	-0.00341	1

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

My study includes also a set of individual based control variables. I compute “position” as a dummy taking value of zero for non-managerial positions (138) and one for managerial positions (69), consistently with the main distinctions of occupational categories in the industry and the theoretical interests. As alternative, “category” reflects employee’s position in the organizational structure and takes respectively the value of zero for junior staff, 1 for traders, 2 for senior traders, 3 for trading managers/team leaders, 4 for branch manager/regional manager, and 5 for general manager. There are 5 junior trainees, 108 traders (52%), 25 senior traders (12%) and managers 69 (33%). “Education” is a categorical variable taking value of 0 for up to high school education and 1 for bachelor or master (similar measure is used by Rider and Negro, 2015). As alternative, I compute a more fine-grained measure that takes the value of zero in absence of education diploma explicitly mentioned except primary school (compulsory in most of countries), the value of 1 if an employee reported a high school education completed, 2 for bachelor level or professional education of 2 years or more and 3 for master-level, MBA and PhD. The mean of “education” is 0.78 for junior and senior staff which reflects the phenomenon of

⁶ Full correlation matrix at the dyadic level is available in the Online Appendix.

relatively unskilled staff performing trading tasks highlighted by various sources. “Danish”-is a dummy variable taking the value of one for all individuals with Danish nationality in order to capture specific firm dynamics based on hiring nationals. Indeed, an important part of all employees, 67 out of 207 were of Danish nationality. “Male” is a dummy that takes the value of two for male employees of OW Bunker and one for females. The distribution of this variable indicates that large majority of sellers were men, only 49 out of 207 were woman. “Experience at the bankrupt firm” is a count variable. It denotes the number of months in total employment at the failed firm (Negro& Rider, 2015). This measure is supposed to approximate the strength of affiliation of an employee with the company. Its mean is at 62 and max at 282, with a relatively high standard deviation. The distribution of this variable indicated the long-term employability at the bankrupted company, where some had their life-long careers mentioned in various industry and media publications and in the empirical setting. I also use a natural log of number of years of experience in order to correct for the important range of values. Analogously to “Experience at the bankrupt firm”, I computed “industry experience” and “other experience”, both count variables, measuring respectively, bunker logistics related experience and experience outside of the industry in months (as alternative in years, also transformed into logs). Not included in either of them are student’s jobs and internships during the time of studies. The mean of these two controls are 27, respectively 34, with higher maximum and standard deviation for the latter. “Time in first job” is a quant variable denoting the number of months an employee spends in his first employment. Its maximum is 18 and reflects the time elapsed between the failure of OW Bunker and the start of the data collection process. The “time in first job” variable is used as outcome variable for ad hoc tests of various mechanisms underlying co-mobility.

Moreover, I control for two move or transition-specific characteristics of the ego. First, “no move” denotes a move where the employee remains in the same location within the new employment. There are 71 instances, out of total 207, in which an employee changes her geographical location (no move=0 with mean of 0, 49). This suggest that, even excluding the ones who didn’t find jobs at all (total of 22), employees were relatively mobile geographically and not necessarily constrained with the employment options available locally. “Repatriation” is a dummy variable capturing the fact of repatriation. It takes the value of one for all individuals working in a foreign country prior to the organizational failure and regaining their home country with the new employer. This variable is supposed to capture individual expats’ preferences for an employment in the home country that the sudden organizational failure could potentially reveal. There is a total of 7 individuals who, after working in a foreign location, are repatriated within their new employment. Given that around 70% of all individuals were nationals working in their

own home country, the overall rate of geographical mobility seems rather high. Also the small overlap between the repatriation and mobility suggests a general flexibility of employees in this industry 1) not always choosing the locally available options for employment 2) not exclusively including their home country in the set of possibilities when being an expat and considering geographical mobility. Since I am not able to assess the status of unemployed employees in terms of changing geographical location, we assume that all instances of unemployment mean no geographical move and repatriation a priori in my database, 83 out of total 185 employees regaining employment are involved in geographical mobility. However, since almost the totality of unemployed individuals in my database (19 out of 22) used to be nationals working in their home country, I am able to advance that the lack of flexibility may be the source of the lack of success of these individuals. I report the correlation matrix and descriptive statistics for ego-level variables respectively in the Table3 and Table 4:

