



10<sup>th</sup> International Strategic Management Conference

## Competitive advantage: the courage in formulating objectives and expansiveness of a strategy

Letycja Sołoducho-Pelc\*

*Wroclaw University of Economics, Komandorska 118/120, Wroclaw 53-345, Poland*

### Abstract

Competition, innovation and globalization are buzzwords, which for a few decades have been present in almost every aspect of social or economic activity. In particular, the growing interest in issues associated with the competitiveness has contributed to the development of theories and studies in the scope of the competition analysis and the competition strategies. Publications related to the subject of strategic management put a considerable emphasis on the issues concerning the competitive advantage as a factor determining the success or failure of organizations or nations. An emphasis is put on the necessity to stand out against competitors or to build a long-term sustainable competitive advantage. The latest studies, in response to the increasing variability or even chaos in the environment, indicate the need to stray away from the term "sustainable", and use the term "flexible" or "variable" in relation to the competitive advantage. The combination of sustainability, temporariness and otherness as the features characterizing an ideal competitive advantage seems to be one of the major challenges to be faced both by organizations implementing the strategic management process and theoreticians studying this area.

The purpose of this paper is to examine relationships between the competitive advantage and courage when formulating objectives. Bearing in mind the aforementioned goal, there have been analysed the assumptions concerning the sources and evaluation of the company's competitive advantage in relation to the courage in formulating key objectives. In particular, the analysis concerned the issues related to the evaluation of the competitive advantage against the background of competitors, the main sources of the competitive advantage, and the relationship between the choice of a competitive advantage and the courage in formulating the key objectives, which manifests itself in the strategy expansiveness level.

© 2014 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/3.0/>).

Peer-review under responsibility of the International Strategic Management Conference.

*Keywords:* Strategy, Strategic management, Competitive advantage, Growth, Development, Innovation, Flexibility, Time-based competition

\* Corresponding author. Tel.: +48713680209; fax: +48713680209.

E-mail address: [letycja.soloducho@gmail.com](mailto:letycja.soloducho@gmail.com)

## 1. Introduction

Studies in the field of management have been emphasizing the particular importance of the competitiveness for many decades. The competitiveness means the choice of the working method used in strategy for achieving exceptional goals and surpassing the competitors. The term "competitive advantage" is characterized by phrases such as: a multi-level structure, a unique position (Porter, 1990; Matei 2013; Muratovic 2013). The specific character of the strategy and competitive advantage imposes the necessity to be flexible and to cope with the uncertainty. It also indicates the superiority of rather proactive than reactive approach in relation to competitors (Dimoska, Trimcev 2012). By taking planned and consistent actions under a strategy, companies create, use and maintain the competitive advantage. The studies on the factors, actions or events that shape the competitive advantage have its source in the interest in the unique ability of companies to create exceptional value for customers (Porter 1985, Ma 1999, Yamin, Gunasekaran, Mavondo 1999). The problem of competitive advantage does not apply to having a higher operational excellence as compared with competitors or more effective actions in relation to rivals, but refers to doing something else (Porter 1996). Profitable, fast-growing companies attract the attention of competitors interested in gaining a distinctive competitive position (Porter 1980). However, the competitive advantage has an individual character and refers to a specific time interval. It is not possible to create a universal model of the strategy of success, which would be suitable for every organization at any time, because such a solution would eliminate the competitive advantage (Kay 1993, Feurer, Chaharbaghi 1995).

It is more and more difficult to build a competitive advantage due to a strong competitive pressure and the fact that resources, technologies and information are comparable and can be reproduced (Goldsmith 2013, Singh 2012). Because of the need to stand out against competitors, a significant part of studies on competitive advantage refers to the identification of its sources (McClelland 1994; Feurer, Chaharbaghi 1995). The competitive advantage concerns a factor or several factors that make the organization successful, but the sources of the success are difficult to be reproduced by competitors. The existing studies indicate different sources of competitive advantage, such as: resources and capabilities of the organization, innovativeness and creativity, quality, time and speed of acting, success in implementing the strategy, ability to learn and manage the knowledge, unique technology, organizational culture, organizational freedom, reputation, brand, know-how, the role of human capital, networking (Itami, Roehl 1991; Stalk, Hout 1990; Senge 1990; Barney 1991; Hall 1992; Sołoducho-Pelc 2013, Meyer, Allen, Smith 1993; Feurer, Chaharbaghi 1995; Nohria, Gulati 1996; Barney 1986; Barney 2001, Greve 2009, Sołoducho-Pelc, Radomska 2012, Singh 2012).

