Index

| acquisition of external resources | 231–2 |
| adaptation | 193 |
| age | 138–9, 144, 154–5 |
| of firms | 133, 142 |
| Alchian, A. | 223 |
| alignment, corporate | |
| activities for exploitation and exploration | 65–7 |
| environmental munificence as boundary conditions for | 67–71 |
| flat/steep slope behaviour | 78–9 |
| future research into | 78, 79–80 |
| strategic initiatives | 72–3 |
| structural initiatives | 72 |
| see also insurance industry in Europe |
| Almeida, J.G. | 164 |
| as-is feedback | 18–20, 19, 25–6 |
| Auh, S. | 74 |
| Autio, E. | 164 |
| back-office functions of the telecommunications industry | 263–4, 266 |
| Bain, J.S. | 140 |
| Barczak, G. | 252, 266 |
| Barkema, H. | 66, 164 |
| Barney, J.B. | 250 |
| beliefs systems | 16–17, 24 |
| benefits/costs of flexibility | 198–200 |
| boundary systems | 17, 18, 22, 24 |
| brand images in the telecommunications industry | 256–7 |
| Bruno, A.V. | 133–4 |
| Buckley, P.J. | 164 |
| Burgelman, R.A. | 66 |
| Bygrave, W.D. | 133–4 |
| capabilities see dynamic capabilities |
| Cardinal, L.B. | 66 |
| Carpenter, M.A. | 135 |
| Carroll, T. | 63 |
| centralization | 65–6, 72 |
| Chen, M. | 135 |
| Cho, T. | 135 |
| Cohen, B.D. | 135 |
| Collis, D.J. | 225 |
| competitive forces approach | 250 |
| complacency | 167 |
| concentration of firms within industries | 140–41, 145 |
| connectivity | 92, 93–4 |
| contingent management control systems as levers for dynamic capabilities (model) | 22, 23, 24–8 |
| levers of control framework | 16–18, 17 |
| coordination/integration processes | 18–19, 19 |
| corporate alignment activities for exploitation and exploration | 65–7 |
| environmental munificence as boundary conditions for | 67–71 |
| flat/steep slope behaviour | 78–9 |
| future research into | 78, 79–80 |
| strategic initiatives | 72–3 |
| structural initiatives | 72 |
| see also insurance industry in Europe |
| corporate governance company overviews | 43 |
| decision-making routines | 44–5, 47–8 |
| defined | 36 |
| diversification | 66–7 |
| dynamic capability and radical innovation | 50–54 |
| flat and decentralized | 52–3 |
| future research | 56 |
| Germany | 55 |
| in Germany | 36 |

287
incentive systems 42–5, 47, 49–50
and innovation 33–4
institutions 36
limitations of research 56
methodology for research 38, 39, 40, 40–41
organizational architecture routines 47, 49–50
resource allocation routines 45–7, 48–9
United States 36, 55
costs/benefits of flexibility 198–200
Curwen, P. 253
customer service 256, 260–64, 266
Dahl, M.S. 164
Danneels, E. 99
Dean, T.J. 135, 141
decentralization 66, 72
decision-making, motivation for 166–7
decision-making routines 44–5, 47–8
consensual, and innovation 52–3
and radical innovation 50–51
destructive creation 113
development of companies
adherence to established behaviours 166–7
positive and negative starting positions 166–8, 184
research history 163–5
research interest in 162–3
resources and rate of growth 165
volatility of growth and company success 165–6
see also German manufacturing industry research
devolutional state, limitations of 109–12
diagnostic systems 17, 22
diversification 66–7, 72–3
diversity in TMTs 134–6, 143
dominant logic 167
Dosi, G. 225
Dunning, J.H. 164
dynamic capabilities
applied to the telecommunications market 252
areas to address in telecommunications industry 262–4
defined 13, 224, 225–6, 226–7, 251–2, 271–2
difficulties in identifying 270–71
and entrepreneurship 227, 233, 236–7
as evolutionary process 227–8
external observation and evaluation 230–31, 233, 234–6
external resource acquisition 231–2
and Fixed Mobile Convergence (FMC) 255–7, 256, 257
framework for 227–30, 229
gaining resources 117–18
generic types of 230–32, 233, 234–6
hierarchical structure of 91
higher-order capabilities 88, 91–9
identification of 273–4, 278–85, 279, 280, 281, 282
in innovation 37–8
innovation routines 275
integration of resources 116–17
integrative approach 275
internal resource reconfiguration 232
internal resource renewal 231
in IT sector 252
knowledge-based perspectives and improvements in 89–91
limitations of research on 13–14
limitations of traditional view 98, 99–101
management control systems as levers 15–18, 17, 23, 24–8
management of 275–6
meta-capability 275
as organisational processes and mechanisms 228
policy influence on 122–3
processes of 18–20, 19
radical dynamism approach 275
reconfiguration of resources 119–20
release of resources 120–21
and the role of the state 113–15
in volatile markets 272
see also knowledge-based perspectives on dynamic capabilities
East of England Development Agency (EEDA) 121
Index

