

Alvaro CUERVO-CAZURRA

University of Minnesota  
Carlson School of Management  
321-19<sup>th</sup> Avenue South, 3-376  
Minneapolis, MN 55455, USA  
Tel.: 1-612-625-8331  
Fax: 1-612-626-1316  
E-mail: [acuervo@csom.umn.edu](mailto:acuervo@csom.umn.edu)  
[www.csom.umn.edu/wwwpages/faculty/acuervo/](http://www.csom.umn.edu/wwwpages/faculty/acuervo/)

This version: May 17, 2001

Work in progress. Comments are very welcome.  
Please do not quote nor cite without permission from the author.

© Alvaro Cuervo-Cazurra, 2001

**DEVELOPING COMPETITIVENESS UNDER DISCONTINUOUS  
INSTITUTIONAL ENVIRONMENT CHANGES:  
THE CO-EVOLUTION OF RESOURCES AND SCOPE**

**Abstract**

I analyze transformation processes used by firms under conditions of discontinuous institutional environment changes. I argue that, among other propositions, firms use the co-evolution of resources and scope to manage their transformation in a highly uncertain and changing environment, enabling them to alter their resource set and activity set interactively as the environmental conditions progress. This concept links the resource-based view and positioning argument in a contextual, temporal and dynamic strategy framework. [72 words]

Key words: resources, activities, co-evolution