Despite the fact that the company's harmonious development in a changing environment is important in the strategic management, the sources of competitive advantage are sought primarily inside the company. Most researchers, in particular those linked with the resource-based theory trend, indicate that internal factors are much more important than environmental factors (Rummelt 1984; Wernerfelt 1984; Barney 1991; Peteraf 1993; Teece 1997; Peteraf, Bergen 2003). However, this approach is currently considered to be too static in relation to the variability of the environment, and thus less attention is paid to these assumptions. The consolidation of the resource-based view, taking into account the environmental variability, has been proposed in the concept of dynamic capabilities. Similarly to other research areas associated with the strategic management, also the dynamic capabilities research is looking for factors or processes contributing to the success. Organizations can use their own resources in a variable manner when executing the process of adapting, configuring, renewing or refreshing the resources (Teece, Pisano, Shuen, 1997). Taking into account the arising controversies, two extreme approaches to this issue can be distinguished. Some studies indicate that dynamic capabilities are of key importance for building and developing competitive advantage (Teece, Pisano, Shuen, 1997; Teece 2007; Helfat, Finkelstein, Mitchell, Peteraf, Singh, Teece, Winter 2007; Helfat, Peteraf 2009). In turn, other researchers indicate a limited and indirect role of the dynamic capabilities due to their diversity (Eisenhardt, Martin 2000; Zott 2003; Wang, Ahmed 2007; Arend, Bromiley 2009). In another trend of the research concerning the sources of the competitive advantage, attention is paid to the ability to manage changes and implement the developed strategy. This approach emphasizes the importance of a change in the strategy as a factor initiating new skills and values of the organization. Other attempts to identify the factors shaping the competitive advantage relate primarily to the problem of variability, which is an environmental feature with a key impact on the competitiveness of the organization (Eisenhardt, Martin 2000; Priem, Butler 2001; Wang, Ahmed 2007). A lot of attention in the research is also dedicated to analysing the reciprocal influence of three elements: competitive advantage, dynamic capabilities and dynamics of the environment (Wu 2010; Romme, Zollo, Berends 2010). Like in other approaches, the relationship between the dynamics of the environment and dynamic capabilities is emphasized (Teece 2007).

Trends in the environment, such as sudden changes or a financial crisis, are the reason that gaining and maintaining a sustainable competitive advantage becomes more and more difficult, while company's success achieved by developing the competitive advantage should be analysed from the viewpoint of its sustainability (D'Aveni, Dagnino, Smith 2010). Thus, a short-term competitive advantage and a long-term sustainable advantage can be distinguished (O'Shannassy 2008). Currently, the necessity to have a competitive advantage in order to gain a strong competitive position is emphasized, but there appears the question whether it can be permanent in nature or are rather temporary. When characterizing the competitive advantage, the term "temporary" is used more and more frequently, while the terms "durable" or "significant" are used less and less often in a long-term perspective (Muratovic 2013). The appearance of such a dilemma results from the necessity to identify the changes rapidly and adapt to them, as well as to be flexible, sensitive to the intentions and actions of competitors and variations in customer needs. In recent publications on the competitive advantage, the issues of the durability and "repeatability" of the competitive advantage or its protection are discussed (Hinterhuber 2013; Foon, Nair 2010).

The existing results of the research on the relationship between the strategy and the advantage point out the following errors, which impede or thwart the identification of the strategic advantage: no understanding of the basis of the advantage, problems with the practical use of the knowledge, and an incorrect analysis and interpretation of sources of the advantage (Mezger, Violani 2011).

In studies on the strategic management, the subject of the competitive advantage is often raised, but among researchers and practitioners there are many doubts, in particular as to the issues of conceptualization and measurability of the advantage (Sigalas, Economou 2013; Bell 2013; McGrath 2013). Variable rules of the competitive struggle, which result in a continuous pursuit for a change and cause that the existing simple rules for building a competitive advantage become outdated, are encouraging to redefine the sources and consequences of the competitive advantage as one of the most important and most sensitive areas of the strategic management (Strategic Direction 2013; D' Aveni, Dagnino, Smith 2010; Greve 2009). The term "Holy Grail" or the "buzzword" concept used in relation to the competitive advantage show that there are considerable deficiencies in the identification and systematization of this area of science and empirical studies (Helfa, Peteraf 2009).

Most of the works published so far in the subject of the competitive advantage concerned the behaviours and operational conditions of companies in developed markets, especially the organizations operating in the United States market or the global market. Due to the changes occurring in the countries that carry out an economic transformation and the distinct differences between organizations operating in various markets, relatively few publications concern the subject of the competitive advantage in transition economies. It seems important to fill this gap by comparing the results of the studies on Polish companies with those presented in the literature of the subject. The introduction of new frameworks of studies on the competitive advantage in companies operating in transition economies and the combination of the advantage, evaluation, and the competition basis with the strategic objectives should contribute to enriching the literature on the strategic management, particularly the problem of competitive advantage.