Ebben, J.J. 67

Economic Backwardness in Historical Perspective (Gerschenkron)
109–10

education level of TMTs 133, 142–3

Eisenhardt, K.M. 26, 87, 88, 119, 120, 164, 225, 228, 229, 251–2, 272

entrepreneurship 227, 233, 236–7

environment
as-is/to-be feedback 20

collection of information from 96–7

impact on exploration/exploitation alignment 63–4

volatile 272

environmental munificence 67–71, 73

see also insurance industry in Europe (research into)

environmental velocity
defined 20–21

high/low variations in 21–2, 27

and new technology-based firms 21–2

and to-be/as-is feedback 22, 24

evaluation, observation and, external 234–6

Evans, D.S. 164

Evans, Peter 111

everevolutionary theory of the firm 223–4

explicit knowledge 96

exploitation and exploration
corporate alignment activities for 65–7
defined 62

environmental munificence and corporate alignment 67–71

forces 24–5

in organizational learning 64–5

organizational position regarding 63–4

as part of dynamic capabilities framework 228–30

external networks 138

external observation and evaluation 234–6

external resource acquisition 231–2

feedback
to-be/as-is 18–20, 19, 24, 25–6

Feese, H.R. 164

firm performance
age of firms 138–9, 144, 154–5

age of TMTs 133, 142

decision-making by TMTs 132

education level of TMTs 133, 142–3

external networks 138

and flexibility 198

heterogeneity in TMTs 134–6, 143

impact of TMT characteristics on 152–5

industry concentration 140–41, 145

industry experience of TMTs 135, 143

knowledge as a resource 139, 144

market pioneers 136–7, 144

outside members of TMTs 133–4, 143

patents 139, 144, 154

resource-based view 131–2

size of firms 137–8, 144

startup experience of TMTs 135, 143–4

venture capital involvement 140, 144–5

see also telecommunications industry

Fixed Mobile Convergence (FMC)
academic articles on 253

back-office functions 263–4, 266

challenge of 244

competition factors 256

convergent applications 258, 259

convergent services 257, 257–8

customer service 258–60, 265, 266

defined 245–6

and dynamic capabilities 255–7,
256, 257

emergence of 244

future research 266–7

in Germany 246, 248–9, 253–4

interest in Germany 255

market segmentation 262, 265

marketing and sales 263, 266

product development 262

resource reconfiguration towards customer orientation 260–62

flexibility
assessment competence 195–7, 196, 215–17

conditions affecting value 194
costs/benefits of 198–200
external parameters effecting value
200–202, 203, 213
future research 217
and idiosyncratic organisational
conditions 203–5, 205, 213
internal parameters effecting value
202–3, 203, 213
and performance 198
and project risk management
207–10, 214, 215, 216
real options theory 210–13, 214–15,
216
research attention to 193
and stability 199–200
as useful for strategic initiatives 207

Gartner, W.B. 164
German manufacturing industry
research
conclusions 183–4
control variables 173
dependent variables 171–3
framework and hypotheses 169
independent variables 170–71
limitations of study 182–3
methods 168, 170–73
relationship between growth and
success 183–4
results 174, 175–6, 177, 178–81, 182
sample 168, 170

Germany
corporate governance in 36, 55
Fixed Mobile Convergence (FMC)
in 246, 248–9, 253–4
FMC and dynamic capabilities
255–7, 256, 257
interest in Fixed Mobile
Convergence (FMC) 255
transformation of
telecommunications industry in
246–50, 247

