The Emerging of Dynamic Capabilities for Socially Responsible Operations and Innovation Development in The COVID-19 Pandemic Situation

Hadi Purnomo

Management Doctoral Program - Faculty of Economics and Business Universitas Gadjah Mada (UGM), Indonesia Department of Management - Faculty of Economics and Business, Universitas Kristen Immanuel (UKRIM), Indonesia hadipurnomo@ukrimuniversity.ac.id

Wakhid Slamet Ciptono

Department of Management - Faculty of Economics and Business Universitas Gadjah Mada (UGM), Indonesia wakhidsciptono@ugm.ac.id

Hargo Utomo

Department of Management - Faculty of Economics and Business Universitas Gadjah Mada (UGM), Indonesia hargo_utomo@ugm.ac.id

Attention to sustainability is important, along with the increasing pressure in organizations for sustainability programs. On its development, a number of researchers in the academic community argue on the understanding why and how corporations integrate the Triple Bottom Line (TBL) which includes social, environmental and economic performance. Profits is one element of the long-term success of the company, however, another important thing is also the future of the people (internal and external to the company) and the future of planet earth.

The COVID-19 pandemic situation encourages companies to play a role in sustainable development. Socially responsible is a part of social responsibility activities referring to the business responsiveness to society. One of the socially responsible literature focuses on operation. Socially responsible operations is a form of Corporate Social Responsibility (CSR) activities. On the other hand, the researchers argue that business organizations are the source of important innovation, has social responsibility to direct public issues related to sustainability, where responsible innovation has a contribution to sustainable development.

The aim of this study is to fill the literature gap by building a conceptual framework of socially responsible operation and socially responsible innovation during the COVID-19 pandemic. Another thing is also proposed the role of dynamic capabilities for sustainability, especially performance consisting of planet, people and profit (3Ps).

Dynamic capabilities are attractive because of their potential to improve the performance of organizational outcomes. Dynamic capabilities in this case include dynamic managerial capability and dynamic innovation capability in the efforts to develop company sustainability. Managerial capability and innovation capability are believed to have dominant roles in socially responsible operations and innovation.

Key Words: Sustainabilty, Socially Responsible, Operations and Innovation, Dynamic Capabilities, COVID-19 Pandemic