## 2. Literature Review And Hypotheses

In a rapidly changing environment, the companies, which are able to develop thanks to their strategy, achieve success. Other factors determining the company's success include: the ability to act fast, willingness to change, a clear formulation of objectives, and the ability to the act in an outstanding way as compared with competitors (Kazozcu, 2011; Demitras 2013). The company's possibilities of making strategic choices are huge. The main dilemmas that the companies must face are associated with the choice between the survival, development, growth, taking the risk, and innovations. So a strategy can be perceived as the courage in formulation of objectives and development priorities, which constitute a baseline for strategic initiatives.

### 2.1. Strategic objectives

Strategic objectives are considered to be a basis for functioning of any business and should reflect the will to succeed by setting ambitious challenges in a changing environment. "Objectives are always based on expectations. Objectives must be derived from what our business is, what it will be, and what it should be" (Drucker 2009). By formulating objectives, a company expresses its intentions and aspirations, which should be realized under the selected concept of strategy . The strategic objectives are of key importance for the success, because they indicate the direction

of development and priorities, coordinate activities, constitute an evaluation criterion, provide a basis for the planning system, as well as organize, motivate and control the company's activity (Prusty, Pratap, Mohapatra, Mukherjee 2010). At the same time, they perform the role of important criteria affecting the choices made by companies in the process of strategic management.

### *2.2. Survival vs. development and growth*

The strategies aimed at ensuring the survival and minimizing the losses can be described as defensive. The companies, which implement defensive strategies in a conscious way, limit their growth and do not display any need of development (Valdalier, Vural, Yildirim, Yilmaztürk 2013; Porter 1991). These strategies are conservative, passive, protective and defensive, are oriented at the company's survival, and are strive for minimizing the disturbances having its source in the environment (Hall 1980). The companies, which decide to implement such strategies, avoid the risk, and by limiting the changes they minimize losses and reduce the likelihood of a failure. Implementation of defensive strategies manifests itself by abandoning investments, downsizing the employment, selling a part of the assets, withdrawing from some markets, and reducing the production. Such strategies are implemented by companies looking for a stabilization in the time of crisis and planning in a short term perspective. Strategies aimed at survival can be described as ones that not always are intentional, but are implemented nevertheless, and which evolve during the process of achieving the intended objectives (Mintzberg, Waters 1985). In a longer time perspective, the implementation of such a chaotic strategy may be limited to responding to changes occurring in the environment and forcing the company to take specific actions. As a result, the company is implementing a short-term strategy under pressure.

The strategies, which regard the development as a priority, assume a continuous growth of the company, which often involves enlargement (Cassia, Minola 2010). These aspirations are expressed by taking investment activities, while the implementation of such a strategy often means commencing a new activity, entering a new area and using new working methods. Development strategies belong to the group of offensive strategies, which are based on the striving for expansion or domination. Considering a predominant active or passive form of operations, development strategies as offensive strategies are active, challenging, expanding and innovative. The companies implementing such strategies are focused on continuous development, have positive attitude to new solutions, and are looking for attractive opportunities. The strategies aimed at development can be difficult and risky, requiring investments in products or the market, as well as the acceptance of risks and uncertainties (Shulman, Cox, Stallkamp 2011).

### *2.3. Development priorities of contemporary organizations*

Currently, an important strategic priority is the fight against time, which indicates the speed of actions as a unique asset for a company (De Toni, Meneghetti 2000; Demeter 2013). Assuming that the time may be an effective weapon in the competitive struggle, like financial resources, quality, innovation and productivity, it becomes a unique resource for the company. The strategy of competing with the use of time is sometimes based on the assumption that success in business depends on the speed of changes occurring in the environment and the speed of fulfilling the customers' needs, which in turn forces companies to rapid response and timeliness, as well as requires highly flexible actions.

Long-term successes of the company can be ensured by a strong orientation towards innovations, which advanced to the group of important objectives (Greve 2009; Bate, Johnston 2005). When creating innovations, the knowledge, creativity and concentration play more and more important role. An inspired thought gives rise to innovations much more seldom, while it occurs more frequently that they result from an analysis (Drucker 2009). The strategy resulting from the technological progress manifests itself in two most important areas: products and working methods (Zarrabi, Poursadegh, Jafarvand 2013). Implementation of this strategy requires cooperation of the company with the R&D resources, but an outstanding creativity is necessary first of all (Tse 2013).

Currently, due to rapid, unpredictable changes in the environment, the problem of risk in the strategy constitutes an important element. Strategic decisions become problems associated with the risk in the company's operations, especially when it is difficult for a company to operate or even survive (Clarke, Varma 1999; Emblemståg, Kjølstad 2002; Chatterjee, Wiseman, Fiegenbaum, Devers 2003). In practice, an approach to the risk often means avoiding it and therefore many companies do not have a crystallized approach to the risk. The relationship between the strategy, risk and time is essential from the viewpoint of the company's survival and development (Muharam 2011). Particularly important is the strategic risk that is associated with the implementation of strategic objectives, although a company

cannot control all the factors and influence them. Therefore, it is very important to implement a proper approach to the risk, i.e. mitigate the risk, while simultaneously making use of the arising opportunities (Ojiako 2012).

