Dynamic capabilities in sole proprietorships: theoretical model through grounded theory

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Abstract
The purpose of this study is to identify the model that explains the process of creating dynamic capabilities of the sole proprietorships in the music industry. Following the design of the constructivist grounded theory, the cross-sectional study was carried out with 20 sole proprietorships in the music sector, with participants residing in 10 different countries. The study was conducted under inductive and abductive reasoning through the technique of the semi-structured interview. Through the comparative analysis, groups of businesses were identified as either resistant or dynamic, depending on their relationship to the components of dynamic capabilities. It was seen that sole proprietorships having greater interaction with these components were better adapted to the dynamic environment of the industry. Likewise, it was observed that the emotional factors of the owners are relevant for the development of dynamic capabilities in this type of business. This study proposed a substantive theory about the processes of development of dynamic capabilities in sole proprietorships. The contribution of the study is theoretical, practical, and methodological. A theoretical model is presented of the structure of the dynamic capabilities that are proposed as an adequate methodology for the design of grounded theory and the practical application by sole proprietorships. It is concluded that the sole proprietorships that develop the four components of the proposed model are able to develop dynamic capabilities and are distinguished by the actions taken in these processes and by their favorable results.

Keywords Dynamic capabilities · Sole proprietorships · Business model · Grounded theory · Music industry · Capacidades dinámicas · Negocios unipersonales · Modelo de negocio · Teoría fundamentada · Industria musical

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Resumen
El propósito de este estudio es identificar el modelo que explica el proceso de creación de las capacidades dinámicas en los negocios unipersonales de la industria musical. Siguiendo el diseño de la teoría fundamentada constructivista, se realizó el estudio transversal con 20 negocios unipersonales en el sector musical, con participantes con residencia en 10 países distintos. El estudio se hizo bajo los razonamientos inductivo y abductivo, a través de la técnica de la entrevista semiestructurada. A través del análisis comparativo, se identificaron dos grupos de negocios a los que se denominó resistentes y dinámicos, según su relación con los componentes de las capacidades dinámicas. Se identificó que los negocios unipersonales que tuvieron mayor interacción con estos componentes, experimentaron mejor adaptación al entorno dinámico de la industria. Así mismo, se observó que los factores emocionales de los propietarios son relevantes para el desarrollo de las capacidades dinámicas en este tipo de negocio. Este estudio planteó teoría substantiva sobre los procesos de desarrollo de las capacidades dinámicas en los negocios unipersonales. La contribución del estudio es teórica, práctica y metodológica. Se presenta un modelo teórico de la estructura de las capacidades dinámicas, se plantea como metodología adecuada al diseño de la teoría fundamentada y la aplicación práctica para los negocios unipersonales. Se concluye que los negocios unipersonales que desarrollan los cuatro componentes del modelo propuesto logran desarrollar capacidades dinámicas y se distinguen por las acciones que integran estos procesos y por los resultados favorables de los mismos.

Palabras clave Capacidades dinámicas · Negocios unipersonales · Modelo de negocio · Teoría fundamentada · Industria musical

JEL Classification M10 · M13 · M16

Summary highlights

Contributions: We contribute to the corpus of management research analyzing the generation of dynamic capabilities in sole proprietorships business. This business model had not been addressed in this field of research.

Research question: what is the model that explains the process of creating dynamic capabilities in sole proprietorships in the music industry?

Methodology: The present cross-sectional study used grounded theory design and followed the methodological guidelines of the constructivist approach. The qualitative approach allowed us to delve into the internal processes that gives rise to the dynamic capabilities in the studied businesses.

Results/findings: The findings suggest that sole proprietorships have the potential to develop dynamic capabilities through relationships with external agents and their integration with lower-level capabilities that are generated. The substantive theory of the study revolved around the central category: remain in a highly turbulent and dynamic industry. This theory suggests that the sole proprietorships studied require
the application of recognition, assimilation, restructuring and focus capabilities in order to develop dynamic capabilities.

Practical implications and recommendations: This research also provides a contribution with practical application for sole proprietorships. Elements that have been presented, including passion, self-confidence and foundation, can strengthen sole proprietorship structures and also serve as the basis for future expansions of the business model.

Future research is recommended that incorporates the emotional aspects presented in the construct approach.

Introduction

The global environment has undergone great changes and the degree of uncertainty for companies has increased (Teece et al. 2016). Considering this dynamic environment, companies must be able to reconfigure their resources and capabilities in such a way that they can develop or preserve their competitive advantage in order to continue participating under the new circumstances (Cruz et al. 2009; Peteraf 1993). Thus, this study is based on the seminal work of Teece et al. (1997) in the field of companies’ dynamic capabilities and on the work of Adner and Helfat (2003) on dynamic managerial capabilities.

This research explores the development of dynamic capabilities in sole proprietorships considered to be undertakings with a high business potential (Laffranchinia et al. 2017), and that also constitute a sector not yet investigated in the framework of this theory. The selected field of application is the music industry, which has shown a high level of dynamism as a result of accelerated technological development (Amit and Zott 2001; Zilber and Froes de Abreu 2015).

Technological changes have almost entirely transformed the music industry. The appearance of digital means of sound recording and their reduction in price have made many musicians prefer to take charge of their own production and distribution. The evolution of the means for the recording and transfer of sound has continued into recent times with a large number of digital formats that now include streaming. It is precisely the recorded music industry that is used to measure the music sector (Fountoukidis 2015). According to the International Federation of the Phonographic Industry (2021), physical sales of music only reach 19.5%, while streaming reached 62.1% in 2020.

This technological development of sound has been accompanied by a massive evolution of the means of communication that has facilitated the connection among the industry’s musicians at the international level. Self-managed musicians often take charge of the production of their own concerts and recording. In this way, an industry is shaped in which the number of intermediaries is reduced and which requires the development of business management skills in a highly dynamic industry. The internationalization of the music business requires different links that facilitate the process. However, there is a large number of independent musicians who prefer to run their activity as a sole proprietorship (Papagiannidis and Berry 2007).
An example of a sole proprietorship music business is the classical guitarist Carlos Bonell. This Spanish–English musician is recognized for his international career that has reached at least 40 countries, an extensive production of recordings and musical literature managed mostly by himself (Bonell 2022). There is also André Paganelli from Brazil, winner of a Latin Grammy, who was a saxophonist that successfully managed his international career while making using new technologies through social networks, his YouTube channel, and his website that he initially managed himself (Zilber and Froes de Abreu 2015).

