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Corporate foresight capability in international business: towards organizational resilience in the fourth industrial revolution context

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Purpose or primary objectives

The acceleration of chaotic changes and disruptions caused by the fourth industrial revolution raises the problem of organizational readiness for a highly volatile and turbulent future. This problem is especially vital for international firms whose very existence relies on sustaining their specific advantages on a global scale for a long enough period. In particular, such developments call for a more precise look at corporate foresight cognitive function and its role in sustaining international firms' organizational resilience in the fourth industrial revolution era.

Theory and key hypotheses

In the last decades, the study of organizational resilience has gained significant momentum due to the increasing speed of changes in the economy, society, and technology (Kantur & İşeri-Say, 2012; Lengnick-Hall et al., 2011; Ruiz-Martin et al., 2018; Vogus & Sutcliffe, 2007).

In particular, this growth of attention to the organizational resilience phenomena can be explained to the large extent by the unprecedented disruptions brought about by the fourth industrial revolution (Danko, 2021; Ganiyu et al., 2021; Koh et al., 2019; Oosthuizen, 2021). Overall, the firm's capability to withstand and survive disruptions can be considered an important if not the defining measure of organizational resilience (Ambulkar et al., 2015; Kim et al., 2015; Parker & Ameen, 2018; Sahebjamnia et al., 2018).

Among the sources of organizational resilience, it is common to highlight the sensibility which is a cognitive capability to percept significant environmental shifts that have the potential to undermine the firm's current and future operations resulting in the fall of the firm's revenues and capitalization (Kantur & İşeri-Say, 2012; Lengnick-Hall et al., 2011; Ruiz-Martin et al., 2018).

Simultaneously, the prospect of the accelerated pace of science and technological innovations triggered foresight activities in many realms (Ruff, 2002). In general, many authors consider corporate foresight as an important tool that is applied in a process of organizational resilience engineering (Mama & Alagah, 2020; Rohrbeck, 2012; Rohrbeck & Kum, 2018; Ruff, 2002; Woods, 2003, 2005). Furthermore, it is widely recognized that corporate foresight is an indispensable instrument to identify, anticipate and manage disruptions and prepare companies for an uncertain turbulent future (Kaivo-oja & Lauraeus, 2018; Rohrbeck & Gemünden, 2008).

All above allows assuming that those multinational corporations that recognize severe implications of the fourth industrial revolution for their future will be inclined to include corporate foresight into their organizational resilience frameworks.

Research design and key findings

In order to check our assumption, we have selected a set of nine public MNCs that meet two criteria: fourth industrial revolution recognition and institutionalized corporate foresight. The fourth industrial revolution recognition criterion is largely based on corporations' participation in WEF's Global Lighthouse Network (Betti et al., 2020, 2021), while a few more MNCs were included according to their public statements referring to the fourth industrial revolution.

The selected MNCs are Adidas, Bayer, BMW, Ericsson, General Electric, Renault, Henkel, Johnson & Johnson, and Siemens. Their performance in terms of market capitalization and revenue between 2016 and 2021 suggests that a higher level of organizational resilience has been demonstrated by Adidas, Ericsson, and Johnson & Johnson. The middle performers are BMW, Henkel, and Siemens, while Bayer, General Electric, and Groupe Renault yet struggle to

bounce from the crisis caused by the Fourth industrial revolution enhanced by the coronavirus pandemic. In particular, the present activities of Bayer and Siemens confirm their high future sensitivity to addressing the challenges of the Fourth Industrial Revolution.

Implications

MNCs of the highest resilience - Adidas, Ericsson, and Johnson & Johnson - are suggested to be viewed as the role models of corporate foresight conversion into the global strategies devised to survive the Fourth Industrial Revolution.

At the same time, the lower resilience companies have all the chances to straighten up their results in the near future. Their current behavior is of extreme interest for further research and requires in-depth study.

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