Table 3 Correlation matrix for individual level

/insert here/ (included in the Online Appendix)

Table 4 Descriptive statistics for individual level

	mean	sd	count
co-mobility	.4879227	.5010659	207
male	1.763285	.4260963	207
education	.7874396	.4101109	207
experience at bankrupt firm	62.29469	56.43516	207
other industry experience	27.05314	55.35124	207
other experience	34.79227	54.21076	207
position	.3333333	.4725473	207
time in first job	11.01449	5.258814	207
Danish	.3236715	.4690106	207
repatriation	.0338164	.1811946	207
no move	.4927536	.5011595	207
Observations	207		

A description of all variables is provided in Table 5:

Table 5 **Summary of variables**

Name of the variable	Description of the variable
Co-mobility	Dummy that takes the value of one for each instance of co-mobility event between employees <i>i</i> and <i>j</i>
Horizontal distance	Dummy that takes the value of one for each dyad where employee <i>i</i> and <i>j</i> have been working at within different occupational categories (at non-managerial and managerial level)
Geographical distance	Dummy that takes the value of one for each dyad that is not co-located (co-location is defined as being part of the OW Bunker in the same office, within the same city ⁷)
Male	Dummy taking the value of one for females and two for males.
Education	Dummy taking value of one for employees in possession of a bachelor degree or higher.
Experience at bankrupt firm	Count of months of tenure at the failed firm.
Other industry experience	Count of months of tenure at other firms within bunker trading industry.
Other experience	Count of months of tenure at other firms, outside of the bunker trading industry.
Position	Dummy taking the value of one for employees in managerial position.
Time in first job	Count of months between the organizational failure and start of the new employment.
Danish	Dummy taking the value of one for Danish individuals.
Repatriation	Dummy taking the value of one for expatriates moving to their home country with their first employment after organizational failure.
No move	Dummy for employees whose transition into the new employment does not coincide with changing geographical location.

⁷ There are only two locations in which OW Bunker had more than one office, that not have been located at the same address as they formed a distinctive subsidiary- Dynamic Oil Trading (DOT). I include controls for DOT in the robustness checks.

My qualitative data was gathered throughout four months from February 2016 until June 2016 in form of semi-structured interviews. I aimed to sample 18 out of total 207 employees including in the individual-base dataset from various occupational categories and different organizational and geographical locations using a snow-balling strategy. The sum up of the final sample of the employees' characteristics is provided below:

Male	Female	TOTAL
13	5	18
Management position	Non-management position	
6	12	18
Danish	Non-Danish	
9	9	
Based in Denmark	Based elsewhere	
6	12	18
Geographical move	No geographical move	
3	15	18
Rapatriation	No rapatriation	
1	17	18
Comobile	Single mover	
12	6	18

I use the qualitative interviews to build up an understanding of the institutional context and the mechanisms underlying the co-mobility hiring market after an organizational failure. I use this fieldwork to support the main theoretical mechanisms that I propose.

FINDINGS

Following Kleinbaum et al. (2013), I report on the main estimation problem linked with dyadic regression: the non-independence of data. In my case this issue arises along two dimensions: first interactions within a dyad are not independent: the fact that an individual i is co-mobile is contingent on individual j being co-mobile as well. I keep structurally independent dyads, such as ij and ji , in my dataset for the purpose of controlling for ego characteristics that may drive results of co-mobility (one could

imagine that the event of co-mobility may be triggered by someone who is in managerial position and negotiates in favor of a trader in order to move together to a new employment). “The second issue arises due to the fact that the ego part of the dyad has multiple occurrences in the dataset that potentially causes a problem of correlation between different dyads because of some unobserved attribute of the individual. This problem should not affect the parameter estimates, but it can cause standard errors to be underestimated”(Kleinbaum et al., 2013). Following the subsequent recommendation, I use multi-way clustering in order to address the arising issue of non-independence of my data. I also use ego fixed effects in a robustness check to rule out that individual characteristics may drive the event of co-mobility.

