

ABSTRACT

Currently, the business environment is experiencing a dynamic change. In order to survive in a dynamic business environment, companies must constantly update their competencies and strategies to achieve the sustainable competitive advantage. The application of a dynamic capability strategy is the most suitable approach for companies to implement in achieving a sustainable competitive advantage in a dynamic competition and environmental changes. There are three main components in dynamic capability, namely adaptive capability, absorptive capability, and innovative capability (Wang & Ahmed, 2007).

This research is intended to describe the use of dynamic capabilities in achieving a sustainable competitive advantage in PD. ASH Jaya. In this research, researcher used descriptive qualitative research methods in which the primary data was obtained directly through interviews and observations, and secondary data was obtained through articles, journals, books, and other resources.

The results of this study show that the implementation of absorptive capacity has reached the stage of the sustained competitive advantage. Furthermore, the implementation of adaptive capability has reached the stage of sustainable competitive advantage. The implementation of innovative capabilities has not reached the stage of sustainable competitive advantage. This study shows that the implementation of dynamic capability in PD. ASH Jaya has not yet been fully implemented effectively, so it has not been able to create a sustainable competitive advantage in every field.

Keywords: Dynamic Capability, Sustainable Competitive, Adaptive Capability, Absorptive Capability, Innovative Capability.