

RIITTA KATILA AND SRUTHI THATCHENKERY

*“Local Search”*

*“Distant Search”*

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## **distant search**

Distant search is problem solving outside the neighborhood of what is already known. Definitions of distance vary. For some authors, an organization that searches distally solves problems by using knowledge that is new to it. For others, organizations that engage in distant search use knowledge that is very different in several dimensions from what has been used before to solve similar problems. Overall, research finds that organizations that primarily engage in distant search are good at discovering new solutions and adapting to a changing environment.

Unlike local search, distant search is irregular, unpredictable, and therefore more challenging. Such search typically requires firms to work with new combinations of knowledge elements, new principles of recombining, and possibly with new organizations with different expectations, and norms; in other words it involves a “conscious effort to move away from current organizational routines and knowledge bases” (Katila and Ahuja, 2002: 1184).

There are multiple *drivers* for distant search. One stream of research focuses on technology factors such as technological puzzles, reverse salients (Ahuja and Katila, 2004), and outright failure (March and Simon, 1958) that drive firms to distant search – simply because firms have exhausted the local opportunities to solve problems. Another stream argues that firms engage in distant search if they perceive that the inherent risks related to distance are lower because they have prominent partners (Hallen et al., 2012) or because they have “safety in numbers” due to bandwagon effects (Sorenson and Stuart, 2008). A third stream highlights boundary-spanning mechanisms that drive searchers away from local, and towards distant search, including decentralized decision-making (Jansen et al., 2006), inventor mobility, and interfirm relationships (Almeida and Rosenkopf, 2003).

There are several significant *outcomes*. On the one hand, because distant search involves knowledge that is new to the firm, its outcomes are often highly variable, and returns often uncertain, unreliable, and distant in time. On the other hand, distant search can change search in a fundamental way because it brings in new knowledge, and can even help improve the searcher’s fundamental understanding of the structure of the knowledge landscape such as cause–effect relationships (Ahuja and Katila, 2004). And when distant search succeeds, the outcomes can be breakthroughs. Empirical evidence confirms that distant (rather than local) search results in radically improved new products (Katila and Chen, 2008) and in new ways to perceive managerial challenges (Miller, Fern and Cardinal, 2007), for example. More infrequently, distant search can also become “too much of a good thing.” If the firm spends too much time “in transit”, making long jumps to unrelated peaks but never stops to develop the knowledge that was acquired, it may experience the costs but never the benefits of distant search (March, 1991).

Current and future *research directions* have drawn attention to new ways to think about and define ‘distance.’ For example, Katila and Chen (2008) show that firms innovate more effectively when they avoid synchronizing their search with rivals. Thus, it matters less whether knowledge is new or familiar to the firm but what matters is distance (uniqueness) vis-à-vis rivals. Other recent work has highlighted the intriguing possibility that research may have

undervalued the capacity of organizations to explore. Li et al. (2013) note that, “the search literature does not reflect important research on cognitive processes...and in general the capacity of humans to be curious and to pay particular attention to distinctively different, salient and novel information” suggesting that distant search may arise from human curiosity to explore the unknown. So rather than portray distance search as a difficult goal for most organizations, given appropriate permission, we may be more likely to explore than is commonly thought. Finally, research has become increasingly concerned about distant search under different temporal and environmental conditions (Sorenson and Stuart, 2008; Chen et al., 2010; Katila et al., 2012).

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**See also** creativity, discovery, exploration, radical change, reorientation, local search.

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