

LIGHTING THE WAY OR STEALING THE SHINE? DUALITY IN STAR SCIENTISTS' EFFECTS ON COLLEAGUES' PERFORMANCE

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ABSTRACT

Do star employees enhance or constrain the performance of other employees in an organization? Drawing support from data from 456 biotechnology firms between 1973 and 2003, we highlight the duality of star employees' effects on colleagues' performance, showing that while stars' colleagues demonstrate greater productivity, they have fewer opportunities to develop as innovative leaders. We further show that the effects of high status and powerful individuals on their colleagues' performance may vary based not only on the type of performance outcome, but also on the individual characteristics of star employees. Specifically, colleagues' productivity increases when stars collaborate frequently with their colleagues and when stars' expertise spans a broader range of technologies. The distribution of innovative leadership among a star's colleagues is also greater with repeated star-colleague collaboration, but decreases and then increases with the breadth of stars' expertise. Our arguments and findings offer further insights into which research environments are most conducive for the development of quality human capital and suggest that the value of human capital is contingent on the social environment in an organization.