The above arguments lead to stating of the hypothesis:

*H1: Having a significant advantage over the competitors means that the survival in a long-term perspective (over 3 years) is not a satisfactory goal*

*H2: The lack of satisfaction from the achieved development level strengthens the company's main competitive advantage based on innovations and technology*

*H3: Setting new standards (process, product, organizational, and similar standards) in the industry requires a basic competitive advantage based on innovations and technology.*

*H4: A dynamic growth as a strategic priority has an effect on setting new standards (process, product, organizational, and similar standards) in the industry*

*H5: A modification in the business profile with the view of gaining customers is associated with the flexibility and speed of reaction as the most important elements of company's competitive advantage*

*H6: The readiness to modify the business profile in order to gain customers is associated with the market and financial position achieved, which forces companies to take more expansive actions*

*H7: The basic competitive advantage based on innovations and technology requires acceptance of risky strategies*

*H8: Acceptance of risky strategies allows creating a significant advantage in relation to competitors*

*H9: Acceptance of risky strategies allows setting new standards (process, product, organizational, and similar standards) in the industry*

### **3. Methodology**

#### *3.1. Research Goal*

The results of the studies presented in this paper are a part of the project entitled "Strategic management practices in publicly listed enterprises and joint-stock companies", which was financed from funds of the National Science Centre as the research project No. N N115 402240. Due to the investigation of the issues concerning the relationships between the competitive advantage and the aspirations reflected in priority objectives, both areas have been subjected to detailed studies.

#### *3.2. Sample and Data Collection*

The studies were conducted on a sample of 150 Polish companies. The legal form of these companies was a joint-stock company. These were companies listed on the Stock Exchange in Warsaw, companies listed on the New Connect market (50.7%), as well as non-listed companies (49.3%). The first pre-qualifying criterion under the study was that a company had to be established in the period of 1989 – 2009, while the second condition was that the company had to be founded on the basis of a Polish capital. When analysing the criterion of the employment level, it should be pointed out that the survey involved 50 large entities (over 250 employees), 50 medium-sized companies (50 to 250 employees) and 50 small businesses (less than 50 employees). Considering the subject matter of the study, persons occupying top management positions in companies were selected to be respondents.

The study used the research technique called Paper and Pencil Interview, while the interviews with the managing staff were conducted by a research agency. The respondents referred to the statements contained in individual questions by selecting answers in the Likert scale.

The survey included topics related to the strategic management practice in companies. The questionnaire used in the interviews contained 4 qualification questions, 11 demographic questions, and 84 questions in the main part of the survey. The questions in the main part concerned four areas:

- Strategic management process,
- Participants in the strategic management,
- Forms of the strategy,
- Contents of the strategy.

The considerations taken in the study concern an analysis of the sources and an evaluation of the company's competitive advantage in relation to the courage in formulating key objectives, which manifests itself in the strategy expansiveness level. For this purpose, the attention was focused on the statements in the "Contents of the strategy" area. They constitute answers to five questions regarding the competitive advantage and five questions relating to the level of expansiveness.

### 3.3. Analyses and Results

In the area of the competitive advantage, a special attention was paid to the problems concerning:

- Having an advantage over competitors.
- Modification of the business profile in order to gain customers, the operational flexibility and the speed of response, as the most important sources of the competitive advantage.
- Setting new standards (technological, product, organizational and similar standards) in the industry and building the primary competitive advantage based on innovations and technology.

In turn, in order to analyse the courage in formulation of key objectives, the following issues have been subjected to studies:

- Development objective in a long-term perspective (over 3 years).
- Dynamic growth as a strategic priority.
- Lack of satisfaction with the development level achieved.
- Taking more expansive measures due to the market and financial position achieved.
- Accepting the implementation of risky strategies.

In order to verify the hypotheses, correlations were determined on the basis of the Kendall's tau-b correlation coefficient – a non-parametric measure of correlation for ordinal variables. The use of this correlation results from the fact that an ordinal scale was used for the questions included in the questionnaire. The results regarding the hypotheses and the Kendall's tau-b correlation coefficients are shown in the Table 1.

<b>Hypothesis</b>	<b>Tau – b Kendall correlation coefficient</b>
H1	-0,166*
H2	0,03
H3	0,579**
H4	0,223**
H5	0,336**
H6	0,278**
H7	-0,01
H8	0,139*
H9	-0,02

\* Correlation significant at the 0.05 level (bilateral)

\*\* Correlation significant at the 0.01 level (bilateral)

Source: Own work

Nine hypotheses are presented below. Three hypotheses: H2, H7 and H9 are not statistically significant. With respect to these hypotheses, based on the results obtained it is not possible to draw generalizing conclusions for the whole population in the scope of the assumptions adopted.