Thus, entrepreneurial activity has been considered a norm in musical activity for centuries, and this is expected to continue (Teague and Smith 2015), since musicians who operate as sole proprietorships while they are dedicated to the arts, they must also incorporate tasks related to business management and the development of skills that enable them to be sustainable in the industry (Fountoukidis 2015; Papagiannidis and Berry 2007). The importance of this study for researchers and for professionals in the sector lies in its close relationship with technological development that produces increasingly dynamic, interconnected and interdependent industries worldwide.

In this vein, the study seeks to understand the current operation of sole proprietorships in the music sector and how dynamic capabilities are part of their evolution. Therefore, the question that guides this research is: what is the model that explains the process of creating dynamic capabilities in sole proprietorships in the music industry?

In this context, this research contributes to the theoretical, practical, and methodological aspects of research on dynamic capabilities. In the theoretical aspect, the contribution of the study is the generation of a substantive theory on dynamic capabilities in sole proprietorships and the presentation of a model that explains its development. In the practical aspect, the results offer criteria that can be incorporated into the development of the sole proprietorship model. Methodologically, it is argued that, through the design of grounded theory, the qualitative approach can provide notable advances through a better understanding of the phenomenon under study. Added to this last aspect are the riches provided by the combination of inductive and abductive reasoning that is applied to this study.

The following sections of this article present the literature review, the methodology used, the results and the discussion of them, and conclusions and recommendations.

### Literature review

In this section, we will present theoretical aspects of dynamic capabilities and sole proprietorship businesses, including information on the music industry.

#### Dynamic capabilities

Dynamic capabilities theory emerged in the 1990s, proposed by Teece et al. (1997) as a necessity as a complement to resource-based theory (Eisenhardt and Martin 2000; Grant 1991; Rivera and Figueroa 2013). This concept is defined as the capability of the organization to integrate, build, and reconfigure internal and external
competencies that will enable it to face rapidly changing environments (Teece et al. 1997).

Since dynamic capabilities theory was presented by Teece et al. (1997), many studies have taken it as a central theme and related it, for example, to (a) innovation, (b) knowledge management, (c) learning, and (d) performance (Marques de Almeida et al. 2016). Similarly, dynamic capabilities are linked to the development of sustainable competitive advantage (Barros-Contreras et al. 2014), permitting its differentiation from competitors and a greater generation of value.

In addition to the perspective of dynamic capabilities presented by Teece et al. (1997), is the value attributed to managers because they guide and establish the path that the firm will follow (Alonso-Almeida et al. 2017; Buil-Fabregá et al. 2017; Kevill et al. 2017; Rodríguez et al. 2020; Teece et al. 2016; Teece 2009, 2012). In this sense, Adner and Helfat (2003) proposed the dynamic managerial capability attributed individually to managers. For their part, Yan and Yan (2016) state that the smaller the structure and size of the company, the greater will be the influence and effect of the decisions of its managers (Koster and Andersson 2018; Lafranchinia et al. 2017; Rodríguez et al. 2020).

In another order of ideas, Teece (2007) proposes the disaggregation of dynamic capabilities into three fundamental components: sensing (recognition), seizing (assimilation), and reconfiguring (reconfiguration).

First of all, the sense is the ability to perceive opportunities and threats and shape them through exploration, creation, interpretation, and learning (Petricevic and Teece 2019; Teece 2007). Pavlou and El Sawi (2011) define it as the ability to detect, interpret, and look for opportunities in the surroundings. Likewise, similarities are identified with the competitive strategic response capacity proposed by Protogerou et al. (2012), as a company’s ability to explore the surroundings, identify new opportunities, assess its competitiveness, and respond with strategic moves. Teece (2007) considers these processes as actions typical of sense.

Secondly, the seizing ability consists of taking advantage of opportunities through action and renewal, which can lead to the generation of new products, processes, or services (Teece 2007). For their part, Jantunen et al. (2012) link seizing with outlining the business model and the supply to the client, as well as with decision-making related to partners and the distribution channels. The seizing ability is based on innovation, the selection of business models, product architecture, investment in appropriate technologies, and the design of decision-making processes and organizational structures that favor it (Petricevic and Teece 2019; Teece 2007).

Third, reconfiguring ability is based on the ability to evolve, reconfigure tangible and intangible resources, renew routines, and adopt and develop new processes (Teece 2007). Augier and Teece (2009) and De Silva et al. (2021) add that having the right business model is a critical factor for success, and this includes adjustments or improvements for continuity. For their part, Eisenhardt and Martin (2000) state that the ability to reconfigure internal resources permits them to be replicated, transferred, and recombined, thus reaching a more strategic level when managers establish networks of collaboration among areas of the company to generate synergies. Reconfiguring encompasses actions such as the geographic transfer of assets, redesign of business models, mergers, acquisitions, investments or abandonment of

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investments, technology changes, routines of knowledge creation, alliances, and the incorporation of new resources or abandonment of obsolete ones (Eisenhardt and Martin 2000; Teece 2007). In more recent studies, we find the relationship of reconfiguration with proactive environmental strategies and eco-sustainable innovation (Reyes-Santiago et al. 2019).

**Sole proprietorships**

This research was applied to the sole proprietorship model in the music industry. The International Labor Organization (Organización Internacional del Trabajo 2015) considers one’s own businesses or sole proprietorships to be economic activity operated by a single person. For their part, Korunka et al. (2011) define a sole proprietorship as one that operates without dependent employees. Laffranchinia et al. (2017) call this activity self-employment. This manner of operating makes up business models that consist of a series of actions, the organization, and strategic resources used by people to pursue their interests and motivations, creating and capturing value in the process (Svejenova et al. 2010).

Svejenova et al. (2010) state that applying the concept of business model to individual businesses enables us to understand the business trajectory of people and the entrepreneurship of professionals, scientists, and artists. Likewise, they demonstrate that the sole proprietorship business model represents teams and organizations associated with the individual. They affirm that the holistic study of these businesses enables an understanding of the development of the business and contributes to the advancement of an entire industrial sector.

In a different vein, it is usually in the music industry that musicians compete by managing their own actions, operating as a sole proprietorship (Sjöholm and Pasquinelli 2014), and having external collaborators in order to carry out specific projects (Sedita 2008).