I use Logit (Table 6) to estimate the probability of co-mobility including ego-dyad fixed effects and one and two-way clustering of the standard error. As alternative, following (Marx & Timmermans, 2015) I use a multinomial Logit (Table 7) in order to estimate the probability of simultaneous and sequential mobility versus events of non-mobility. The model looks as follows:

$$\text{Co-mobility} = \alpha + \beta \text{geographic distance} + \gamma \text{horizontal distance} + \delta \text{geographic distance} * \text{horizontal distance} + (\text{employees' level controls: position, education, experience at bankrupt firm, other industry and other experience, gender, Danish}) + (\text{move level controls: no geographic move, repatriation}) + \text{error term (clustered at dyad level)}.$$

The first models introduce the full set of controls at individual (and move level). The second model introduces the geographical distance, at dyad level, stand-alone, the third one the horizontal distance. The fourth, full model, includes both measures of distance and their interaction.

Table 6 Logit with DV co-mobility, se clustered at dyad level

	M1	M2	M3	M4
position=1	-0.0871 (-0.59)	-0.0553 (-0.36)	0.341** (2.21)	0.375** (2.26)
education=1	-0.106 (-0.74)	-0.106 (-0.74)	-0.198 (-1.37)	-0.196 (-1.35)
male	0.0303 (0.22)	0.0303 (0.22)	0.285* (1.91)	0.282* (1.88)
experience at bankrupt firm	0.00229** (2.25)	0.00229** (2.25)	0.00122 (1.19)	0.00128 (1.26)

other industry experience	-0.00549** (-2.57)	-0.00549** (-2.57)	-0.00572*** (-2.88)	-0.00571*** (-2.88)
other experience	0.000443 (0.45)	0.000443 (0.45)	-0.00118 (-1.12)	-0.00116 (-1.11)
Danish=1	0.0706 (0.55)	0.0706 (0.55)	-0.960*** (-6.23)	-0.944*** (-6.07)
repatriation=1	0.784** (2.36)	0.784** (2.36)	1.075*** (2.74)	1.091*** (2.78)
no move=1	1.032*** (6.25)	1.032*** (6.25)	0.952*** (5.46)	0.945*** (5.42)
geographical distance=1			-4.049*** (-26.12)	-4.323*** (-21.69)
horizontal distance=1		-0.0931 (-0.79)		-0.250* (-1.72)
geographical distance=1 # horizontal distance=1				0.599** (2.18)
Constant	-5.406*** (-20.07)	-5.376*** (-19.69)	-2.634*** (-9.18)	-2.547*** (-8.82)
N	34040	34040	34040	34040

t statistics in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

The main analysis of co-mobility is performed with the Logit framework displayed in the Table 6. The controls first introduced in the first model (M1) are largely consistent in the signs of coefficients throughout all models. The ones that stand out in terms of significance are “other industry experience” negatively associated with the likelihood of co-mobility and “repatriation” and “no move” all positively associated with the likelihood of co-mobility. The first independent variable “geographical distance” is both highly negative and significant in models 4 (M4) and 5 (M5) providing with strong evidence towards my Hypothesis 1. The coefficient of the second independent variable, “horizontal distance” is negative throughout the second models (M2), but only highly significant in the full model (M5), which provides me with a moderate evidence towards hypothesis 3. As for the hypothesized product of the interaction term, it is assessed with the use of the full model (M5): its coefficient is positive and highly significant which provides me with enough of evidence towards the last hypotheses. As robustness checks, I perform a

similar Logit analysis of co-mobility including employees-fixed effects⁸ instead of individual controls and the results remain consistent in the direction of signs, their magnitude and significance level.