Gerpott, T.J. 253
Gerschenkron, Alexander 109–10
Ghoshal, S. 94
Gibrat’s law 164
governance, corporate see corporate
governance
Granovetter, M. 94
Griffith, D.A. 225
growth of companies
adherence to established behaviours
166–7
positive and negative starting
positions 166–8, 184
research history 163–5
research interest in 162–3
resources and rate of growth 165
volatility of and company success
165–6
see also German manufacturing
industry research
Gupta, A.K. 74

Hambrick, D.C. 134, 135
Hamel, G. 251
Harhoff, D. 164
Harvey, M.G. 225
heterogeneity in TMTs 134–6, 143
higher-order capabilities 88, 91–9,
98–9
Hoopes, D.G. 225
Horsell, L. 36
Huizenga, E.I. 252, 265

identification of dynamic capabilities
273–4, 278–85, 279, 280, 281, 282
incentive systems
case profiles 42
company overviews 43
decision-making routines 44–5
organizational architecture routines
47, 49–50
industrial development and states
creation and use of capabilities
108–9
developmental state, limitations of
109–12
dynamic capabilities and the state
113–15
future research 123
gaining resources 117–18
integration of resources 116–17
lack of framework 107–8
need to refine understanding of 107
policy influence on dynamic
capabilities 122–3
reconfiguration of resources 119–20
release of resources 120–21
Index

states as strategic managers 108–9, 118, 121–2
strategic management concepts 112
industry concentration 140–41, 145
industry experience of TMTs 135, 143
innovation
company overviews 43
and corporate governance 33–4
and decision-making routines 50–51
defined 37
dynamic capabilities view within 37–8
and dynamic capability 50–54
and flat, decentralised organisations 52–3
incentive systems
case profiles 42
methodology for research 38, 39, 40, 40–41
and organizational architecture
routines 51–2
pharmaceutical industry 41–2
resource-based theory of 37, 56
and stockmarket orientation 53–4
innovation routines 275
insurance industry in Europe (research into)
alignment behaviour and
environmental munificence 77–9
conclusions 77–9
constructs and measurements 72–3
data analysis 73–4
data collection 71–2
limitations 79
methodology for research 71–4
results 74–7, 75–7
setting for research 71–2
integration of resources 116–17
integrative approach 275
interaction, social 93–5
interactive systems 17, 24
internal resource reconfiguration 232
internal resource renewal 231
Israel 117–18

Jansen, J.J.P. 66
Johnson, A.C. 67

Kale, P. 99
Kalyanaram, G. 137

Keil, T. 205
Kliesch-Eberl, M. 88, 100, 275
knowledge and survival of firms 139, 144
knowledge management 92–3, 96–7
knowledge-based perspectives on
dynamic capabilities
basis of 88–9
complementary role 99–101
future research 101
higher-order capabilities 88, 98–9
and improvements in DCV 89–91
limitations of traditional DCV 98
and resource-based view 89
theoretical discussion as limitation 101
Kor, Y. 135

learning, organizational see
organizational learning
learning culture 92, 93, 94–5
learning processes 19, 19
levers of control framework 16–18, 17
Levinthal, D.A. 63
Lewin, A.Y. 63
Li, S. 137
Liebeskind, J.P. 164
Loch, C. 198
Long, C. 63

