Concept for Strategic Management and Innovation: Perspective of Balance Theory

Manuela Varsani*
Faculty of Business, Management and Economics, University of Latvia, Riga, Latvia

Abstract: How to survive in a dynamic and complex environment. On the basis of sustainable corporate governance, the purpose of this paper is to present a concept of innovative behavior based on the theory of balance within this turbulent field. The studies foundation is a critical review of current approaches in strategic concepts for managing innovative Organisational behavior. Different concepts of balance theories and their role in innovative behavior are discussed. Contradictions between flexibility and stability are analyzed and interactions are shown. Matching all results of this critical analysis to an own concept of balance theory with the aim of creating a balance between the two sides that promotes innovation is developed. The paper describes important basic findings on the equilibrium concept in innovation research. A separate balance theory is developed and integrated into a management concept for sustainable corporate management. As a tool, future decisions for the innovative behavior of Organisations can be derived.

Keywords: Sustainability; strategic management; innovation; theory of balance

Received: 8 January 2018; Accepted: 14 March 2018; Published: 25 June 2018

INTRODUCTION

Organisations encounter different environmental dynamics of change (competition, new technology, social changes) differently (Emery & Trist, 1965; Kösterster, 2004). However, various studies have found that a large number of companies are reacting to the influences of the outside world with a strong pressure to change. Accordingly, adapted to the dynamics of the environment, the strategic management is changing. As an instrument to support the achievement of goals, the process of developing and implementing strategies from a traditional approach (long-term orientation) is increasingly developing into an iterative approach (many short-term strategies). This development is observed above all in Organisations whose primary goal is the development of competitive advantages (Kupke, 2009). The consequences of increasing environmental dynamics for Organisations are summarized by Bettis and Hitt in four areas: (1) increasing uncertainty, (2) dissolution of industry boundaries, (3) the need for new corporate strategies and capabilities, (4) the emergence of new forms of Organisation (Bettis & Hitt, 1995). Within the research direction of strategic management a variety of theoretical approaches has developed. At the heart of the declaration is no longer the creation of a competitive advantage over other market participants due to differentiation or greater use of resources, (market- and resource-based view) but the creation of Organisational skills (competence-view) to be able to address environmental changes (Adler, 2014).

Thus, the key to finding the answer to the controllability of Organisations in the direction of achieving their goals lies in the question of planning the strategic management. Here are the first different theories: 1) The proponents of the plannable strategic management assume a high controllability of the management, which not only has all relevant

*Correspondence concerning this article should be addressed to Manuela Varsani, Faculty of Business, Management and Economics, University of Latvia. E-mail: mvarsani@gmx.de
© 2018 KKG Publications. All rights reserved.
information to intervene specifically in the Organisational behavior, but also appropriate instruments for influencing this behavior Hand has. 2) Proponents of “uncertainty” are concerned with the basic assumption that the world, and in particular its future, is more complex and dynamic than the human mind can grasp. The need for control is thus given, but the possibilities are considered critical. In particular, assuming that events and influences concerning the Organisation are unpredictable

The following observation for strategic management is made:
- As the dynamics of the environment increase, the pressure of change on the Organisation increases. The consequence of this is essentially increasing uncertainty and the development of new strategies and skills to adapt to changing conditions.
- The governance of Organisations is critical on the increasingly difficult to plan. Long-term plans are being replaced by short-term plans.

Innovation has always been a key driver for the development of our society. Even today, innovation is considered by almost all Organisations to be the great challenge for a secure future (Sailer, 2012). Numerous studies and investigations show that the term innovation is applied primarily to technical innovations or the attempt of process optimization in the classical economic theory of Schumpeter, as well as in the historically related management research (Hippe, 2007). With the emergence of innovation sociology at the beginning of the 2000s, this technical perspective shifts and is explicitly extended by the sociology of innovation to the “relevance of the social in and for the innovation process” (Howaldt & Jacobsen, 2010; Jeschke, Isenhardt, Hees, & Trantow, 2011; Trantow, Hees, & Jeschke, 2011). The ability to continuously innovate is becoming a key factor in today’s complex and dynamic business and work environment (Jeschke et al., 2011). The innovative capacity of a company is therefore based on the reliable selection and linking of strategic resources and competencies in relation to the creation of innovative innovations (competenced-view) (Adler, 2014).