The Hypothesis 1 indicated a relationship between the fact of having a significant advantage over competitors and the survival in a long-term perspective (over 3 years), which does not constitute a satisfactory objective. The obtained result of a negative correlation (-0.166) can be regarded as weak, which allows accepting the hypothesis. This means that the greater the competitive advantage over the competitors, the smaller the importance of survival as a satisfactory objective in a long-term perspective. Conversely, the smaller the importance of the competitive advantage, the greater the importance of the survival as a satisfactory objective in a long-term perspective. Therefore, it can be concluded that gaining the competitive advantage requires setting bold objectives that enforce the implementation of offensive strategies. In turn, the organizations that do not have bold aspirations make it more difficult for themselves to achieve and maintain the domination over the competitors. It seems that defining ambitious goals is an important step in creating a competitive advantage and the higher are expectations of the organizations in relation to the competitive position, the more they can achieve.

The Hypothesis 3 concerned the dependence between setting new standards in the industry (technological, product, organizational and similar standards) and the company's primary competitive advantage based on innovations and technology. The result obtained (0.579) can be interpreted as an indication of the existence of a strong positive relationship. This means that along with an increase in the scope of setting new standards in the industry (technological, product, organizational and similar standards), the importance of the primary competitive advantage based on innovations and technology also grows. It can be assumed that the fact of building a competitive advantage with the use of modern, innovative and technological solutions is directly associated with a leadership in innovations and technology. The effective process of creating the advantage of this type should include solutions that set new standards in the industry. In addition, when success is measured by the change in the rules of competition associated with introduction of new standards, this entails development of a competitive advantage based on widely understood innovations.

A weak positive dependence (0.223) concerned the correlation between the questions included in the Hypothesis 4. The relationship between a dynamic growth as a strategic priority and setting new standards in the industry (technological, product, organizational and similar standards) results from the fact that the more important dynamic growth as a strategic priority, the more important is setting new standards in the industry. These can be process, product or organizational standards. This means that the striving for development of the organization involves not only quantitative changes associated with the growth in size, but also qualitative changes that are reflected by introduction of innovative solutions in different areas. Considering this fact, it can be assumed that treating a dynamic growth as a strategic priority brings similar benefits in the form of the development based on innovations. Therefore, the hypothesis can be positively verified.

The Hypothesis 5 referred to the relationship between a modification of the business profile aimed at acquiring customers and the operational flexibility and speed of reaction as the most important competitive advantages of a company. The resulting correlation coefficient (0.336) may be considered as average. Thus, a positive relationship has been verified, which proves that along with increasing the degree of the modification of the business profile aimed at gaining customers, the operational flexibility and speed of reaction (as the most important competitive advantages of a company) also increase. It can be expected that due to the dynamics of changes in the environment, the operational flexibility becomes an indispensable tool of competitive struggle, which includes actions taken to acquire customers.

A positive correlation obtained allowed verifying the Hypothesis 6 positively (0.278). This result indicates the existence of a weak positive relationship. Therefore, along with an increase in the readiness to modify the business profile in order to gain customers, the need to take more expansive measures associated with the attained market and financial position also grows. It seems to be valid to assume that actions taken to enlarge or extend the target group of buyers require implementation of innovative and bold strategies. A lack of satisfaction with the market position held may also be a significant incentive for implementing an offensive strategy aimed at acquiring new customers.

The Hypothesis 8 concerned the relationship between the acceptance of risky strategies and the fact of having a significant competitive advantage over competitors. In this case, there is a weak positive correlation (0.139), which means that along with an increase in the acceptance for implementation of risky strategies, the degree of significance of the advantage over competitors also grows. It can therefore be presumed that in order to build and develop the advantage over competitors, it is required to implement offensive strategies, in which the risk level is much higher and difficult to assess unambiguously. On the other hand, the analysis of strategies of the companies, which gained a

position of a market leader, confirms the importance of the implementation of risky strategies, the success of which is reflected in domination over competitors. Thus it seems that the risk is an integral part of the competition strategy.

#### 4. Conclusion

When summarizing the results of the surveys, the problem of the subjectivity of answers to the research questions should be mentioned. For the needs of the surveys an assumption was made that the answers reflect the knowledge of the respondents and result from the internal and external studies conducted by them, as well as from their own observations, so the answers of the respondents were not called into question. Considering the fact that the subject matter of the study concerns the strategic management, the group of respondents included persons occupying top management positions in the companies (executive directors, strategic directors, managing directors, or the management board understood as the president and members of the management board). The lack of the possibility to check the objectiveness of the answers included in the surveys is associated with a wider problem of verifying the results of all surveys associated with the strategy and the strategic management.

