Academic Article Review: "Business Continuity of Business Models: Evaluating the Resilience of Business Models for Contingencies"

Introduction

The article "Business Continuity of Business Models: Evaluating the Resilience of Business Models for Contingencies" by Marko Niemimaa, Jonna Järveläinen, Marikka Heikkilä, and Jukka Heikkilä explores the critical concept of ensuring business continuity (BC) by evaluating and enhancing the resilience of business models. The authors argue that traditional BC approaches, which primarily focus on preserving resources and processes, are insufficient in the face of rapid technological advancements and market disruptions. Instead, they propose a comprehensive approach that includes the resilience of business models themselves, encapsulated in their concept of Strategic Business Continuity Management (SBCM).

Summary

The article begins by outlining the impact of technological advancements such as the Internet of Things, big data, sharing economy, and crowdsourcing on traditional business models. These advancements have not only disrupted established business practices but also rendered many traditional business models obsolete, posing significant threats to revenue streams and overall business viability.

The authors argue that traditional BC approaches often overlook the business model itself, focusing instead on preserving physical resources and operational processes. This oversight, they suggest, leaves a critical vulnerability in business continuity planning. To address this gap, the article introduces the concept of SBCM, which aims to preserve and create value through continuous evaluation and adaptation of the business model.

SBCM comprises two key components: value preservation and value creation. Value preservation involves maintaining the current business model’s viability during disruptions, ensuring that the business can continue to operate under adverse conditions. Value creation, on the other hand, involves proactively evaluating and modifying the business model to adapt to new technological and market realities, thereby ensuring long-term resilience.

To illustrate the practical application of SBCM, the authors provide an example from the sharing economy. They discuss how companies in this sector can use SBCM to continuously adapt their business models in response to evolving customer needs and technological advancements, ensuring sustained competitive advantage.

Reflective Analysis

The relevance of this article cannot be overstated, given the rapid pace of technological change and the increasing frequency of market disruptions. The traditional focus of BC on operational and resource continuity is no longer sufficient in an era where business models themselves are constantly under threat. By broadening the scope of BC to include business models, the authors address a critical gap in current BC practices.

The introduction of SBCM is particularly innovative. It highlights the need for a holistic approach to BC that integrates strategic planning with operational continuity. This approach not only ensures that businesses can continue to operate during disruptions but also enables them to adapt and thrive in a rapidly changing environment. The emphasis on both value preservation and value creation provides a balanced framework that addresses immediate continuity needs while also fostering long-term resilience.

For practitioners, the practical implications of SBCM are significant. Businesses can use this framework to systematically evaluate their business models, identify potential vulnerabilities, and develop strategies to mitigate these risks. This proactive approach allows companies to stay ahead of technological disruptions and maintain a competitive edge. Furthermore, the focus on value creation encourages continuous innovation, enabling businesses to adapt their models in response to changing market conditions and customer needs.

From a research perspective, the article makes a valuable contribution by expanding the scope of BC to include business models. This broader perspective encourages further research into the specific tools and methodologies that companies can use to evaluate and adapt their business models. Additionally, the illustrative example from the sharing economy provides a concrete demonstration of how SBCM can be applied in practice, offering a useful reference for future studies.

However, while the article is comprehensive and insightful, it could benefit from more empirical examples across different industries. The sharing economy example is valuable, but additional case studies from diverse sectors would provide a more robust validation of the SBCM framework. This would also highlight the versatility and applicability of SBCM in various business contexts, enhancing its practical relevance.

Moreover, future research could delve deeper into the specific tools and techniques that companies can use to implement SBCM. While the article outlines the theoretical framework, practical guidance on the implementation of SBCM would be beneficial for practitioners. This could include detailed methodologies for evaluating business model resilience, as well as strategies for integrating these evaluations into existing BC plans.

Conclusion

In conclusion, the article "Business Continuity of Business Models: Evaluating the Resilience of Business Models for Contingencies" offers a critical and timely perspective on the need to include business models in BC planning. The introduction of Strategic Business Continuity Management (SBCM) provides a comprehensive framework that addresses both value preservation and value creation, ensuring that businesses can not only survive disruptions but also adapt and thrive in a rapidly changing environment.

The article's emphasis on the resilience of business models is highly relevant in today's technological and market landscape. By broadening the scope of BC to include business models, the authors provide a valuable framework for businesses to enhance their long-term resilience and maintain a competitive edge. While the article could benefit from additional empirical examples and practical implementation guidance, it makes a significant contribution to both the academic literature and practical BC practices.

As businesses face increasing uncertainty and rapid technological changes, adopting a holistic and strategic approach to BC, as proposed in this article, is essential for sustaining competitive advantage and ensuring long-term success. This article serves as a valuable resource for both researchers and practitioners, offering a comprehensive framework for evaluating and enhancing the resilience of business models in the face of contingencies.