Despite the popularity of the competence construct, not least because of its complex nature, but also because of the complexity of various strands of discussion, there is a lack of definitive concretization [e.g., (Adler, 2014; Freiling, 2013; Helfat, 2007; Winter, 2003)]. The ever faster change of environmental and market conditions and the resulting short product life cycles and half-lives of resources and competences have the consequence that a company can only continuously produce innovations, if it succeeds, their competencies, again and again, depending on the environmental changes - or to further develop (Teece, 2007; Teece, Pisano, & Shuen, 1997). Based on these considerations, Teece et al. (1997) develop the Dynamic Capability Approach, which aims to dynamize the competence construct. In this way, this approach addresses the identified shortcomings of resource- and competence-oriented research, which are seen in particular in the fact that dynamic aspects are initially ignored or insufficiently considered (Adler, 2014). Despite increasing research efforts and the popularity of the approach, there is a fundamental need for research on the processes responsible for creating and building dynamic capabilities. In particular, the underlying specific skills, processes, procedures, Organisational structures, and decision rules require a deeper investigation [see (Teece, 2007)]. For example, there is too little knowledge about how dynamic capabilities work and how and why modifications of the resource base take place [see (Danneels, 2002; Priem & Butler, 2001; Winter, 2003; Zahra, Sapienza, & Davidsson, 2006)], or as Dynamic Capabilities and a modified resource base for implementation and innovation in detail (Adler, 2014; Dasig Jr, 2017; Sapu & Mulyaningsih, 2016). Along with the inconsistent definition, the tautological determination of dynamic capabilities is also complained of. If a company has dynamic skills, then it has to perform well, and if the company performs well, it must have dynamic skills (Schirmer & Ziesche, 2010).

The following observation for the research field Innovation here innovation capability are made:
- A large part of the investigation of innovative ability is characterized by the concept of competence, which, however, is not subject to a uniform definition and has therefore been operationalized in many different ways.
- The dynamic capabilities approach is strongly linked to the dynamics of the environment and demands the ability to adapt to its changing conditions.

DEVELOPMENT OF BALANCE THEORY

How do new valid and useful theories emerge whose production belongs to the core of scientific work? Regardless of whether they are right, true or valid, and what they are good for, they are created in very different ways in social science: they can be intuitively invented, they can almost fly by themselves to a great mind. You can try to think it out systematically. But you can also develop them on the basis of already existing insights. As with Max Weber or
Niklas Luhmann, theories can also be the result of many years of empirical and/or theory-based analysis of specific social or cultural issues. However, theories can also be systematically developed by specifically collecting data and evaluating them with regard to the constitution of theory (Krotz, 2005; Kehrbaum, 2009; Strubing, 2004). Many qualitative approaches, such as grounded theory, are not characterized by a purely theory-led approach but are initially open from the plant. In the beginning, a vague question, a general sociological perspective, and everyday knowledge are sufficient to enter the field of investigation and familiarize oneself with the subject area. In an idealized way, the focus gradually emerges, the concepts are defined by the field, so to speak, from within. A research process thus begins with an indeterminate, confused or contradictory starting position (Dewey, 2002). It is undisputed, as stated in the introduction, that research on innovative capacity is indeterminate and unclear. In principle, however, there is no doubt that an Organisational capacity for innovation appears to be of great importance in practice. In addition, it is considered problematic that the named innovation capabilities are strongly linked to the dynamics of environmental change. Thus, the observation also applies here that controlling Organisations with regard to their ability to innovate is considered critical from the perspective of increasingly difficult planning.

The research approach is to examine the controllability of companies that are related to Organisational capabilities. The critical factor here is the dependence of both components on the dynamics of the environment. That is, in a simple context of impact, the dynamics of the Organisational environment determine the controllability of the enterprise in terms of its Organisational capacity for innovation.

This is a dependent and a purely reactive behavior of the Organisation. No Organisation wants to see itself in this dependency relationship. This leads to the following question:

1. How can the one-sided dependence of the Organisation on the dynamics of the environment be reduced or eliminated?

2. What influence does this have on the predictable controllability of Organisations in the direction of innovation?

Figure 1 Coding Paradigm after Strauss (Own Illustration)
A possible approach based on the theory of balance will be developed with the help of the research style of Grounded Theory. Dewey presents this systematized form of inquiry as a five-step model that iterates through until doubts become beliefs.