Table 7 presents additional findings from Multinomial Logit analysis. The first part of this analysis reflects the likelihood of moving from the category of not- co-mobile to simultaneous co-mobility. While most of the controls, such as “other industry experience” or “no move” display similar signs and stay at the significance level as in the Logit analysis, the independent variables behave differently. The “geographical distance” is still negative and significant, the “horizontal distance” keeps the expected sign but is not significant. The interaction term also displays the expected sign but it however far from the significance level. The second part of the analysis refers to the likelihood of moving from the simultaneous co-mobility to the sequential one. The controls “repatriation” and “no move” are consistent. While the “horizontal distance” remains insignificant, in the full model, both independent variables and the interaction term display the expected signs and significance level providing a moderate evidence towards the Hypothesis 3.

Table 7 Multinomial Logit with three level DV 0- no co-mobility 1- simultaneous co-mobility and 2- sequential co-mobility, se clustered at dyad level

	M1	M2	M3	M4
1				
position=1	0.382* (1.74)	0.440* (1.95)	0.944*** (4.13)	1.003*** (4.06)
education=1	-0.654*** (-3.34)	-0.654*** (-3.34)	-0.731*** (-3.72)	-0.729*** (-3.71)
male	-0.103 (-0.53)	-0.103 (-0.53)	0.305 (1.51)	0.301 (1.49)
experience at bankrupt firm	-0.00134 (-0.88)	-0.00134 (-0.88)	-0.00278* (-1.87)	-0.00272* (-1.84)
other industry experience	-0.0152*** (-3.74)	-0.0152*** (-3.74)	-0.0142*** (-3.75)	-0.0142*** (-3.75)
other experience	-0.00172 (-1.07)	-0.00172 (-1.07)	-0.00408** (-2.30)	-0.00409** (-2.32)
Danish=1	-0.437** (-2.19)	-0.437** (-2.19)	-1.686*** (-7.64)	-1.678*** (-7.61)

⁸ Available in the online Appendix, Table 1

repatriation=1	-0.601 (-0.58)	-0.601 (-0.58)	-0.475 (-0.44)	-0.466 (-0.43)
no move=1	1.570*** (5.21)	1.570*** (5.21)	1.446*** (4.62)	1.440*** (4.60)
horizontal distance=1		-0.172 (-1.00)		-0.196 (-0.97)
geographical distance=1			-5.133*** (-18.18)	-5.281*** (-13.79)
geographical distance=1 # horizontal distance=1				0.331 (0.62)
Constant	-5.660*** (-13.98)	-5.606*** (-13.79)	-2.738*** (-6.32)	-2.676*** (-6.13)
<hr/>				
2				
position=1	-0.401** (-2.09)	-0.393* (-1.94)	-0.0741 (-0.38)	-0.0603 (-0.29)
education=1	0.376* (1.81)	0.376* (1.81)	0.283 (1.34)	0.291 (1.37)
male	0.173 (0.87)	0.173 (0.87)	0.329 (1.55)	0.326 (1.54)
experience at bankrupt firm	0.00491*** (3.59)	0.00491*** (3.59)	0.00416*** (3.12)	0.00422*** (3.17)
other industry experience	-0.000561 (-0.25)	-0.000561 (-0.25)	-0.00134 (-0.63)	-0.00132 (-0.62)
other experience	0.00227* (1.81)	0.00227* (1.81)	0.000940 (0.73)	0.000984 (0.76)
Danish=1	0.426** (2.47)	0.426** (2.47)	-0.420** (-2.04)	-0.401* (-1.94)
repatriation=1	1.063*** (2.95)	1.063*** (2.95)	1.365*** (3.49)	1.389*** (3.54)
no move=1	0.717*** (3.52)	0.717*** (3.52)	0.652*** (3.13)	0.644*** (3.09)
hordist1=1		-0.0234 (-0.14)		-0.317 (-1.52)
geographical distance=1			-3.360*** (-17.44)	-3.700*** (-15.54)
geographical distance=1 # horizontal distance=1				0.741** (2.19)
Constant	-6.681*** (-17.93)	-6.674*** (-17.56)	-4.094*** (-10.35)	-3.982*** (-10.02)