The music industry has been studied from different perspectives, such as the transformation in the value chain due to the influence of technology (Papagiannidis and Berry 2007), business models (Zilber and Froes de Abreu 2015), critical factors in the management of live concerts (Manners et al. 2015; Sedita 2008), entrepreneurship (Albinsson 2018), and leadership (Payne 2021). Nonetheless, the development of dynamic capabilities in the field of music has only been mentioned in the work of Teece (2009), though no studies were identified that address the way in which dynamic capabilities are developed in musicians’ businesses, which is a contribution to this field of this study.

On the other hand, entrepreneurial passion is identified as an important factor for business success (Fang and An 2017), which can make entrepreneurs persevere more to achieve their goals (Suvittawat 2019). Additionally, Anand and Kumar (2013) identified that performing artists have a high level of self-efficacy as a result of their artistic practice and can develop acute thinking skills. Self-efficacy consists of confidence in one’s ability to achieve expected performance and is also linked to commitment and job satisfaction (Liu and Huang 2019). On the other hand, music businesses, as an artistic activity, have a high concentration on the creation
of products that satisfy the artist; this is different from the market orientation that is common in other sectors (Philp 2015). The aforementioned makes the music business important for research in the field of management.

Thus, for the purposes of this study, the definition of a sole proprietorship applied to the music sector is the business in which the musician operates without dependent employees or representatives for which he manages actions and resources to create, deliver, and capture the value that he is able to develop in the country of residence or abroad (Chi 2013; Papagiannidis and Berry 2007; Philp 2015; Korunka et al. 2011; Kuesters 2010; Svejenova et al. 2010).

In short, dynamic capabilities are a relevant factor in the field of strategic management due to their influence on business performance and on managers (Adner and Helfat 2003; Helfat and Martin 2015; Teece 2009; Teece et al. 2016; Yan and Yan 2016). Likewise, sole proprietorships are identified as (a) a specific and basic form of entrepreneurial initiative (Korunka et al. 2011; Laffranchinia et al. 2017), (b) a set of activities, organization, and strategic resources for the generation of value (Svejenova et al. 2010), and (c) the origin of medium-sized companies created by independent entrepreneurs (Laffranchinia et al. 2017). Similarly, there is much dynamism in the music industry, the operations of which are articulated by the sole proprietorship business model (Amit and Zott 2001; Bustinza et al. 2013; Teece 2010; Zilber and Froes de Abreu 2015). However, no studies were identified on the process of developing dynamic capabilities, either in sole proprietorships or in the music industry, thus opening up a gap to explore in their micro-foundations and in the formation of dynamic capabilities in this business model.

**Methodology**

The present cross-sectional study used grounded theory design, which seeks to generate scientific theory based on rigorous data analysis (Glaser and Strauss 2006), and followed the methodological guidelines of the constructivist approach of Charmaz (2014). Grounded theory consists of the collection and systematic analysis of qualitative data for the construction of theories inherent to them (Charmaz 2014; Creswell 2014). It thus seeks to understand the development of dynamic capabilities in sole proprietorships, which had not yet been empirically studied. For this reason, the use of grounded theory was considered appropriate, having a constructivist epistemological approach in terms of how the phenomenon was approached, and how the results were studied and presented.

The use of the qualitative approach was thus justified for three basic reasons: (a) its ability to answer the what and how type of research question (Creswell 2014; Hallberg 2013); (b) it is the appropriate method to study the development of dynamic capabilities, their processes, mechanisms and relationships (Eriksson 2013a; Kalali and Heidari 2016); (c) it allows the development of theories about the as-yet-addressed field of dynamic capabilities in sole proprietorships (Gligor et al. 2016; Kenny and Fourie 2014).

Furthermore, the use of the grounded theory method for this study on the development of dynamic capabilities is justified by (a) its systematic and flexible
processes for the collection and analysis of qualitative data, (b) its ability to guide the building of theory based on the data, and (c) the explicit relationship between coding and theory (Carmichael and Cunningham 2017; Charmaz 2014; Glaser and Strauss 1967/2006). The constructivist grounded theory methodology (Charmaz 2014) was applied in five phases that, as occurs in qualitative studies, are presented in iterative steps:

Phase 1: Review of the non-committed literature. In this first step, the scientific literature on the subject being studied is addressed, and the theoretical sensitivity of the researcher is stimulated (Charmaz 2014; Urquhart 2014). This favors obtaining a scientific product anchored in the information collected without imposing the literature on the data.

Phase 2: Data generation. It was applied through in-depth interviews and the theoretical sampling technique in which one unit of study can guide the selection of the following. This process was continued until theoretical saturation was achieved, a moment in the research when the codes that are generated are robust and no new subjects or categories are identified (Glaser and Strauss 1967/2006). The interviews were transcribed as the research progressed.

Phase 3: Initial coding. It consisted of the generation of codes on the data of the transcribed interviews and the observation of the processes and circumstances of the businesses being studied. This first level of coding is transitory while the research is in progress (Charmaz 2014).

Phase 4: Centered coding. It constitutes a level of greater abstraction in the analysis in which the data was categorized, synthesized, and organized, achieving the development of the dimensions, properties, and categories. It is important to consider that the process of grounded theory is not linear, and between phases 2, 3, and 4 there is a back-and-forth process of constant analysis (Kenny and Fourie 2015).

Phase 5: Theoretical integration. Urquhart (2014) mentions that this phase consists of the process of linking the emerging theory with other theories in the same or other fields of study. This implies that the theoretical integration overlaps with previous phases of the research and extends until the end of the research. This is the stage in which the researcher returns to the literature to integrate his results with the body of scientific knowledge.

Likewise, phases 2 to 4 were transversally accompanied by the constant writing and integration of theoretical memos that are written records of the analyses and any reflection that is relevant to the study (Charmaz 2014). This process of reflection is considered central to the grounded theory method.

The research also followed inductive and abductive logic (Peirce 1998), formulating inferences that guided the process of inquiry and analysis. Furthermore, according to Reichertz (2019), abduction is a form of sensitive and scientific inference that offers significant observations and is a mental process so profound that it permits making associations that would have been difficult to make; this turns abduction into a cognitive logic of discovery. According to Teece et al. (2016), abductive reasoning uses all available data to identify coherent patterns in the phenomena being studied.
Both manners of reasoning are consistent with the analysis and the essence of constructivist grounded theory design (Charmaz 2014).

