

## **Book Review**

Reviewed by Divya Achar, Asst. Professor, Manel Srinivas Nayak Institute of Management, Bondel

### **A REVIEW ON THE INNOVATOR'S DILEMMA: WHEN NEW TECHNOLOGIES CAUSE GREAT FIRMS TO FAIL**

The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail by Clayton M. Christensen is a landmark contribution that changed how business leaders, academics, and business people understand and view innovation and competitive advantage. First published in 1997, the book has become a foundational text for those seeking to understand dynamics of disruptive innovation.

In this book, the author explores the central paradox of why well-managed firms that enjoy loyal customers and have a long track record of innovation die during transformational change with disruptive technologies. Christensen introduces the concept of disruptive innovation, a theory he defines and illustrates persuasively throughout the book. Disruptive innovations, unlike sustaining innovations that enhance existing products for current customers, often begin in small markets with lower short-term performance but eventually outperform market leaders.

Christensen's central argument is that in some cases, successful firms fail not due to a lack of innovation, but instead when they focus too narrowly on their existing customer and short-term financial return that prevent them from recognising or supporting emerging technologies that may appear unappealing or unprofitable. Christensen illustrates this phenomenon using case studies, particularly in the disk drive industry, where a series of nimble entrants consistently disrupted the established players.

The book has had a lasting impact. Business leaders at Intel, Apple and Amazon have all credited The Innovator's Dilemma as a book that changed their strategic thinking. Its lessons have been applied in contexts as diverse as healthcare and education to transportation and finance.

The book has also received a fair share of criticisms. Some argue that the theory is more useful for explaining past failures than predicting future ones, and that not all disruptions align with Christensen's model. None of these criticisms diminishes his framework's potential as a strategic thinking tool.

Overall, The Innovator's Dilemma is a thoughtful, stimulating book about alternative ways of thinking about innovation. It is an essential book for anyone thinking about business strategy, entrepreneurship, or organizational leadership. The ideas contained herein are timeless yet simple reminders that ultimately, long-term survival requires courage to disrupt your own success.