N 34040 34040 34040 34040

t statistics in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

As a robustness checks, I perform two separate analysis with split samples for respectively simultaneous and sequential co-mobility (presented in the Online Appendix, Table 2 and 3). All findings are consistent with the outcomes of the main analysis reported above. Based on the main Logit analysis and additional Multinomial Logit analysis I find strong support for the Hypothesis 1, moderately strong support for the second Hypothesis and relatively strong support for the third hypothesis. While the effect of co-location is strong and persistent for the mobile employees as hypothesized, the evidence for the effect of homophily in terms of occupational position is somewhat weaker. Even though, in general terms, homophilic employees seem to be more likely to be co-mobile, these effects do not seem to be persistent when accounting for the contingencies of simultaneous and sequential co-mobility. For the last Hypotheses, the findings seem to be driven by the sequential co-mobility of employees which intuitively makes sense. Employees in remote locations and different occupational positions are, by definition, involved in at least one-sided geographic mobility (since converging to the same employer in the same location). Such transition will definitely require more time to be pursued, thus the sequential character of the moves.

DISCUSSION

Controlling for a series of move (geographical move, but also repatriation of individuals working previously in a foreign location) and individual characteristics (education, experience at the failed firm, position or, as alternative, individual fixed effects) my findings, confirm the expected decreased likelihood of co-mobility for dyads that are not-collocated and, somewhat, for dyads horizontally distant. The negative effect of geographical distance is however moderated in instances where a migrating dyad is comprised by a manager and trader coming from different geographical locations.

Previous study on co-mobility advanced four possible mechanisms underlying co-mobility: the bargaining power (only for simultaneous co-mobility), information flows (referrals- in case of an employee referred to a firm by a colleague and scouting out of opportunity- where a colleague refers a firm to a potential new employee, for sequential co-mobility), complementarities (for both simultaneous and sequential co-mobility) and social attachment (for both simultaneous and sequential co-mobility).

First possible explanation for the simultaneous co-mobility is the increased bargaining power gained by the co-mobile employees. Since I do not dispose of a measure of pecuniary gains for the co-mobile employees in their new employment, I use an alternative measure in order to check for the existence of such mechanism. In the particular setting of a hiring market after the organizational failure, promotions in the new jobs are rather common among all categories of employees, including managers (Nowinska, Vaarst Andersen, & Lorenzen, 2015). Indeed, the employers in the market did not stigmatize employees during the recruitment process and consequently employees did not experience substantial status losses during after the transition. The performance measure based on promotion rates has its flaws, since, to a certain extent, its value may not be equal for the different occupational categories: a promotion from trader to a manager may be less valuable than a promotion from regional manager to branch manager etc. Also, actually keeping the “status quo” may be a reflection of a good bargaining power for a top manager, as opposed to a trader, whose career path presents more opportunities. In spite of these flaws, I use such promotion measure (alternatively, a demotion measure) in order to assess the mechanism of increased bargaining power in case of simultaneous co-mobility. In general, in the subset of co-mobile employees, the ones who are co-located and sharing the same occupation, experience a 30% promotion rate (48/158), as compared to the ones who are co-located and at different hierarchical levels (27/198 or 13%). The non-co-located and different in terms of occupation have a promotion rate of 10% (4 out of 40) and the geographically distant but similar in terms of occupations-17% (or 6/34). The highest relative promotion rates are thus at the baseline level somewhat supporting the explanation of the bargaining power. However, when accounting for the simultaneous characteristic of co-mobility, the promotion rates displays a positive but not significant correlation with co-mobility, which stands against the explanation of bargaining power. Since the sequential co-mobility cannot be, *per se*, driven by the bargaining power, I disregard a similar analysis for this category.

Furthermore, there may also be informational flows (such as referral or scouting out of opportunity) at play for both: the simultaneous and sequential co-mobility. The plausibility of the existence of such informational flows is somewhat increased with the robustness check and split samples analysis for which in particular the sequential co-mobility seems to negatively correlated with the measures of distance and display the positive moderation effect. Such findings provide some evidence towards the existence of the scouting of opportunity which by definition unfold sequentially in particular in case of employees in different geographic locations, implying a need of a move for one of them. I do not dispose of further quantitative data in order to check for the plausibility of the informational flows as alternative mechanism for the simultaneous co-mobility. Nevertheless, qualitative inputs from migrating

employees suggest that they have been sharing information to a great extent. An employee corroborates: *“We wanted to help each other. Who ever got an information about new openings was spreading news around and trying to help the others”*. She point out that such attitude is however conditional on the good skills of the beneficiary since *“even if friends, I couldn’t take the risk of brining on someone who is bad at his work”*. Even though the qualitative insight point towards a scouting out of opportunity more than referral mechanisms, I however observe teams as big as 4-5 people transitioning simultaneously as a group to a new employment, sharing information and referring each other to the employing firm.

