

Creating Competitive Advantage through Open Innovation in Dynamic Business Environment

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This paper aims to assess the potential of a company to create competitive advantage through open innovation in dynamic environmental context of organizations. The dynamic nature challenges the competitiveness of a firm demanding to implement novel corporate strategies to stay competitive in the market. Hence, firms view traditional methods of competing in markets to be as less reliable, and obsolete. There are three different theoretical perspectives identified in open innovation mainly as service science, innovation and technology management, and marketing and consumer research. The collaborative process of producing value with the support of all parties involved in the supply chain process means, having participants with diverse ideas. However, having a diverse group results in having individuals with varied interests and expectations that can pursue an individual agenda. Hence, it can force people to undertake an additional risk by moving from their own comfort zones for better results. It also can create ambiguity and result in losing common understanding, making it harder to achieve the common goals set initially. Instrument to open innovations in organization are the collaboration, culture and the structural changes that foster and facilitate success.

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