**Selection of participants**

The following initial eligibility criteria were taken into account for the study: (a) to be musicians who have been operating as a sole proprietorship for at least four years, (b) to have produced at least one record for physical or digital sale, (c) to reside in the American or European continents, and (d) to be musicians who have practiced as a sole proprietorship at some point in their career.

The first eligibility criterion was selected because it is believed that at least 50% of microenterprises survive more than four years (Headd 2003; Leonardo 2017). The second criterion was selected because having produced a record is an indicator of greater participation in the industry (Fountoukidis 2015). Finally, the third and fourth criteria were included, making use of the maximum variation criteria to cover a wide range of participants in order to favor the richness of the data generated (Yin 2016). On the other hand, the exclusion criteria was to be a musician who has abandoned the artistic activity for more than five years. In the selection process, 35 participants were contacted; of them, 20 agreed to participate (see Table 1).

**Data collection**

The semi-structured interview technique was used, applying the initial trial sampling and continuing with the theoretical sampling. The interviews were recorded for analysis with the authorization of the participants and were carried out face-to-face, through video conference, or by telephone. In all cases, the participants were very open to sharing information. Regarding language, the interviews were conducted in Spanish, with the exception of the participant D9US, whose representative requested that it be conducted in English. However, at the time of the interview, the participant felt comfortable answering several questions in Spanish. Finally, in some cases, participants were contacted again to corroborate or complete specific information.

**Data analysis**

The data generation process reached the saturation point with the ninth participant. It was continued until the twentieth participant, however, following the theoretical sampling criterion in order to strengthen the dimensions and properties in a strategic, specific, and systematic manner (Charmaz 2014; see also Corbin and Strauss 2015; Glaser and Strauss 2006).

On the other hand, each participant was labeled with a code containing three types of information: the number of the order in which they were interviewed; the indication according to the groups identified as resistant business or as dynamic business, indicated by the letters R and D, respectively; and the code of the country of residence under the ISO-3166 standard (ISO 2007).
In accordance with the grounded theory based on the constructivist approach, (a) data collection and analysis were performed simultaneously, (b) the collection initially arose from a small sample comparing and coding the data, and then (c) continuing with their collection (Carmichael and Cunningham 2017). The analysis was carried out through the strategies of (a) initial coding, which consisted of the analysis and definition of preliminary concepts that represent the data; (b) focused coding, which consisted of developing more theoretical codes; and (c) theoretical memos, which are written records of the analyses and all reflections relevant to the study (Charmaz 2014).

The process of data analysis was carried out on the texts of the transcripts of each interview as they were carried out. Notes from the fieldwork were also analyzed and compared with publications on the artists’ careers. Some of these publications were interviews or the participants’ own publications. A constant line-by-line, incident-by-incident, and participant-by-participant comparison were conducted during this process until the codes were refined.

The initial codings were applied to the transcripts, resulting in an abundance of codes that were refined as more interviews were conducted. Relationships were established among initial codes during this analysis to identify similarities or differences. Semantic networks were constructed, which are graphs drawing relationships and groupings among groups of codes, in order to guide the identification of these

| Code   | Age | Nationality | Country of residence | Years in the industry | Sex |
|--------|-----|-------------|----------------------|-----------------------|-----|
| R1PE   | 41  | Peruvian    | Peru                 | 25                    | Male|
| D2CO   | 41  | Colombian   | Colombia             | 38                    | Male|
| R3PE   | 45  | Peruvian    | Peru                 | 25                    | Male|
| R4ES   | 53  | Spanish     | Spain                | 35                    | Male|
| D5GB   | 69  | English     | UK                   | 53                    | Male|
| R6MX   | 48  | Italian     | Mexico               | 25                    | Male|
| R7PE   | 51  | Peruvian    | Peru                 | 41                    | Male|
| R8PE   | 28  | Peruvian    | Peru                 | 8                     | Male|
| D9US   | 60  | North American | US                | 52                    | Male|
| R10AR  | 49  | Argentine   | Argentina            | 27                    | Female|
| D11US  | 46  | North American | USA               | 20                    | Female|
| R12ES  | 54  | Spanish     | Spain                | 25—30                 | Female|
| R13AR  | 35  | Argentine   | Argentina            | 13                    | Female|
| R14CL  | 49  | Chilean     | Chile                | 24                    | Male|
| R15MX  | 44  | Mexican     | Mexico               | 27                    | Female|
| R16DE  | 27  | Venezuelan  | Germany              | 10                    | Female|
| R17AR  | 38  | Argentine   | Argentina            | 18                    | Female|
| D18AR  | 51  | Argentine   | Argentina            | 41                    | Male|
| D19MX  | 49  | Mexican-Cuban | Mexico             | 32                    | Male|
| D20AT  | 50  | Austrian-Venezuelan | Austria            | 35                    | Male|
relationships and raise the level of abstraction. Then, at the level of theoretical coding, the most relevant codes began to be identified, giving rise to the theoretical categories. The most relevant codes and their categories were generated during the first seven interviews. The identification of a fairly strong emotional factor caught our attention in the seventh interviewee, which led to the revision of the codings of all the interviews carried out up to that moment. As a result, the same emotional component was identified in all the interviewees. Thus, it was decided to continue incorporating more participants, reaching 20 interviewees, and achieving a strengthening of the categories to see if they could identify or apply to new participants.

This process was accompanied by the development of theoretical memos that encompassed the explanation, reflection, and integration of the codes, categories, and interviews, keeping a record of everything that occurred. Much of the writing of the research results arose precisely from the theoretical memos. Some of these memos were short and others quite long. A fieldwork notebook was also kept and was constantly consulted. ATLAS.ti 7 software was used to carry out the process of data analysis, which enables the researcher to organize the information, draw the relationships, and compare each of their cases without losing sight of all the data collected. It is important to mention that this software does not perform the analysis, but rather it is the researcher who must analyze and reflect on each piece of data in order to find its place in the coding network.

Results

The findings suggest that sole proprietorships have the potential to develop dynamic capabilities through relationships with external agents and their integration with lower-level capabilities that are generated. Using the constructivist perspective and through an inductive-abductive analysis of the data, we arrived at the construction of the central category: to remain in a highly turbulent and dynamic industry. In addition, four theoretical categories were generated: recognition capability, assimilation capability, restructuring capability, and focus capability. In turn, these four categories are made up of 10 properties built on the basis of 25 dimensions that provide consistency to the theory generated and that concentrate the research findings. These categories will be detailed in the following sections.