In further studies concerning the competitive advantage, the attention should be focused on several issues. It seems important to continue surveys concerning the competitive advantage associated with the courage in formulating and implementing the key objectives in small, medium and large companies that have a market leader position. An analysis and a comparison of the competition strategies implemented by companies of various sizes should help examining the similarities and differences between small, medium and large enterprises. Thanks to this, attempts can be made to identify the relations specific for the companies, as well as investigate the occurrence of differentiating features characteristic of the entities of various sizes. In turn, an analysis of the competitive advantage and the courage in formulating objectives in successful companies can bring new findings about the differences and similarities between "average" companies and the companies that leave competitors far behind. An analysis of differences and similarities in competition strategies may be useful for a proper formulation of objectives in conjunction with building an expansive, "winning" competitive advantage.

In addition, when indicating further interesting directions of the future research on the competitive advantage, it is worth considering the relationship between the competitive advantage, the strategy of success, the durability or variability of the competitive advantage and the repeatability or durability of the success in the competitive struggle.

#### Acknowledgements

The research is a part of the research project no. N N115 402240 financed with the funds of the National Science Centre.

#### References

- Arend R.J., Bromiley P. (2009), Assessing the dynamic capabilities view: spare change, everyone?, *Strategic Organization*, Vol. 7, Issue 1, pp. 75-90.
- Barney, J. B. (1986), Organizational Culture: Can It Be a Source of Sustained Competitive Advantage?, *The Academy of Management Review*, Vol. 11, No. 3., Jul., pp. 656-665.
- Barney, J. B. (1986), Strategic Factor Markets: Expectations, Luck, and Business Strategy, *Management Science*, Vol. 32, No. 10., Oct., pp. 1231-1241.
- Barney, J. B. (1991), Firm resources and sustained competitive advantage, *Journal of Management*, Vol. 17, No.1, pp. 99-120.
- Barney, J. B. (2001), Is the resource-based "view" a useful perspective for strategic management research? Yes, *Academy of Management Review*, Vol. 26, No.1, pp. 1, 41-56.
- Bate J.D., Johnston R.E (2005), Strategic frontiers: the starting-point for innovative growth, *Strategy & Leadership*, Vol. 33, No. 1, pp. 12-18.
- Bell G. (2013), The end of strategy world as we know it?, *Strategic Direction*, Vol. 29, No. 8, pp. 37-40.
- Cassia L., Minola T. (2010), Hyper-growth of SMEs. Toward a reconciliation of entrepreneurial orientation and strategic resources, *International Journal of Entrepreneurial Behaviour & Research*, Vol. 18, No. 2, pp. 179-197.
- Chatterjee S., Wiseman R.M., Fiegenbaum A., Devers C.E. (2003), Integrating behaviour and economic concepts of risk into strategic management: the twain shall meet, *Long Range Planning*, Vol. 36, pp. 61-79.
- Clarke Ch.J., Varma S. (1999), Strategic risk management: the new competitive edge, *Long Range Planning*, Vol. 32, No. 4, pp. 414-424.
- D'Aveni R.A., Dagnino G.B., Smith K.G. (2010), The age of temporary advantage, *Strategic Management Journal*, Vol. 31, Issue 13, pp. 1371-1385.