The starting point of any investigation is a situation of uncertainty or vagueness, such as that resulting from a routine break. Dewey distinguishes the problem from this as the second stage (Dewey, 2002). However, this should not be confused with carrying out the investigation or the solution to the problem, because the formulation of the problem does not contain the solution or the way there. However, this will provide a specification of the targeted research space that also implies decisions about the selection of relevant data for the problem-solving. The third phase, according to Dewey, is the tentative development of possible solutions to problems, with the first thing being to look at the facts, i.e., to consider what the case is. These facts of the situation, however, are not simply found, but an active act of selection and interpretation, which is carried out by the problem-solving persons (that is, in scientific investigations: by the researchers) and inevitably on the basis of their previously available ideas -judges initiated (Strubing, 2004). As an important aspect, the selection within the material is seen.

The process of “open coding” begins with an in-depth study of the data in order to eventually name and categorize phenomena. To this end, the text of the existing data is analyzed sentence by section and assigned to such events, which emerge as a phenomenon. During this process, which is referred to as the first step in the open coding process of conceptualization, “… the data is broken up into pieces, thoroughly examined, compared to similarities and differences, and questions are asked about the phenomena, such as they are reflected in the data…” (Strauss, Corbin, Niewiarra, et al., 1996). Finally, through a comparative analysis (comparing concepts that evidently refer to a similar phenomenon), a classification of concepts is achieved that represents a higher order at the more abstract level of concepts. Properties and dimensions of categories are then examined and arranged for their relationships.

In the following, various concepts will be presented, which should lead to the development of the theory.

**Concept 1: Bamboo/Observation**

Stress distribution in a bamboo under wind influence

Under the influence of the wind bends the bamboo. Deformations occur in the supporting frame of the bamboo. The wood resistance provides resistance to these deformations. The deformation and the resistance result in stresses*.

*In mechanics (general term for kinematics, dynamics and statics) tension refers to the force that is created by external action in a stressed body.

In the case of a pure bending fracture, the maximum stress results from the bending moment which corresponds to the wind load and the resistance moment* of the cross section.

Bending moment/moment of resistance = maximum tension (Nieschalk, 2012) Depending on the voltage, the bending moment changes in relation to the moment of resistance. That means with an optimal balance of flexibility and tension, the bamboo adapts to the influence of the wind.

<table>
<thead>
<tr>
<th>Phenomenon/What is it about?</th>
<th>Causes/What leads to the investigated phenomenon?</th>
<th>Form/What is the Context</th>
<th>Consequence</th>
<th>Physics/Statics and Strength of Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stress distribution in bamboo</td>
<td>Wind influence</td>
<td>Ratio of bending moment/moment of resistance</td>
<td>Optimal adaptation of ratio of bending moment/moment of resistance</td>
<td></td>
</tr>
</tbody>
</table>
Figure 2 Stress Distribution Bamboo

Concept 2: Aristoteles/Mesotes Theory

“Under the center of an object I understand that which has the same distance from each of the two ends, and that applies to all objects as one and the same. But in relation to us, the right-center signifies that which is neither too much nor too little, but that is by no means the same in all and not the same. Thus, when ten are many, two are but little, one accepts in terms of the matter as the middle six, because it surpasses one as much as it is surpassed by the other; but that means the middle in the sense of arithmetic proportion”. “And so every reasonable man avoids too much and too little and seeks to find out the middle, and for this he decides; but the middle, that is, not the thing here, but the mediocre in relation to us. Remember, therefore, that all rational insight accomplishes its task of satisfaction in this way, by pretending to be centered and establishing its activities upon it and for which reason well-performed accomplishments are given the predicate that one should neither take away anything from it nor add anything, because too much as too little everywhere deserves applause from the pause of the right middle, but where a deviation becomes necessary, it soon on the side of too much, soon after that of too little has to take place. Because that’s the way to get to the center and the right thing first”.

Mesotes names the measure of the center. As a result, Aristotle notes, however, that these mathematically representable centers may not apply to every human being and therefore cannot be applied to individuals. What could be the amount for the one or the other? These representations have led to ambiguous interpretations, because the mathematical definition of good and perceived accordingly is inadmissible and not a qualitative necessary distinction. Therefore, mesotes is called to indeed powerful, but dark and empty concept (Karban, 2015). How to draw a lot of differentiations in describing and analyzing single examples to explain the idea of mesotes. This principle applies everywhere (Karban, 2015). This point of view confirms that mesotes, on the one hand, is the middle of opposite positions, on the other hand. To define the appropriate measure for a particular case you need to analyze this single situation using a certain principle. Both the principle and the measure may be called mesotes (Karban, 2015).
Table 2 MESOTES