It is significant for this research to note that, through the comparison of the businesses studied, two groups of participants could be identified. The first group was called dynamic businesses, which are sole proprietorships in which between 24 and 25 of the dimensions developed were observed. These artists achieved a better positioning in the industry and, in addition, had a broad, worldwide geographic reach. The second group was called resistant businesses, and they presented between 19 and 22 of the dimensions generated. These resistant businesses do not reach the positioning of dynamic businesses, and in general, the scope of their territorial performance was more limited. However, they have managed to continue operating between 8 and 41 years; that is, they have managed to resist the turbulence of the industry.
Recognition capability

The first emerging theoretical category was called recognition capability (Table 2). This category condenses the subject of how participants explore the context to find opportunities in local and international markets. It was observed that the participants tended to pay great attention to what was happening in the music industry where they carried out their activities and where their sole proprietorship operated. Likewise, it was identified that the information is valued as a commodity by the artists who have achieved a greater expansion in the geographical area of their activity. This theoretical category also includes the identification and management of difficulties and threats as part of an internal process to anticipate actions.

Recognition capability is defined as exploring the context to identify opportunities in local and international markets. This capability has been fundamental in the businesses studied because it has favored the subsequent use of the different favorable options. It comprises three properties: (a) knowledge development, (b) observation of the context, and (c) balance of the business. For reasons of space, Table 2 only presents one example of the empirical evidence for each dimension in these three properties. Through knowledge development, the way is presented in which the artists in this study have incorporated the information into their sole proprietorships that arrived unexpectedly or that was sought intentionally. The observation of the context is defined as activities to know the current state of the context in which the company competes. The participants’ reports revealed that the understanding of what happens in the music business favored better decision-making while conducting the business. The balance of the business refers to how the participants’ businesses had to manage the balance between the favorable and the unfavorable. Thus, the word “balance” was included in the label used for coding.

Assimilation capability

The second theoretical category is assimilation capability (Table 3). This capability refers to how the sole proprietorships in this study took advantage of the opportunities identified through actions that permit the delivery of products valued by consumers and also the transformation of the knowledge acquired. This capability is defined as: taking advantage of the opportunities that enable the delivery of products valued by consumers and transform the knowledge acquired. Assimilation capability is related to the research and development of new proposals for the market as well as the transformation of information into knowledge and this into innovation. In this theoretical category, there is a strong component based on personal relationships in such a way that a collaborative network is built.

Assimilation capability comprises two properties called (a) exploitation and (b) market response; and five dimensions, three corresponding to the first property and two to the second, which provide substance to this theoretical category.

The property of exploitation describes the events and processes of how the participants in the study have acted to transform the opportunities discovered and so
| Property/dimension                      | Definition                                                                 | Empirical evidence                                                                 |
|----------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Knowledge development                  |                                                                             |                                                                                  |
| Acquire unsolicited information        | Obtain knowledge without the intervention of formal studies and in unplanned circumstances | “In other words, nobody is teaching us, but you who are watching are learning” (R1PE) |
| Search intensively for specific new information | Strive to acquire the necessary information for business activities and processes | “Generally, I am quite self-taught. I read a lot and watch a lot of videos and conferences” (R10AR) |
| Observation of the context             |                                                                             |                                                                                  |
| Observe the local and global situation | Pay attention to the industry to anticipate timely activities or responses    | “There is a concert that I offer in the month of July; in the month of July, there are the national holidays and the patron saint festivities in Cajatambo” (R1PE) |
| Observe consumer need                  | Scan the gaps and shortages in the market to be served to offer products or services that meet that need | “The public seems [that] they want to hear music that is very authentic” (D9US) |
| Balance of the business                |                                                                             |                                                                                  |
| Look intensely for new opportunities   | Constant activities that lead to discovering favorable business opportunities | “When there have been composers who… are writing interesting music… [I have approached them] to see if they might be interested in writing a piece for guitar” (D5GB) |
| Manage threats and difficulties        | Management of resources to respond to adverse situations, counteracting or canceling their negative effects | “I don’t think it is smart to separate that relationship with people. If you come to see a disagreement… best to take it easy” (D2CO) |
| Property/dimension                        | Definition                                                                 | Empirical evidence                                                                                                                                 |
|------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Exploitation                             |                                                                           |                                                                                                                                                    |
| Taking advantage of opportunity          | Take advantage of favorable situations                                   | “We take advantage of all possible technological resources to improve our musical activity” (D2CO)                                               |
| Transform knowledge into innovation      | Conduct the creative restructuring of production processes or product changes | “In order to innovate, you always need the ideas of young people or children [that] always tell you something” (D20AT)                                    |
| Build collaborative networks             | Develop human, professional, business, and institutional relationships for fluidity in the actions of the sole proprietorship | “So, it is the people of the world… that makes everything happen. Without this, there is nothing” (D9US)                                               |
| Market response                          |                                                                           |                                                                                                                                                    |
| Deliver consumer solutions               | Understand the type of product that can satisfy the customer’s need and design it to offer it to them | “All my programs now have pieces for me, which I hope [will work] for the audience as well” (D11US)                                                |
| Make the most of strengths               | Identify the areas of the best development of the business to strengthen it and advance in the industry | “What works best for me… and from there create an entire image, a whole way of playing that is attractive” (D19MX)                                      |
establish ways of acting in the business. The market response property seeks to show how the participants have approached their market to obtain the profits and personal satisfaction they expected.

**Restructuring capability**

The third emerging theoretical category is restructuring capability. This capability presents the way in which sole proprietorships have faced industrial dynamism by reorganizing their resources and rethinking their processes. It is defined as facing industrial dynamism, reorganizing resources, and rethinking processes.

Restructuring capability has been observed in all the businesses of the group of dynamic businesses identified in this research, while it has been much lower in the resistant businesses. Only in the business of participant R15MX were all the dimensions identified that provide substance to this theoretical category.

On the other hand, the category of restructuring capability presents the least degree of interaction among the four theoretical categories developed in the research. This category comprises the properties of (a) response to industrial dynamism and (b) internal renovation of the business (Table 4).

The property of response to industrial dynamism refers to the way in which the businesses studied have reacted to the circumstances identified in their industry. On the other hand, the property of internal renovation of the business refers to how participants at a deeper level have dealt with the issue of making adjustments in the way they do things. This property had very low interaction in the resistant businesses group but was widely identified in the dynamic business group.

