

Editors' Introduction

This issue of REB comprises four empirical research papers addressing dynamic capabilities' development issues in companies from different countries. The concept of dynamic capabilities arose from a key shortcoming of the resource-based view (RBV) of the firm. Teece, Pisano, and Shuen (1997) define dynamic capabilities as 'the ability to integrate, build, and reconfigure internal and external competencies to address rapidly-changing environments'. While the RBV emphasizes resource choice or the selecting of appropriate resources, dynamic capabilities emphasize resource development and renewal. With environmental changes capabilities need to find new fit as well, this makes capabilities to be dynamic. To keep pace with surroundings, companies need to concentrate on the development of capabilities. Since the seminal work of Helfat and Peteraf (2003) and a few others, dynamic capabilities development issues have not received its deserved attention.

The first paper, authored by Alar Kolk and Mait Rungi covers important aspects of corporate capability portfolio development – its co-evolution and configuration with an alliance portfolio. This research reveals that capability development is a more externally oriented exploitive phenomenon than the extant literature presents. Alliance configuration parameters: tie strength and diversity behaviour is similar in scale to exploration-exploitation and internal-external.

The second paper by Arto Kuuluvainen describes how a Finnish high-technology small and medium-sized enterprise can achieve growth from international markets and to explore what roles dynamic capabilities can play in small and medium-sized enterprises' international growth. The study provides as a result concrete examples of dynamic capabilities identified from the international growth of the studied firm. In addition, by introducing an operationalized classification for studying dynamic capabilities qualitatively, the study has also methodological contributions.

The third paper by Mait Rungi describes how to find the best and worst, and most influential dynamic capabilities. Additionally, how the age of the company influences capabilities' development. Influential capabilities are those that have the most significant impact on profit. Project related capabilities are more significant to profit than business capabilities. Generally, companies' age makes the project and project portfolio capabilities worse.

The fourth paper by Mike Franz Wahl studies the phenomenon of ownership, and helps to explain the behaviour of the most important actor in corporate governance – the business owner. This perspective is a new and interesting angle in dynamic capabilities research. The paper provides a valuable four ideal types ownership typology. It's obvious that enlightened, competent, professional ultimate owners knowing what results they want to have from the company – diverse personal, social, political, and economic values – will succeed in a dynamic environment only if they seed those same values.

We are very grateful to all the submitting authors, as well as to the external reviewers who have generously assisted the Editorial Board in the paper evaluation process.

On behalf of the Editorial Board

Urve Venesaar
Editor-in-Chief

Mike Wahl
Guest Editor