<table>
<thead>
<tr>
<th>Phenomenon/What is it about?</th>
<th>Causes/What leads to the investigated phenomenon?</th>
<th>Form/What is the Context</th>
<th>Consequence</th>
<th>Physics/Statics and Strength of Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mesotes: The right measure in the sense of a reasonable person</td>
<td>Looking for the middle, the right thing to do</td>
<td>The mathematically determined middle does not determine the right measure/middle in the sense of a reasonable human being</td>
<td>There is a different middle for each person. It is a kind of optimum output to find mesotes. To define the appropriate measure for a particular case you need to analyze this single situation using a certain principle.</td>
<td></td>
</tr>
</tbody>
</table>

Concept 3: Selected studies based on the organisational theory

Table 3 SELECTED STUDIES BASED ON ORGANISATIONAL THEORY

<table>
<thead>
<tr>
<th>Phenomenon/What is it about?</th>
<th>Causes/What leads to the investigated phenomenon?</th>
<th>Form/What is the Context</th>
<th>Consequence</th>
<th>Physics/Statics and Strength of Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business, considered as complex systems</td>
<td>Environmental requirements</td>
<td>Stability to preserve the identity, Possibility of adaptation and system development through dynamic self-organisation processes.</td>
<td>These system-theoretical principles enable the survival of systems or organisations.</td>
<td>(Grote, 2012; Kösterster, 2004; Weick &amp; Sutcliffe, 2015)</td>
</tr>
<tr>
<td>Companies</td>
<td>Be able to adequately adapt to challenges arising from seasonal and cyclical fluctuations, new competitors, changing customer expectations, special delivery conditions or technological advances.</td>
<td>Creating the required operational flexibility Stabilizing the work process and labor relations in the medium and long term</td>
<td>Potential for implementation is anchored in the business and work processes.</td>
<td>(Flicker Hoffmann &amp; Stettes, 2011)</td>
</tr>
<tr>
<td>Phenomenon/What is it about?</td>
<td>Causes/What leads to the investigated phenomenon?</td>
<td>Form/What is the Context</td>
<td>Consequence</td>
<td>Physics/Statics and Strength of Materials</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------------------</td>
<td>-------------</td>
<td>-----------------------------------------</td>
</tr>
<tr>
<td>Companies</td>
<td>Dynamic environment</td>
<td>Maintaining a balance between habit and adaptability</td>
<td>Employees need clearly defined areas of application, access to budgets must be predictable ... current challenges and volatile developments in the markets can react quickly and easily</td>
<td>(Spielkamp &amp; Rammer, 2006)</td>
</tr>
<tr>
<td>System members of an Organis</td>
<td>The right amount of flexibility and stability</td>
<td>Stability manifests itself in particular in certain behavioral expectations, without stability no cooperation</td>
<td>Without stability, the Organisation would collapse; excessive adaptability leads to loss of identity; a system cannot be completely flexible and absolutely stable at the same time</td>
<td>(Mette, 2013)</td>
</tr>
<tr>
<td>Healthy sustainable systems</td>
<td>Uniqueness of the company</td>
<td>Balance differentiation and integration: Oversized systems emphasize internal relationships; subordinates emphasize the external relationship</td>
<td>Pathological constellations (too much orientation in one direction) leads to conflicts, costs through mismatch, communication</td>
<td>(Kösterster, 2004)</td>
</tr>
<tr>
<td>Organisation as a social system</td>
<td>Identity of an Organisation</td>
<td>Organisation preserves, constitutes and changes itself</td>
<td>Environment is a prerequisite for identity of the system; Identity is only possible through difference</td>
<td>(Hoffmann, 2016)</td>
</tr>
</tbody>
</table>