Although restructuring capability was one of the least observed capabilities among all the emerging categories, its relevance is based on the fact that, without adaptation or accommodation to the dynamic circumstances of the industry and its turbulence, it could not continue to be competitive. It was observed that restructuring capability has enabled the businesses studied to overcome challenging situations typical of the industry.

**Focus capability**

Finally, the fourth theoretical category is focus capability. This capability was defined as concentrating on the effort necessary to achieve goals beyond the industrial challenges. The theoretical contribution of this category was thoroughly analyzed because the literature on dynamic capabilities has not considered anything similar. The design of grounded theory openly accepts a literature review during data analysis because there is less risk of contamination since the first codes and categories were already generated (Charmaz 2014). After verifying with the literature and analyzing the transcripts of the 20 interviews, this new emerging category, which was decided to name focus capability, was found (Table 5). This category is related to the underlying aspects of the business and was initially coded only as level zero, then as focus, and finally focus capability.
Table 4 Theoretical category: restructuring capability

| Property/dimension       | Definition                                                                 | Empirical evidence                                                                 |
|--------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Response to industrial dynamism |                                                                           |                                                                                     |
| Make market-oriented decisions | Make decisions taking into account the needs or requirements of consumers | “Leave freedom to respond… to the public’s reactions” (R12ES)                         |
| Adapt to the evolution of the industry | Seek alignment with changes in competitive contexts and with the development of new technologies that impact the way the business is conducted | “The question of the physical disk as such is passing somewhat to another moment in the history of technology; the disk is being lost” (D2CO) |
| Internal renovation of the business |                                                                           |                                                                                     |
| Restructure processes | Change the business’ established routines to give rise to new forms of activity | “You have to have a routine with the quality of the audio, with the way of recording, with the video… I have included that kind of routine all these years” (D18AR) |
| Embrace innovation | Make adjustments so that innovation can be permanently incorporated into business processes | “I cannot play a repertoire for more than a year; I need to innovate” (R17AR) |
Thus upon concluding the analysis of the interviews, a high emotional component was identified in the fourth category, which gave impetus to the other three categories. This emotional component of the focus capability is based on the level of enjoyment and involvement of the artists who own these businesses. Likewise, elements of influence mentioned by the participants were their life experiences that shaped the birth of their activities, beliefs, degree of self-confidence, and the clarity regarding what they expected from their business.

This fourth theoretical category describes how these businesses were able to direct all their resources and abilities towards a goal, managing to remain in a challenging industry in which other businesses would possibly have readily withdrawn. Focus capability refers to the internal strength of the person who leads the sole proprietorship. This capability has had a greater degree of interaction in the two (dynamic and resistant) groups of businesses.

The findings show that focus capability drives the development of the other three capabilities that make up the theoretical categories of this study, which the interviewees described as having had a well-known influence on the permanence of these businesses in a highly dynamic and challenging industry. Likewise, this capability enables us to understand the reason why business abilities are unique and difficult to imitate, as a result of the very particular characteristics of those who conduct the sole proprietorship. This theoretical category presents three properties that give it consistency and that enable its understanding: (a) passion; (b) foundation; (c) self-confidence. Table 5 presents the dimensions and examples of the empirical evidence for this property.

The property of passion refers to a complex level of dedication to the business activity that entails a high level of involvement in the process of achieving goals. The property of foundation shows how the participants in sole proprietorships identify with aspects related to the foundations of the business, which come to be related to the essence of the business itself. The property of self-confidence describes how security in oneself influenced the way the participants in the research conducted their sole proprietorships.

**Substantive grounded theory**

The relationship of focus capability with the other three capabilities and its influence on them is presented in the theoretical model in Fig. 1. The substantive theory of the study revolved around the central category: remain in a highly turbulent and dynamic industry. This theory suggests that the sole proprietorships studied require the application of recognition, assimilation, restructuring, and focus capabilities in order to develop dynamic capabilities. In addition, the more interaction with its components, the greater the opportunity to go from being a resistant business to a dynamic business. A resistant business survives, while a dynamic business adapts and renews, gaining advantage in the industry.

In the model in Fig. 1, the focus capability is presented almost in the center, expressing its influence on the other three capabilities. Likewise, the context of the business is a factor relevant to understanding the development of abilities in a
| Property/dimension                  | Definition                                                                                                                                                                                                 | Empirical evidence                                                                                                                                 |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Passion                           |                                                                                                                                                                                                                           |                                                                                                                                                  |
| Develop internal drive            | Experience an emotional force and willingness to continue working related to the intense enjoyment of the activities undertaken                                                                                       | “The music is what really drives me” *(R15MX)*                                                                                                   |
| Develop a high level of commitment| Establish a strong bond with the business, to the point of considering it as part of your life                                                                                                                     | “My strength is that I put soul in it, I put love in it” *(R17AR)*                                                                                 |
| Fulfill oneself through the business| Accomplish personal goals through the business                                                                                                                                                                    | “It is already part of my life. I couldn’t leave it anymore. For the emotional aspect, to have a reason to be and to work” *(R10AR)*               |
| Be disposed to resist turbulence   | Develop a staunch attitude that permits facing the difficulties of the industry without going backward or leaving the business                                                                                     | “The music business has changed a lot. It is very difficult now” *(D9US)*                                                                        |
| Foundation                        |                                                                                                                                                                                                                           |                                                                                                                                                  |
| Evoke life stories and career paths| Recall the experiences that have left an imprint on the lives of those who have guided the shaping of business decisions                                                                                              | “My father… my mother… Influenced my compositions and musical life. Things are very intense” *(D9US)*                                           |
| Commit oneself to the business vision| Follow the clear objectives and goals established for the business                                                                                                                                                 | “Choose what you like, what you believe is for yourself” *(D5GB)*                                                                                 |
| Follow a belief system            | Specify the convictions and philosophies of life that have a strong influence on the way the business is conducted                                                                                                 | “I clearly saw how I should do it” *(D5GB)*                                                                                                     |
| Self-confidence                   |                                                                                                                                                                                                                           |                                                                                                                                                  |
| Believe you are capable           | Develop a high level of self-confidence to stay in the business and perform the proposed tasks                                                                                                                      | “I am able to do many things” *(R3PE)*                                                                                                           |
| Feel self-confident               | Experience confidence in your own individual capability to conduct the business                                                                                                                                        | “The important thing is patience [and] self-confidence” *(R10AR)*                                                                               |
| Be willing to take risks          | Have a low aversion to risk, support the business, and focus efforts on continuing to compete in the industry despite the known difficulties                                                                            | “I built it without anyone’s help, right? With my own money” *(R3PE)*                                                                            |
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Specific dynamic environment of the industry. On the other hand, the capabilities of recognition, assimilation, restructuring, and focus capabilities interact with one another, strengthening or driving one another. In addition, although these three capabilities feed the focus capability, the latter exerts a greater influence on the others.

