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**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