Madsen, T.L. 225
management control systems
as levers for dynamic capabilities
(model) 22, 23, 24–8
levers of control framework 16–18, 17
management of dynamic capabilities 275–6
March, J.G. 63, 223, 228
market pioneers 136–7, 144
market segmentation in the
telecommunications industry 262, 265
marketing and sales in the
telecommunications industry 263, 266
Markman, G.D. 164
Martin, J.A. 26, 87, 88, 119, 120, 225, 228, 229, 251–2, 272
Mason, E. 140
Mason, P.A. 134
Maw, N.G. 36
McDonald, R. 211
McGrath, R.G. 205, 211, 212
mean reversion 167
Menguc, B. 74
meta-competences 91–2, 275
Meyer, G.D. 141
Miner, A.S. 21
Moorman, C. 21
munificence, environmental 67–71, 73
see also insurance industry in Europe (research into)
negative/positive starting positions 166–8, 184
Nekar, A. 211
Nelson, R. 223, 225
neo-developmental state 111–12, 124
networks, external 138
new technology-based firms and environmental velocity 21–2
see also rapid-innovation-based industries
Nickerson, J.A. 64
Nordhaug, O. 91
observation and evaluation, external 234–6
organizational architecture routines 47, 49–50
decentralized and flat 53
and radical innovation 51–2
organizational learning defined 62
exploration and exploitation in 64–5
organizational structure 65–6
O’Sullivan, M. 34
outside members of TMTs 133–4, 143
Pan, Y. 137
Pasmore, W.A. 199
patents 139, 144, 154
paths 273–4
Pearce, R.D. 164
Pellet, T.H. 136
Penrose, E.T. 165, 183
performance of firms age of firms 138–9, 144, 154–5
age of TMTs 133, 142
decision-making by TMTs 132
education level of TMTs 133, 142–3
external networks 138
and flexibility 198
heterogeneity in TMTs 134–6, 143
impact of TMT characteristics on 152–5
industry concentration 140–41, 145
industry experience of TMTs 135, 143
knowledge as a resource 139, 144
market pioneers 136–7, 144
outside members of TMTs 133–4, 143
patents 139, 144, 154
resource-based view 131–2
size of firms 137–8, 144
startup experience of TMTs 135, 143–4
venture capital involvement 140, 144–5
see also telecommunications industry
pharmaceutical industry
case profiles 42
company overviews 43
innovation in 41–2
PHARMACO 1 & 2
decision-making routines 44–5, 47–8
dynamic capability and radical innovation 50–54
organizational architecture routines 47, 49–50
resource allocation routines 45–7, 48–9
Pisano, G. 163, 225, 271
planning and project risk management 207–10
Porter, Michael 112, 250
positions 273–4
positive/negative starting positions 166–8, 184
Prahalad, C.K. 251
Priem, R.L. 134
processes 273–4
product development 116
project risk management 214
pureplay foundry model 119–20
Index