- De Toni A., Meneghetti A. (2000), Traditional and innovative paths towards time-based competition, *International Journal of Production Economics*, Vol. 66, Issue 3, 20 July, pp. 255-268.
- Demeter K. (2013), Time-based competition — the aspect of partner proximity, *Decision Support Systems*, Vol. 54, Issue 4, March, pp. 1533-1540.
- Demirtas O. (2013), Evaluating the Core Capabilities for Strategic Outsourcing Decisions at Aviation Maintenance Industry, *Procedia - Social and Behavioral Sciences*, Vol. 99, 6 November , pp. 1134-1143.
- Dimoska T., Trimecv B. (2012), Competitiveness Strategies for Supporting Economic Development of the Touristic Destination, *Procedia - Social and Behavioral Sciences*, Vol. 44, pp. 279–288.
- Drucker P. (2009), *Management. Task, responsibilities, practices*, Allied Publishers Pvt.Ltd, New Delhi, pp.101, 99.
- Eisenhardt K.M., Martin J.A. (2000), Dynamic capabilities: what are they?, *Strategic Management Journal*, Special Issue: The Evolution of Firm Capabilities, Vol. 21, Issue 10-11, October – November, pp. 1105–1121.
- Emblemsvåg J., Kjølstad L.E. (2002), Strategic risk analysis – a field version, *Management Decision*, Vol. 40 Iss: 9, pp.842 – 852.
- Feurer R., Chaharbaghi K. (1995), Strategy development: past, present and future, *Management Decision*, Vol. 33 Iss: 6, pp.11 – 21.
- Foon L.S., Nair P.B. (2010), Revisiting the concept of Sustainable Competitive Advantage, *International Journal of Business and Accounting*, Vol. 1, No. 1, pp. 63-78.
- Goldsmith D. (2013), Rethinking the company's competitive advantage, *Financial Executive*, Jul/August, Vol. 29, Issue 6, pp. 14-17.
- Greve H.R. (2009), Bigger and safer: The diffusion of competitive advantage, *Strategic Management Journal*, Vol. 30, Issue 1, pp. 1-30.
- Hall R. (1992), The strategic analysis of intangible resources, *Strategic Management Journal*, Vol.13: pp. 135-144.
- Hall, W.K. (1980), Survival strategies in a hostile environment, *Harvard Business Review* 58 (5), September-October, pp. 75–85.
- Helfat C.E., Peteraf M.A. (2009), Understanding dynamic capabilities: progress along a developmental path, *Strategic Organization*, SAGE, pp. 91-102.
- Helfat C.E., Finkelstein S., Mitchell W., Peteraf M., Singh H., Teece D., Winter S.G. (2007), *Dynamic Capabilities: Understanding Strategic Change in Organizations*, Wiley.
- Hinterhuber A. (2013), Can competitive advantage be predicted? Towards a predictive definition of competitive advantage in the resource-based view of the firm, *Management Decision*, Vol. 51, No. 4, pp. 795-812.
- Itami H., Roehl T. (1991), Mobilizing invisible assets, *Harvard University Press Journal*, Vol. 39, No. 5, pp.1245-1264.
- Kay J. (1993), *Foundations of Corporate Success*, Oxford University Press.
- Kazozcu S.B. (2011), Role of strategic flexibility in the choice of turnaround strategies: A resource based approach, *Procedia - Social and Behavioral Sciences*, Vol. 24, pp. 444-459.
- Ma H. (1999), Anatomy of competitive advantage: a select framework, *Management Decision*, Vol. 37 Iss: 9, pp.709 – 718.
- Matei R.M. (2013), Creating competitive poles – the sustainable model for obtaining the competitive advantage, *Theoretical and Applied Economics*, Vol. XX, number 8, pp. 47-58.
- McClelland S. (1994), Gaining competitive advantage through strategic management development, *Journal of Management Development*, Volume 13, Number 5, pp. 4-13.
- McGrath R.G. (2013), Transient advantage, *Harvard Business Review*, June, pp. 2-10.
- Meyer J. P., Allen N. J., Smith C. (1993), Commitment to Organizations and Occupations: Extension and Test of a Three-component Conceptualization, *Journal of Applied Psychology*, Vol. 78, pp. 538-551.
- Mezger S., Violani M. (2011), Seven basic strategic missteps and how to avoid them, *Strategy & Leadership*, Volume 39, Number 6, pp. 19-26.
- Mintzberg H., Waters J.A. (1985), Of strategies, deliberate and emergent, *Strategic Management Journal*, Vol. 6, Issue 3, pp. 257–272.
- Muharam F.M. (2011), Assessing Risk for Strategy Formulation in Steel Industry through Real Option Analysis, *Procedia - Social and Behavioral Sciences*, Vol. 24, pp. 991-1002.
- Muratovic H. (2013), Building competitive advantage of the company based on changing organizational culture, *Economic Reiview – Journal of Economics and Buiness*, Vol. XI, Issue 1, May, pp. 61-77.
- Nohria, N., Gulati, R. (1996), Is Slack Good or Bad for Innovation, *Academy of Management Journal*, Vol. 39 No. 5, October, pp. 1245-1264.
- Ojiako G.U. (2012), Examining thematic elements in strategic business risk, *Management Research Review*, Vol. 35, No. 2, pp. 90-105.
- O'Shannassy T. (2008), Sustainable competitive advantage or temporary competitive advantage: Improving understanding of an important strategy construct, *Journal of Strategy and Management*, Vol. 1, Issue 2, pp. pp.168 - 180
- Peteraf M. (1993), The Cornerstones of Competitive Advantage: A Resource-Based View, *Strategic Management Journal*, Vol. 14, No. 3, 179-191.
- Peteraf M., Bergen M. (2003), Scanning dynamic competitive landscapes: a market-based and resource-based framework, *Strategic Management Journal*, Vol. 24, 1027-1041.
- Porter M. E. (1980), *Competitive Strategy, Techniques for Analysing Industries and Competitors*. Free Press, New York.
- Porter M. E. (1991), Towards a dynamic theory of strategy, *Strategic Management Journal*, Vol. 12, pp. 95-117.
- Porter M. E. (1996), What is strategy?, *Harvard Business Review*, November –December, pp. 61-78.
- Porter, M.E. (1985), *Competitive Advantage Creating and Sustaining Superior Performance*. Free Press, New York.
- Priem R.L., Butler J.E. (2001), Is the Resource-Based "View" a Useful Perspective for Strategic Management Research?, *The Academy of Management Review*, Vol. 26, No. 1, Jan., pp. 22-40.
- Prusty S.K., Pratap K.J. Mohapatra, C.K. Mukherjee (2010), GOS tree (Goal–Objective–Strategy tree) approach to strategic planning using a fuzzy-Delphi process: An application to the Indian Shrimp Industry, *Technological Forecasting and Social Change*, Vol. 77, Issue 3, March, pp. 442-456.
- Romme A.G.L., Zollo M., Berends P. (2010), Dynamic capabilities, deliberate learning and environmental dynamism: a simulation model, *Industrial and Corporate Change*, Vol. 19, Issue 4, pp. 1271-1299.
- Rumelt R. (1984), Towards a strategic theory of the firm, in Lamb, R., (Ed.), *Competitive Strategic Management*, Prentice-Hall, Englewood Cliffs (NJ).
- Senge P. (1990), *The Fifth Discipline: The art and practice of the learning organization*, Doubleday, New York.