I assume that, due to the specific organizational structure based on the independence in task completion, the complementarities would generally be relatively unlikely to arise between co-located employees even in different occupational position (managerial/non managerial) within the same team. According to the theoretical description of an Adhocracy, complementarities may however arise across geographical areas due to the market specialization, as advanced in the hypothesis 3. While the Multinomial Logit specifications does not allow for testing the likelihood of co-mobility for dyads geographically distant but of same hierarchical level, included in the baseline category, I limit my analysis to those who are geographically and hierarchically distant. Based on the main findings such dyads are somewhat more likely to be co-mobile, as compared to the baseline of dyads distant along one and other dimension. As suggested above, such effect may not exclusively be due to the complementarities, but also, at least partially, driven by the information flows.

The last mechanism proposed as underpinning of co-mobility is the one of strong ties. First, according to the literature (Blyler & Coff, 2003). Adhocracy relies on strong ties between its employees. Such ties foster its capability to adjust to changes vital for survival in a dynamic environment. As proposed by Marx & Timmermans (2015), the social attachment or strong ties should be evaluated with a performance measure such as wages differential. While Marx& Timmermans (2015) did not find an evidence for strong ties as driving mechanism behind the co-mobility (the salaries of co-mobile employees are slightly higher than the one of non-co-mobile ones suggesting more of a bargaining power in this case), I perform a similar analysis with use of a different measure of employees’ performance in the new job. As highlighted by many of the interviewees, the collapse of OW Bunker triggered not only an intensive hiring activities by competitors in the market, but it also changed the industry dynamics. Indeed, in an industry traditionally characterized by long employment spans protected by the non-competing clauses, there is a second wave of departures of employees hired in a precipitated process after the organizational collapse. I therefore use “time in the first job” as a measure of performance (strongly correlated with the lack of

second wave departure). In the subsample of co-mobile employees in the dyadic data set, there is a correlation between the “time in the first job” for the ego and alter previously co-located (0.59 and significant at 5% level). While I cannot rule out that complementarities or informational flows are somehow present between the co-located employees, the given correlation proves that, at least they are not the ones exclusively driving the event of co-mobility. Similar trend in correlations is absent for dyads characterized by geographical distance (correlation of 0.09, not significant). The positive correlation of the respective “time in first jobs” measures between the ego and alter is also present for dyads sharing the same professional occupation (0.46 and significant), as opposed to the dyads characterized by distance (the sign of the correlation turns negative, not significant though). Moreover, the correlation of respective employment spans for the simultaneous co-mobile employees is highly positive and significant (0.51). Such ad-hoc analysis seem to be in line with the mechanism of strong ties advanced as underlying co-mobility between employees. The interviewees themselves point out to the existence of a strong social attachment. One female corroborates: *“We were like one big family”*. Another one, comments along the same lines: *“We were like best friends. I will never get the same feeling in another workplace”*.

Last, the event of co-mobility may be of course driven by particular individual preferences. I try to control for these with the use of the set of controls and also individual fixed effects in the robustness checks.

