

## Abstract for the general public

Intensive environmental changes, involving institutional and technological shifts, have been transforming entire industries, creating new opportunities but also challenges, forcing companies to undergo strategic renewal through business model innovation. First, the recently growing protectionism, on the wave of nationalist moods, in many regions of the world imposes on firms new challenges. Uncertainty related to the exit of Great Britain from EU structures (Brexit), ongoing trade wars between US and China or US and EU reflect the trends of reverse globalization that will affect global macroeconomic situation, having the effect also at the microeconomic level. Kobrin (2017) predicts that at least in mid-term perspective managers of internationalized companies should expect increasing tensions and shocks. Second, it is expected that progressing fourth industrial revolution, being about development of cyber physical systems, will exert digital transformation of firms, giving rise to new/alternative business models, reshaping business operations and traditional value chains (Arnold et al., 2016). Despite the significant impact that these phenomena will be having in the upcoming years on business, research in this area is still fragmented.

Against this backdrop, our study aims to address this gap and will focus on understanding how **environmental changes triggers strategic renewal of internationally oriented firms from Poland. In particular, we seek to understand the approach to and mechanisms of innovation (traditional and/or open) through which these firms actively seek ways to transform or substantially upgrade their business models to increase chances of long-term survival and international competitiveness.** We adopt a contingency approach to understand which renewal journeys are most successful and why.

Due to the exploratory character of research questions, and the novelty of examined phenomena, we will adopt a mixed method design. The research process will follow sequential stages, starting with a critical literature review (Phase 1). In Phase 2, we will use a multiple qualitative case study method (12 Polish companies representing different industry settings, and of different size, though all internationalized, i.e. having FSTS>20%). In Phase 3, we will use the insights from the qualitative research to develop a questionnaire for a quantitative research (n=400). In Phase 4, we will integrate our research findings from both phases (2 and 3), and formulate a theoretical model explaining the strategic renewal process through business model innovation perspective. The synthesis of research findings will allow us to offer insightful implications for business, policy-makers, and theory.

The proposed project will contribute to existing academic literature in two ways. First, it aims to analyse comprehensively the process of strategic renewal by drawing from related research streams. In doing so, the study will address the entirety of fundamental organizational transformation, by adopting business model innovation framework. In particular, by investigating the relationship between (internal, external) triggering factors for strategic renewal, process of strategic renewal (its structure and adopted innovation model), its outcomes (in terms of content and form) and underlying logic (co-alignment vs. co-creation). Second, the proposed project will offer an in-depth insight into how both low-tech and high-tech firms search for strategic renewal through business model innovation, in the industry 4.0 era, by embracing not yet explored topic of new venture factory. Strategic renewal is equally important for SMEs as well as MNCs, but the current research on strategic renewal through business model innovation is largely dominated by samples embracing MNCs in high-tech sectors.

Additionally, the proposed project will have several implications for management and policy decision-makers. Polish economy is largely dominated by firms operating in traditional and low-technology sectors, with relatively low value added, and Polish firms generally rank low in international innovativeness rankings (Cornell/Insead/WIPO, 2016). From the perspective of the entire Polish economy, there is therefore a need for improvement in this area, which the proposed study aims to address. Second, given that only 12.5% of all Polish companies are internationalized, and that majority of them are micro-exporters accounting for only few percentage of export value (Cieślak, 2019), studying strategic renewal of internationally oriented Polish companies will be of particular interest to both managers seeking to improve their firms' international competitiveness. Third, firms originating from Poland have been able to transform their initial business models in the past 30 years to grasp the full potential of foreign markets. There is therefore a need to take a closer look at these peculiar strategies for renewal through business model innovation. It is expected that the results of the proposed project will be of particular interest to decision-makers, because prosperity of Polish firms and thus Polish economy depends also on implementation of effective support instruments.