- Shulman J.M., Cox R.A.K., Stallkamp T.T. (2011), The strategic entrepreneurial growth model, *Competitiveness Review*, Vol. 21, Issue 1, pp. 29-46.
- Sigalas Ch., Economou V.P. (2013), Revisiting the concept of competitive advantage: Problems and fallacies arising from its conceptualization, *Journal of Strategy and Management*, Vol. 6, Issue 1, pp. 61 – 80.
- Sigalas Ch., Economou V.P., Georgopoulos N.B. (2013), Developing a measure of competitive advantage, *Journal of Strategy and Management*, Vol. 6, Issue 4, pp. 320-342.
- Singh P.K. (2012), Management of Business processes can help an organization achieve competitive advantage, *International Management Review*, Vol. 8, Number 2, pp. 19-26.
- Soloducho-Pelc L. (2013), Factors Determining the Process of Creating and Implementing a Strategy Based on Innovation and Technology, *Vision 2020: Innovation, Development Sustainability, and Economic Growth*, 21th IBIMA Conference 27-28 June, Vienna, Austria, pp. 442-454.
- Soloducho-Pelc L., Radomska J. (2012), The role of human capital in creating competitive advantage based on technology, ed. J. Kowal, N. Roztocki, *Proceedings of the International Conference on ICT Management for Global Competitiveness and Economic Growth in Emerging Economies*, pp. 161-182.
- (2013), So what is competitive advantage?: We know we need it but not how to define it", *Strategic Direction*, Vol. 29 Iss: 9, pp.6 – 8.
- Stalk G., Hout T. M. (1990), *Competing against time: How time-based competition is reshaping global markets*, Free Press (New York and London).
- Teece D. (2007), Explicating dynamic capabilities: the nature and microfoundations of (sustainable) enterprise performance, *Strategic Management Journal*, December, Vol. 28, Issue 13, pp. 1319–1350.
- Teece D., Pisano G., Shuen, A. (1997), Dynamic capabilities and strategic management, *Strategic Management Journal*, Vol. 18, No. 7, 509-533.
- Tse T. (2013), Paradox resolution: A means to achieve strategic innovation, *European Management Journal*, Vol. 31, Issue 6, December, pp. 682-696.
- Vardarli P., Vural Y., Yıldırım Ö., Yılmaztürk B. (2013), Impacts of Growth Strategies on Human Resources Policies, *Procedia - Social and Behavioral Sciences*, Vol. 99, 6 November, pp. 861-868.
- Wang C.L., Pervaiz K. Ahmed (2007), Dynamic capabilities: A review and research agenda, *International Journal of Management Reviews*, Vol. 9, Issue 1, March, pp. 31–51.
- Wang, C. L., Ahmed, P. K. (2007), Dynamic capabilities: a review and research agenda. *International Journal of Management Reviews*, Vol. 9, Issue 1, pp.31-51.
- Wernerfelt B. (1984), A Resource-Based View of the Firm, *Strategic Management Journal*, Vol. 5, No. 2, 171-180.
- Wu L-Y. (2010), Applicability of the resource-based and dynamic-capability views under environmental volatility, *Journal of Business Research*, Vol. 63, Issue 1, January 2010, pp. 27–31.
- Yamin S., Gunasekaran A., Mavondo F.T. (1999), Relationship between generic strategies, competitive advantage and organizational performance: an empirical analysis, *Technovation*, Vol. 19, Issue 8, August, pp. 507-518.
- Zarrabi F., Poursadegh N., Jafarvand S. (2013), Alignment between Innovation Strategy and Out Comes, *Procedia - Social and Behavioral Sciences*, Vol. 75, 3 April, pp. 18-24.
- Zott C. (2003), Dynamic capabilities and the emergence of intraindustry differential firm performance: insights from a simulation study, *Strategic Management Journal*, Vol. 24, Issue 2, February, pp. 97–125.