Managing Dynamic Capabilities of Cities? From a Firm-based towards an Issue-based View of Dynamic Capabilities**

Abstract – The dynamic capability view (DCV) primarily addresses the question of how single firms are dealing with changing environments. In this study we explore if and how a multi-actor constellation can develop dynamic capabilities and how they come about against the backdrop of managing cities. Based on an explorative, qualitative research design, we investigate implications of the DCV for managing cities. Our single case study is set in the southwestern German city of Kaiserslautern and our results suggest that to comprehend how cities are managed in light of the DCV, existing conceptions should be refined from a firm-centered towards an issue-centered understanding, understood for our purposes as occasions where multiple actors collaborate on a temporary basis regarding a relevant and resource intensive phenomenon.

Keywords: Dynamic capability, strategic issues, governance, urban management, strategic change
(JEL: L20, L30, M10, O30)