Thus, from the analysis carried out, it is proposed that dynamic capabilities are produced by the interaction of the four capabilities generated, and in this way, the dynamic capabilities arise as a complex construct that works in an integral manner for its final achievement. In this theory, a distinction is made between being able to stay in the industry and being able to adapt to dynamic environments by conquering them, as was identified in the present study through the two groups of businesses, the resistant and the dynamic.

Propositions

P1: Sole proprietorships have the potential to develop dynamic capabilities.

P2: In sole proprietorships, focus capability is positively related to the development of dynamic capabilities.

P3: Dynamic capabilities are positively related to the performance of sole proprietorships; that is, recognition, assimilation, restructuring, and focus capabilities.
P3a: Recognition capability is positively related to the performance of sole proprietorships.
P3b: Assimilation capability is positively related to the performance of sole proprietorships.
P3c: Restructuring capability is positively related to the performance of sole proprietorships.
P3d: Focus capability is positively related to the performance of sole proprietorships.

Discussion

The findings suggest that sole proprietorships have the potential to develop dynamic capabilities as a result of bringing together the various components of a complex construct, as presented in the previous section. The present research is consistent with those in Teece et al. (1997) and Teece (2007). The capabilities of recognition, assimilation, and restructuring are similar to those proposed by Teece (2007) through sensing, seizing, and reconfiguring, while coincidences can also be seen in the model of Pavlou and El Sawi (2011), in which integration and learning are part of the construct. On the other hand, focus capability is a contribution to the dynamic capabilities’ literature. This last capability is aimed at identifying the emotional aspects and convictions of those who conduct the sole proprietorship.

The first component of the theoretical model presented is composed of recognition capability. This capability corresponds to what, for Teece (2007), is detection (sensing), implying exploring technological possibilities and markets, listening to customers, and scanning the business environment (see also Farago et al. 2019).

The model presented in this study reveals how the identification of opportunities becomes a crucial aspect that provides information to the business. This is consistent with the value of tacit knowledge presented by Teece (2014) and Eisenhardt and Martin (2000). The results are also consistent with Hidalgo-Peñate et al. (2019), where it is stated that tacit knowledge (acquired by interaction, observation, or information that is unwritten or acquired intuitively) and codified knowledge (documents, studies, reports, etc.) have a positive impact on dynamic capabilities, acting as their precedents.

Another point of recognition capability is the property of observation of the context, which is mentioned by Teece (2007), who points out that to develop a sense, it is necessary to identify market segments, changes in the consumer, and client innovation. Hodgkinson and Healey (2011) state that sensing requires searching and exploring local and distant markets and technologies. Likewise, Helfat and Martin (2015) mention that a deep understanding of the situation can favor innovation.

The literature on dynamic capabilities also considers the observation of consumer needs to be important, given that markets are changing and so are consumer needs or preferences change over time (Eisenhardt and Martin 2000; Helfat and Martin 2015; Teece 1997, 2007, 2014). On the other hand, the balance of the business component is related to the work of Teece et al. (1997) and Teece (2007, 2014), who assures
that in order to identify and model opportunities it is necessary to scan, search and explore technologies and the market, as well as the ecosystem of the business.

The second aspect formulated in this theory is assimilation capability, which is composed of exploitation and market response. This level of assimilation is compatible with what was said about seizing in Teece (2007). According to Teece (2007) and Teece et al. (2016), sensing permits addressing opportunities in order to obtain benefits from them, which implies maintaining and improving technological skills.

In addition, this research formulates the value of commercial collaborative networks, which is consistent with Eriksson (2013b), Jiang et al. (2019), Jurksiene and Pundziene (2016), and Raza et al. (2018). The importance of networks in business is increasing in a context in which the challenges of their environments and markets are increased due to globalization and the shortened product life cycles (Jurksiene and Pundziene 2016). This study proposes, in agreement with Eriksson (2013b) and Jiang et al. (2019), that collaborative networks are elements of the structure of dynamic capabilities.

Regarding market response, Teece et al. (2016) state that dynamic capabilities should guide the company towards continuous exploration that enables developing products that satisfy the consumer’s need in ways they have not imagined (see also Eriksson 2013b; Farago et al. 2019; Teece 2017). In this way, dynamic capabilities require new combinations of existing knowledge or the development of new knowledge (Eriksson 2013b; Hidalgo-Peñate et al. 2019).

For his part, Rengkung (2018) supports the idea that dynamic capabilities should contemplate processes that favor the recognition of strengths and weaknesses, as well as threats and opportunities, reaching a balance. In this sense, Teece (2018) affirms that the strategy’s objective is to outperform competitors by making the most of their mistakes and taking advantage of their strengths (see also Teece 2014). The dimension of making the most of strengths is consistent with that said by these researchers.

Third, the proposed restructuring capability is consistent with that pointed out by Teece (2007), who presents reconfiguring as the third component of his model of dynamic capabilities, as well as with Pavlou and El Sawi (2011) on the application of individual knowledge as a facilitator to achieve the capability of reconfiguration. In this sense, the reconfiguration capability presented by Teece and the restructuring capability developed in this research is equivalent, given that it is the ability to make pertinent and timely modifications related to the evolution of industries.

Likewise, taking advantage of opportunities requires reconfiguration and the creation of new knowledge (Eisenhardt and Martin 2000; Rengkung 2018; Teece 2007, 2018). Farago et al. (2019) state that reconfiguration also implies generating value and protecting it. To this, Augier and Teece (2007) add the importance of the business model for reconfiguration. Bitetti and Gibert (2022) state that dynamic capabilities are equally relevant for innovation in business models.

With respect to innovation—a component of restructuring capability—Kazimierz and Szymon (2018) argue that this can also come from imitation balanced with innovation due to the fact that product life cycles are increasingly shorter. This tendency to imitate was not identified in the sole proprietorships studied in the present research since the participating musicians considered their artistic
expression to be a very personal and intimate form of creation. On the other hand, Lee and Yoo (2019) declare that open innovation, which involves collaboration with external knowledge, has the goal of creating innovative products in a way that counteracts the internal limitations of the company.

