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Competence-based Strategic Management – A Management Concept that Faces New Challenges

Competence-based Strategic Management (CBSM) is truly a hidden champion among management concepts. Although it emerged more than two decades ago (a good basic description of the concept is provided by Sanchez and Heene (1997) who have to be given credit for developing and promoting this concept), it still lacks attention – a fate it shares with other meta-concepts that combine extant management approaches and theories and advocate a holistic perspective on management processes. CBSM rests on Austrian Market Process Theory (von Mises, 1949) and additionally encompasses an evolutionary perspective (Penrose, 1959, Schumpeter, 1934) on management processes. Building on the resource-based view (Barney, 1991, Rumelt, 1984, Wernerfelt, 1984) and the dynamic capabilities approach (Eisenhardt & Martin, 2000; Teece, 2007; Teece & Pisano, 1994; Teece, Pisano & Shuen, 1997; Winter, 2003), CBSM employs an idiosyncratic perspective on designing and implementing processes to foster competence building and leveraging on the individual level, the group level, and the (inter-) organizational level.

Despite its well-grounded theoretical foundation and its multifarious usability, CBSM does at the moment not take center stage as groundwork of research focusing on understanding and developing solutions for current management problems. However, especially recent challenges caused by rapid ecosystem changes call for a rediscovery of CBSM. A new type of customer behavior that crystallizes in a faster adaption to product innovation (DaSilva & Trkman, 2014) as well as a growing demand for customized solutions (Jaakkola & Hakanen, 2013; Ulaga & Reinartz, 2011); the information and communication technology-based integration of national markets that causes an increased transparency and comparability of offerings (Teece, 2010), or the ongoing digitalization of business activities (Newell & Marabelli, 2015) are major developments of the 21st century that considerably change market rules. Firms need to rethink their traditional way of doing business to handle these challenges (Laudien & Daxböck, 2015). The ability of firms to encompass the necessary changes is largely determined by the run of competence-development processes. These processes and their outcomes determine how firms tackle the change-related challenges and specify the managerial discretion firms have in influencing the ongoing change process that takes place on a firm-external level. CBSM is especially suitable to analyze such change processes – that are for example recently widely discussed in the realm of business models and business model development (Laudien & Daxböck, 2015; Clauß, Laudien, & Daxböck, 2014; Schneider & Spieth, 2013).

The 8th SKM Symposium & the 2nd CBSM Conference that were jointly held from September 17th to September 20th, 2013 at Otto von Guericke University Magdeburg (Germany) depict a first step in capitalizing on the potential bene-

fits of employing a CBSM lens in trying to explain firm reactions to the recent market changes. More than 80 researchers from over 20 different countries made their way to Magdeburg and engaged in exciting discussions and conversations related to diverse management questions by presenting and discussing papers centered around the event topic *Competence-based Management in Cross-border Settings: Organizational Learning, Strategy and Governance*. All accepted papers went through a rigorous review process and share a CBSM perspective in a narrower or broader sense.

This eighth volume of the Journal of Competence-based Strategic Management (JCSM) comprises a selection of the best papers presented at the 8th SKM Symposium & the 2nd CBSM Conference supplemented by a further paper that perfectly fits the change topic tackled in the event. In addition to the conference reviews, all papers had to pass an in-depth, three round double-blind review process to ensure that all papers fit with the JCSM quality standards. The scientific quality of the JCSM is emphasized in the, 2015 Jourqual 3.0 journal ranking of the German Academic Association for Business Research where JCSM is again C-ranked which provides evidence for its acceptance in the scientific community.

This volume is a kind of a premiere as it is the first volume of the JCSM that only comprises English language papers. Hence, the Journal of Competence-based Strategic Management has now completed a first milestone on its process of transforming from a German language annual yearbook to an English language journal that will in the future be published on a semi-annual base. Thus, paper submissions to JCSM are always welcome. Please make sure that the paper you submit fits into the scope of CBSM (see the explanation above). Submissions should be made via email and be addressed to the editor-in-chief of JCSM, Jörg Freiling (freiling@uni-bremen.de). All submitted papers will undergo a strict double-blind review process that aims at providing opportunities for authors to bring their papers to perfection.

Five papers finally made their way into this eighth volume. These papers shed light on different aspects of the recently ongoing ecosystem change and its firm-related consequences from a CBSM-perspective. Although the papers are different in terms of methodology and partly differ with respect to the employed theoretical background, they all share an interest in advancing the CBSM perspective in contemporary business research.

Jost and Zschoche (2016, in this volume) explicitly focus on the firm's ability to change as precondition for sustaining a competitive advantage. By doing so, they are concerned with the critical relation between strategy, structure, and firm performance. In their paper, they employ a dynamic capabilities approach and analyze how a firm's organizational structure influences the effectiveness of managing change processes on employee level against the background of a survey of 57 very large (average size 92,450 employees) German firms. As result

of their study, Jost and Zschoche show that the effectiveness of strategic, coordinative, and motivational capabilities on firm performance is higher when these capabilities are bundled in one particular organizational unit – an insight that is highly interesting as it to a certain extent contradicts findings of extant network-related studies and therefore calls for further research.

The paper written by Kessler and Brendel (2016, in this volume) puts the business model topic into the spotlight. Referring to business model literature, the authors analyze how firms are able to coevally utilize planned obsolescence and product service systems in order to adequately respond to ecosystem changes. Kessler and Brendel support their line of reasoning with illustrative case examples and bridge the gap between two concepts that are at first sight contradictory. This paper is especially interesting as it links CBSM to the recently extremely relevant business model topic and provides a solid background for future research.

Ladwig and Wintzer (2016, in this volume) focus on another very interesting topic that deserves attention in the context of change. In their paper, they establish a performative interpretation of power and analyze how verbal and bodily communication contributes to the establishment of power. Their analysis especially focuses on how strategic actors are able to establish persuasion during strategy formation processes. The authors make use of a very innovative, experimental research approach and show that when perspectives do not clash actors tend to use arguments to gain persuasion. Furthermore, they show that this behavior is not affected by the hierarchical position of the actors within the firm. Due to its unusual and innovative research approach the paper uncovers aspects that have not been tackled before in detail in business research; it considerably advances CBSM research and deserves further attention.

The paper of Laudien and Daxböck (2016, in this volume) approaches another interesting topic by discussing how firms are affected by service-driven ecosystem changes. The conceptual paper aims at providing a better understanding of how the recent ecosystem-driven need for establishing a more service-oriented business logic affects organizational learning. It is based on the 4I-model of organizational learning that the authors reframe and extend by bringing a network perspective as well as specific service-related capabilities into play. The paper shows how service-dominant logic and service-related capabilities can serve as a microfoundation of dynamic capabilities and therefore goes beyond a traditional dynamic capabilities-perspective. The newly introduced theoretical framework can serve as a background for future empirical research and enhances the applicability of CBSM in business practice.

Reuter (2016, in this volume) also focuses on service-driven market changes and deals with the important issue of service procurement. The author develops measures for information and communication technology-based process innovation – a topic that is highly relevant in the realm of the ongoing digitalization de-

bate. The proposed measures are grounded in a relational, resource-based perspective. In detail, the paper suggests firm-specific, relational and incoming surplus rents as measurements. Furthermore, a multiple-case study focusing on the German facility management industry and aiming at evaluating the relevance of the suggested measures in business practice is carried out by the author.

I am sure that the eighth volume of the JCSM contributes to an advancement of CBSM and I hope that it will gain the attention it deserves by researchers as well as by practitioners.

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