

## Gaining competitive advantage through new product development capability in Malaysian Government Linked Companies

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Article Info	Abstract
<b>Received</b> : 2019-01-01 <b>Accepted</b> : 2019-01-15 <b>Published</b> : 2019-01-28	A new product development capability can be shown through organisational routines that shape the processes of innovation, which are aimed to reconfigure a firm's product portfolio. It is aimed to create a concrete physical asset from an idea and this relates to the innovation that is the mechanism by which firms to produce new products, processes and systems that essential in order to adapt market changes, technologies and types of competition. New product development capability aids corporate managers plan and execute strategies successfully while securing sustainable competitive advantages. This paper aims to explore the extent of top management emphasis on the measures of new product development that are deemed important for business survival and sustainability in the context of Malaysian government-linked companies (GLCs). A questionnaire survey was distributed with a response rate of 47%. Findings revealed that design a high quality of product or service is the most important measures. This revealed that it is a common exercise for Malaysian GLCs to put high emphasis on the importance of the quality of the new products or services.
<b>Key words:</b> Competitive advantages, dynamic capabilities, Government linked companies, new product development capability.	

### Introduction

New product development is always related to competitive advantage due to its characteristics such as valuable and difficult to imitate. A new product development capability can be shown through organisational routines that shape the processes of innovation, which are aimed to reconfigure a firm's product portfolio (Danneels, 2008; Lawson & Samson, 2001). In this light, product development is aimed to create a concrete physical asset from an idea and this relates to the innovation that is the mechanism by which firms to produce new products, processes and systems that essential in order to adapt market changes, technologies and types of competition (Davila, 2000; Lawson & Samson, 2001). Thus, generating competitive advantage would attract the interest of stakeholders to invest in an organisation, such as government-linked companies (GLCs).

GLCs contribute extensively towards the development of the country's economic growth by improving the quality of life of Malaysians through programs such as building large-scale infrastructure (Abdullah & Said, 2016) and educational programs, such as the Graduate Trainee Program to train new graduates and the PINTAR Program to improve academic performance from low income families. However, some GLCs have performed poorly as early as in the 1990s (PCG, 2007)(Review 2011 National Audit Report 2011).

Many scholars have reported that one of the factors that led to this issue was relate with competitive advantage (Lau & Tong, 2008; Ting & Lean, 2012; Zin & Sulaiman, 2011). The failure factors such as weak in strategic planning, lack of capabilities, huge gap in talent and execution skills are the issues or greater challenge that faced by GLCs in achieving competitive