Fourth and last, focus capability is a contribution to the theory of dynamic capabilities since it considers the personal aspects of he/she who conducts the business. It was originally mentioned by Adner and Helfat (2003) as a dynamic managerial capability. This capability is also consistent with the work of Buil-Fabregá et al. (2017), De Silva et al. (2021), Helfat and Martin (2015), Ke viv et al. (2017), Rodríguez et al. (2020), and Teece (2007), in which the manager plays a relevant role in the development of dynamic capabilities and the sustainability and innovation of the business. The contribution presented through this capability is a construct that seeks to explain the capability that promotes other capabilities in the process of developing dynamic capabilities.

Regarding the passion component, Fang and An (2017) state that entrepreneurial passion has a strong influence on business performance. On the other hand, Hernandez (2019) states that organizations survive in the midst of adversity and that in these contexts, managers can respond more effectively when they activate a shared emotional connection, that is, a passion that is shared with the stakeholders (see also Schenkel et al. 2019; Suvittawat 2019).

In addition, the foundation is also linked to psychological aspects, as reported by Hodgkinson and Healey (2011) as well. These psychological aspects, in turn, are presented as idiosyncratic components (Augier and Teece 2009; Teece 2007). Likewise, the establishment of objectives is considered to be an organizational element (Augier and Teece 2009), and passionate entrepreneurs focus on them (Bandura 2001; Suvittawat 2019). It should be noted that Farago et al. (2019) state that dynamic capabilities may be exhibited earlier in the entrepreneur, even before the company is formally incorporated, and that these may be elements necessary for the company to be viable.

On the other hand, regarding self-confidence, the results are related to self-efficacy in the research of Liu and Huang (2019), who affirm that it is linked to commitment and satisfaction in the work. Additionally, Ke viv et al. (2017) link the concepts of perceived self-efficacy and dynamic capabilities. These two concepts are connected in self-confidence, presented as part of the construct of the focus capability (see also Huang 2017; Kornilaki et al. 2019).

In this way, this research also provides a contribution with practical application for sole proprietorships. Elements that have been presented, including passion, self-confidence, and foundation, can strengthen sole proprietorship structures and also serve as the basis for future expansions of the business model.

On the other hand, the epistemic component that leads to the decision to use a specific approach in the scientific research of management has been dominated by positivism (Kim and Donaldson 2016). Scientific research with the relevant epistemic-methodological decisions, however, can provide results that permit expanding the fields, such as dynamic capabilities, that are being studied. In this sense, having addressed the present research from a qualitative approach under
the epistemic perspective of constructivism with the use of inductive-abductive reasoning permitted the theoretical development that has been proposed.

Conclusions

This study contributes to theory with the presentation of a model that explains the process of creating dynamic capabilities in sole proprietorships through recognition, assimilation, restructuring, and focuses capabilities. The first three capabilities are equivalent to sensing, seizing, and reconfiguring. Additionally, focus capability incorporates idiosyncratic components based on the emotions and previous learning of the owners of sole proprietorships.

Likewise, sole proprietorships constitute a business model in which the owners have concentrated responsibility for strategic decisions, and so they generate dynamic capabilities based on individual skills, previous knowledge, and the ability to update that knowledge, to which is added the emotional factor. It should be added that sole proprietorships that develop dynamic capabilities are distinguished by the use of actions that integrate these processes and their results are transformed into positioning, profitability, and growth. These businesses pay attention to industrial challenges while maintaining an emotional commitment to the undertaking of the business.

Finally, dynamic capabilities are configured as complex constructs that involve tangible, intangible, and emotional assets in addition to the external links that are established. In their practical sense, these components can be harnessed by the owners of sole proprietorships in order to cope with turbulence in their industries and achieve stability and growth. Considering that the study has included musicians residing in various countries and the high level of interconnectivity of the modern world, it is very likely that the proposed model will be useful for a large number of the world’s sole proprietorships by musicians. Likewise, given that artistic activity entails a high level of passion and commitment similar to the sample studied, it is possible that professionals from other types of arts can apply the findings to improve the business performance of their activity.

The epistemic-methodological perspective is highly relevant in scientific research. In this sense, it was observed that the design of the grounded theory, as well as the preservation of the analyses that demonstrate the process, are appropriate for the study of dynamic capabilities and for the empirical understanding of their composition, thus providing evidence that favors the development of theory. In this process, the use of inductive and abductive reasoning duly guided the development of the research while conserving its rigor.

Recommendations

While this study achieved its objective, it also has limitations. In the first place, because it is an inductive study that presents a theoretical model, other researchers must validate it deductively. While studies of dynamic capabilities have largely
been focused on aspects of external processes, internal processes of sole proprietorships also emerge as proposed components. For this reason, future research is recommended that incorporates the emotional aspects presented in the focus construct.

Secondly, this study covered musicians’ businesses in different countries, but many other contexts have not been addressed, so the results are limited to the sample that was analyzed. In addition, it is recommended to validate the model presented in order to deepen the development of dynamic capabilities and verify if these are the components of dynamic capabilities for sole proprietorships. In addition, studies that involve sole proprietorships from other industrial sectors and latitudes worldwide can offer relevant information that favors the understanding of the development processes of dynamic capabilities.

Thirdly, another limitation was that this study was concluded before the start of the COVID-19 pandemic, so the way to model the business processes studied in times of crisis was not addressed. With the pandemic being a stage of enormous turbulence in industries, it is a relevant component to consider in future research. For example, how to address the dynamic capabilities of one-person businesses manifested themselves during the COVID-19 crisis.

The findings of this study have practical implications for musicians who work as sole proprietorships since one can learn from the intimate relationship between the processes that lead to the development of organizational capabilities and the human aspects that make this type of business resistant to the turbulence of the industry.

This study has made it possible to analyze the capabilities that have favored the international scope of the business of musicians and the great need they have to broaden their understanding of the industry in order to improve their self-management. The internationalization process of the businesses studied required the application of tasks for which these musicians were not prepared, but the personal aspects that favored the development of the ability to focus enabled them to adapt, learn, sustain, and extend the scope of their activities.

No doubt, the findings have practical and political implications on the proposals for the artistic careers of professional institutions, which can incorporate into their programs means for the development of transversal skills in line with current realities of the industry. Likewise, the implications reach the development of theory in the field of management since they present evidence for the extension of the models of dynamic capabilities.

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