**Concept 4: Ambidexterity**

The field of tension of stability and dynamics can also be understood as the field of tension of opening and closing processes, in terms of March (1991) as a field of tension of exploration and exploitation. The Organisational ambidexterity, as an independent topic in business administration, is to be found in the field of Organisational theory and can be viewed from the perspectives of Organisational learning, technology management, strategic management, change management, and knowledge management. Different approaches are pursued to achieve Organisational ambidextrusion. Organisations have a certain inertia to innovation as Organisations are also focused on maintaining their structures and optimizing efficiency (exploitation). On the other hand, however, there is a constant risk for companies that the successful application of Organisational capabilities turns into skill rigidity and makes renewal difficult. Therefore, both closure processes - to limit the scope for action of the Organisation members through order and rules as well as opening processes in the sense of an expansion of scope for action through freedom and facilitation (exploration) are necessary. Both processes are necessary at the same time, but are mutually exclusive in terms of content and
must, therefore, be balanced with each other (Schirmer & Ziesche, 2010). In the first use of the term “Organisational ambidexterity,” Duncan (1976), building on earlier studies [e.g., (Bruns & Stalker, 1961; Thompson, 1967)], argued that for long-term success firms needed to consider dual structures; different structures to initiate versus execute innovation. In his view, ambidexterity occurs sequentially as Organisations switch structures as innovations evolve. Firms adjust their structures by the phase of the innovation process: organic structures are employed to explore followed by mechanistic structures to exploit. This view of ambidexterity as temporal sequencing is evident in some of the current research on Organisational adaptation [e.g., (Eisenhardt & Martin, 2000; Lovas & Ghoshal, 2000; Venkatraman, Lee, & Iyer, 2007)] (OReilly III & Tushman, 2008). “Exploration includes things captured by terms such as search, variation, risk-taking, experimentation, play, flexibility, discovery, innovation. Exploitation includes such things as refinement, choice, production, efficiency, selection, implementation, execution”. Both requirements are fundamentally in conflict with one another since they compete for the same scarce internal Organisation resources. Moreover, innovation dilemmas may arise if there is no balance between them: over-emphasis on exploitative activities leads to Organisational inertia and structural persistence, while too much emphasis on exploratory activities impairs the efficient exercise and enhancement of core competencies (Blatter-Mink & Menez, 2015). The solution of these tensions and dilemmas is seen in Organisational ambidexterity (OReilly III & Tushman, 2008). These are Organisations that can simultaneously pursue explorative and exploitative innovation. One possibility is to structurally separate inconsistent or contradictory requirements and, for example, to work in different departments [see (OReilly III & Tushman, 2008)]. The concept of contextual ambidexterity, on the other hand, aims to shift the solution of conflicting requirements to the individual level and to give decision makers autonomy over all Organisational units as to which requirements can be dealt with at what time and with what resources (Gerlmaier, Gül, Hellert, Kämpf, & Latniak, 2015).

This means ambidextrous Organisations balance exploration and exploitation at different phases of development or growth over time, (b) how they manage the transition from one phase to another (strategic decision points), and (c) how the top-management teams role changes according to different development phases (Carayannis, 2013).

<table>
<thead>
<tr>
<th>Phenomenon/What is it about?</th>
<th>Causes/What leads to the investigated phenomenon?</th>
<th>Form/What is the Context</th>
<th>Consequence</th>
<th>Physics/Statics and Strength of Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parallel skills Organisation</td>
<td>Dynamic world, scarcity of resources outside exploitation/exploitation (e.g., generation of knowledge)</td>
<td>Balance between exploration/exploitation</td>
<td>Improving competencies and increasing resource utilization through exploration/exploitation balance</td>
<td>(Blatter-Mink &amp; Menez, 2015; OReilly III &amp; Tushman, 2008)</td>
</tr>
</tbody>
</table>

**Table 4 PARALLEL SKILLS ORGANISATION**

**Concept 5: Resilience**

According to (BS Standard BS65000, 2014), resilience refers to a company’s ability to anticipate, survive and even grow in a complex and dynamic environment (Organisational resilience). Thus, ensuring the continuity of the business activities of companies in the event of a disaster or disaster became the subject of resilience research. Standards for such precautions are contained in ISO 22301-2012 “Societal security - Business continuity” (Weick & Sutcliffe, 2015). Since about the end of the 1990s, the concept of resilience has also been applied to corporate contexts. Since then, the question has been raised in the US and Europe with increasing interest: what criteria must an Organisation fulfill to be so robust as to endure unpredictable crisis situations (e.g., technology leaps, economic crises, market developments, etc.)? Among the best-known studies are the contributions of Weick and Sutcliffe (2015), they are considered the pioneers and by Gebauer and Kiel-Dixon (2009), both brought the concept to Germany in the 2000s. Both teams explored the Organisational structures of so-called High-Reliability Organisations (HRO), that is, Organisations operating in an unclear and changing crisis environment (such as military or fire brigades). One of many important criteria of HROs is an error culture that is not limited to blaming but actively seeks sources of error to learn from...
them for the future. “The essence of resilience is the intrinsic ability of an Organisation (system) to maintain or regain a dynamically stable state, which allows it to continue operations after a major mishap and/or in the presence of a continuous stress” (Strubing, 2004). Organisational resilience moves in a magical triangle consisting of the elements: resistance and immunity, change and flexibility, and identity and functioning (Figure 2). Between these elements, different areas of tension can be identified. Thus, it is important to strengthen resistance and immunity without losing flexibility, to allow change without losing the identity and own basis of value or to extend the functionality of the system without sacrificing resistance (Geramanis & Hermann, 2016). Organisational resilience is seen as a dynamic state in which there is a balance between these three elements that must always be rebuilt. Organisational resilience is thus defined as the ability of the system to deal with shocks and disturbances in a self-regulating way that maintains the vitality of the system (Geramanis & Hermann, 2016).