radical dynamism approach 275
rapid-innovation-based industries
defined 124
and the developmental state 110
dynamic capabilities and the state 113–15
states as strategic managers 108–9
see also new technology-based firms
real options theory 210–13, 214–15, 216
reconfiguration
of internal resources 232
processes 19, 19
of resources 119–20
reflexivity 95
Reichstein, T. 164
relative backwardness, theory of 110
release of resources 120–21
renewal of internal resources 231
research consortia initiatives 116–17
resource allocation routines 45–7, 48–9
resource-based theory 250–51
of the firm 131–2
of innovation 37, 56
resources
acquisition of external 231–2
gaining 117–18
integration of 116–17
reconfiguration of 119–20
reconfiguration of internal 232
release of 113, 120–21
renewal of internal 231
return on equity 73
Reuer, J.J. 194
Rindova, V. 225
risk 95
risk management 207–10, 214
Robinson, K.C. 140–41
Robinson, W.T. 137
Rosenstein, J. 133–4
Rumelt, R. 37
Samuels, Richard 111
Sanchez, R. 203–4
Sapienza, H. 164
Schoonhoven, C.B. 164
Schreyögg, G. 88, 100, 275
Schumpeter, J. 37, 228
Scott, B.W. 199
Shalley, C.E. 74
Shane, S.A. 164
Shepherd, D. 164
Shuen, A. 163, 271
Simon, H.A. 223
Simons, R. 16–17, 24
Simons, T. 136
Singh, H. 99
size of firms 137–8, 144
Smith, K.A. 136
Smith, K.G. 74
social relationships 93–5
stability
importance of 198–9
see also flexibility
Stahl, K. 164
startup experience of TMTs 135, 143–4
states and industrial development
creation and use of capabilities 108–9
developmental state, limitations of 109–12
and dynamic capabilities 113–15
future research 123
gaining resources 117–18
integration of resources 116–17
lack of framework 107–8
need to refine understanding of 108
policy influence on dynamic capabilities 122–3
reconfiguration of resources 119–20
release of resources 120–21
states as strategic managers 108–9, 118, 121–2
strategic management concepts 112
Stinchcombe, A. 138
stockmarket orientation and innovation 53–4
strategic decision-making routines
44–5, 47–8
consensual, and innovation 52–3
and radical innovation 50–51
strategic flexibility see flexibility
strategic initiatives
flexibility as useful for 207
project risk management 207–10
real options concepts 210–13
structure, organizational 65–6
survival of firms
age of firms 138–9, 144, 154–5
age of TMTs 133, 142
decision-making by TMTs 132
education level of TMTs 133, 142–3
external networks 138
heterogeneity in TMTs 134–6, 143
impact of TMT characteristics on
industry concentration 140–41, 145
industry experience of TMTs 135, 143
knowledge as a resource 139, 144
market pioneers 136–7, 144
outside members of TMTs 133–4, 143
patents 139, 144, 154
resource-based view of the firm 131–2
size of firms 137–8, 144
startup experience of TMTs 135, 143–4
upper echelon theory 132
venture capital involvement 140, 144–5
see also telecommunications industry
tacit knowledge 96
Taiwan Semiconductor Manufacturing
Corporation (TSMC) 119–20
Tarde, G. 37
tariff structures, transparency in
255–6
Taylor, M.S. 225
Taylor, N.T. 133–4
Teece, D. 37, 38, 163, 223–4, 225, 228, 229, 231, 271
telecommunications industry
background to use of Value Chain
Redefinition (VCR) 278
back-office functions 263–4, 266
brand image 256–7
challenge of FMC 244
convergent applications 258, 259
convergent services 257, 257–8
customer service 256, 260–64, 265, 266
dynamic capabilities applied to 252, 265
emergence of FMC 244
FMC and dynamic capabilities
255–7, 256, 257
FMC defined 245–6
future research 266–7
impact of TMT characteristics on
firm survival 152–5
limitations of research 156
market segmentation 262, 265
marketing and sales 263, 266
methods of research 141–5
new product development 252
product development 262
resource reconfiguration towards
customer orientation 260–62
resource-based theory 251
results of research 145–9, 146,
148–9, 150–51, 152
transformation of in Germany
246–50, 247
transparent tariff structures 255–6
variables in research 142–5
Timmons, J.A. 138
to-be feedback 18–20, 19, 22, 24
Tong, T.W. 194
top management teams (TMTs)
age of 133, 142
decision-making by 132
education level of 133, 142–3
impact of characteristics of on firm
survival 152–5
industry experience of 135, 143
learning curve in new organizations
138
outside members of 133–4, 143
size of 145
startup experience of 135, 143–4
Tse, D.K. 137
uncertainty 95
United States
corporate governance in 36, 55
PHARMACO 1 44–7, 50–52
upper-echelon theory 132
Urban, G.L. 137
Value Chain Redefinition (VCR)
background to use of 278
identifying capabilities 278–84, 279,
280, 281, 282
as methodology 276–7
venture capital involvement in firms 140, 144–5
venture survival
age of firms 138–9, 144, 154–5
age of TMTs 133, 142
decision-making by TMTs 132
education level of TMTs 133, 142–3
external networks 138
heterogeneity in TMTs 134–6, 143
impact of TMT characteristics on 152–5
industry concentration 140–41, 145
industry experience of TMTs 135, 143
knowledge as a resource 139, 144
market pioneers 136–7, 144
outside members of TMTs 133–4, 143
patents 139, 144, 154
resource-based view of the firm 131–2
size of firms 137–8, 144
startup experience of TMTs 135, 143–4

venture capital involvement 140, 144–5

see also telecommunications industry
Vermeulen, F. 66, 164
Vesper, K. 135
volatile markets, dynamic capabilities in 272
Volberda, H.W. 204

Walker, G. 225
Weick, K.E. 199
Wernerfeldt, B. 250
Wiersema, M.F. 164
Wiklund, J. 164
Willard, G.E. 164
Winter, S.G. 16, 91, 223, 224, 225, 226, 227, 229
Wirtz, B.W. 252
Worren, N. 198, 204
Woywode, M. 164

Yozma, Israel 117–18

Zahra, S.A. 223, 226, 227
Zenger, T.R. 64
Zollo, M. 224, 226, 227, 229