Is construction ripe for disruption? - DTU Orbit (03/12/2018)

Is construction ripe for disruption?
The notion of 'disruption' and particularly that of 'disruptive innovation' is now widely used by researchers as well as management practitioners, and the construction industry is being described as 'ripe for disruption'. By comparing this industry to healthcare (another massive, societally important industry also considered ripe for disruption), this paper applies the lens of disruption theory to analyse the current and anticipated status of the construction industry. To do so, we ask and answer three central questions: Why should construction be ripe for disruption? When will disruption potentially occur? How will disruption likely manifest? We find that both industries share a number of challenges, including a fragmented stakeholder network, complex incentive structures and a sense of being in a deadlock that makes change difficult. Furthermore, we find that in both industries the term 'ripe for disruption' describes a process rather than prescribe when disruption will occur. By applying central notions from disruption theory (disruptive technologies, low-end disruption, new-market disruption, and a focus on value creation), we identify several potential disruptors of the construction industry. To conclude, we discuss the benefits and limitations of applying disruption theory to the construction industry.

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