In principle, Organisational resilience research raises the question of which factors are responsible for the effective handling of critical events within and outside the company (Baur & Blasius, 2014). It is very strongly associated with the problem-solving ability of the system in the sense of self-organisation, learning, and adaptation. Another decisive factor for a successful further development after a crisis is the related innovation capacity of a system (Flicker Hoffmann & Stettes, 2011; Mohr, 2016; Philipsen and Ziemer, 2014). The key factor in the development of Organisational resilience is the leadership culture that ultimately determines the overall corporate culture (Philipsen & Ziemer, 2014). In the field of Organisational resilience Mette (2013) Inadequacies in the connection between theory and empiricism. Here there would be a lack of consistency, the v. a. due to problems in the operationalization of the construct.

Table 5 Parallels Skills Organisation

<table>
<thead>
<tr>
<th>Phenomenon/What is it about?</th>
<th>Causes/What leads to the investigated phenomenon?</th>
<th>Form/What is the Context</th>
<th>Consequence</th>
<th>Physics/Statics and Strength of Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resilience of Organisation catastrophe</td>
<td>Organisational resilience as a magic triangle, consisting of the elements: resistance and immunity, change and flexibility as well as identity and functioning</td>
<td>Balance of elements Immunity/Flexibility/Functionality supports the problem-solving ability of the system; Skills like self-organisation, learning, and adaptation</td>
<td>(Geramanis &amp; Hermann, 2016; Mohr, 2016; Philipsen &amp; Ziemer, 2014)</td>
<td></td>
</tr>
</tbody>
</table>

After the open coding of the material, certain categories and concepts emerge. Subsequently, within the material it is deliberately searched for confirmations and refutations or deviations from these observations. For the further analysis of the encoded material, a simple scheme is proved by which the most important features of the presented concepts are considered in the following sections and are considered with regard to the significance for the construct of a balance theory.

When selecting the concepts, it was consciously taken into account that comparative analyzes show typical, similar or deviating characteristics. All concepts involve consideration of traders or Organisations that are considered to be a common system with the environment. The environment is dynamic or even complex and affects the Organisation, which in turn is not static according to the explanatory models of systems theory. With dynamic processes and flexibility-oriented measures, this Organisation ensures an active progress and achievement of its goals. At the same time, it works with stabilizing processes against disturbances from outside and inside, bringing the Organisation again and again into a (new) equilibrium into a state of balance.
(3) The task of the controller (strategic management) is to provide a balance between stability and flexibility by means of targeted measures, since the objective (4), e.g., Achieve long-term/sustainable livelihood of the Organisation in the face of a turbulent environment. Both factors are then essential system properties that are by no means always mutually exclusive, but often even mutually conditional. A one-sided development cannot meet the conflicting requirements of the areas of tension. It promotes the development of dysfunctionality, it can lead to “over-drawing”. This is to be avoided as well as a “too little”. The task of the strategic management is to search for the right measure (Mesotes theory) or to carry out a balance-oriented control of the Organisation.

CONCLUSION

In the framework of this article, grounded theory approaches will be used to introduce different concepts of balance and innovation and to examine their common characteristics or contradictions. The elaborated characteristics serve for the own development of the Balance Theory. The task of this work is to crystallize further contrasts in the course of the research, which then completes the sample. For this purpose, the researcher interviews various Organisations (online survey) on the topic of innovation behavior and analyzes the characteristics, dynamics of the environment, flexibility/stability of the Organisation and the Organisational goal.

It is the overall objective of the entire research work to derive a model based on a process-based derivation of a balance theory to support the work of strategic management with regard to the future of a sustainable innovation behavior of the Organisations. Here, the focus is on the balance of stability and flexibility, which is a departure from the one-sided emphasis on the individual, often following a fashion aspects and thus changes a purely reactive behavior on the constantly changing environment to an active behavior (in the sense of a control).

REFERENCES