Table 8 Summary of findings: mechanisms underpinning co-mobility

	Co-mobility- findings		Co-mobility-hypothesized	
	Simultaneous	Sequential	Simultaneous	Sequential
Bargaining power	Not found	Does not exist	X	Does not exist
Informational flows	Possibly existing	Possibly existing	X	X
Strong ties	Evidence in favor	Not found	X	X
Complementarities	Assumed not to be present	Assumed to be present	X	X

My overall findings point that homophily drives co-mobility between employees but there is a positive moderating effect of distance for heterophilic ties. I investigated the mechanisms underlying co-mobility and presented the outcome of the ad-hoc analysis in the Table 8. Having assumed the non-

existence of complementarities among homophilic dyads in an Adhocracy and having ruled out the possibility of the bargaining power for the simultaneously co-mobile employees, I believe the simultaneous co-mobility is mainly driven by the strong ties or a mixture of these and informational flows. As for the sequential co-mobility, except the hypothesized complementarities, I advance that it may be also due to a mix of complementarities and informational flows. I exclude the existence of strong ties in such type of co-mobility in my particular empirical setting.

CONCLUSION

The results of my estimation suggest higher likelihood of co-mobility between homophilic dyads. While the effect of homophily based on co-location is strong in cases of sequential and simultaneous co-mobility, the professional homophily is stronger at play in the sequential one. The decreased likelihood of co-mobility between dyads distant geographically is moderated when such dyad is also distant in terms of professional characteristics. While the first set of result is explained by the existence of strong ties, the second one points to the complementarities arising in due to the market specialization, both particularly at play in an Adhocracy.

My study uncovering proximity-based antecedents and mechanisms underpinning the co-mobility has practical, managerial implications highlighting the importance of organizational particularities, including its HR practices, on the effects of homophilic ties. The study is a contribution to the tie formation literature, with emphasis on co-mobility of employees in the particular setting of organizational failure.

There are several limitations to my study. First, I discuss limitations related to the data collection and study design. Possible biases may arise from the use of self-reported data. First, in order to avoid negative association after bankruptcy, employees may under-report or omit mentioning their OW Bunker-related experience completely or partly on the internet platform. Such bias doesn't seem to cause major issues in our case: the final dataset includes individuals with as little OW Bunker related experience as one month and this for any given types of position at the company. Second, on the contrary, employees suddenly losing their job may avoid reporting the end of their employment for different reasons; they may be willing to have better bargaining position during potential negotiations of a new employment contract. The pronounced interest and coverage of the collapse by the media is speaking against such eventuality, especially in cases of ex-OW Bunker employees negotiating a new job in the same industry. Indeed, hardly any business practitioner following oil and related industries hasn't heard of the tragic collapse. Due to such transparency, there are very little incentives for a former OW Bunker employee to hide or extent her employment status at the defunct company. Supporting this claim, there exist instances in my dataset,

where employees highlighted ongoing job search by stating it openly on their LinkedIn profile in the most visible way instead of omitting. However, there are also counter-examples in which the reported employment period continues far beyond November 2014, the date of the collapse, for a given employee. In such case, I assume that employee didn't manage to regain a new job. In order to exclude another possibility, I performed thorough checks including scanning through available media resources and asking other sampled interviewees, former colleagues, for elaboration in such cases (total of 14 cases). In total, due to incomplete information, I exclude 8 observations from the final data set. Furthermore, I identified employees not having LinkedIn accounts in number of 9. I succeed to gather complete information on 4 of them.

My study design is based on one group pre-and post-test design(Rider & Negro, 2015). The ideal set up for natural experiments is based on the differences-in-differences framework in which I would find a control group of employees at a similar firm within the industry and compare the rates of co-mobility. Since the whole industry is treated by the bankruptcy of the major player, the sudden supply of employees in the market negatively impacts the potential propensity of employees at the competing firms to change jobs in the same time. Consequently, it results impossible to use a design with a control group and my study lacks of such. Furthermore, my study focuses on one company case- and Adhocracy- and one particular industry of service intermediaries. While the findings may be relevant for similar industries, I expect that the findings may be varying in terms of industries.

Consequently, I first suggest the investigation of the co-mobility patterns within a different organizational structure and industry. The characteristics of the latter, such as low barriers to entry may change the results of co-mobility, since entrepreneurship may be a viable option in such case. Second, a different type of shock may be taken into account. Sudden downsizing or restructuring may impact the co-mobility patterns in way different from the organizational failure. Third, in contrast to my study of a global industry, scholars may further investigate the co-mobility patterns after a shock but within national boundaries.

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