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Competitive Edge and Its Effects on Organizational Performance

(A Case Study of Mobile Industry)

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Abstract

Competitive edge is nowadays most effective tool for any organization to thrive up in the respective industry. Competitive edge is dependent on various variables which are clearly defined in this research paper. Here the mobile industry is taken as case study for our research. Competitive edge shows somehow relation with the independent variable like quality service, competitive workforce, technological advancement, information, innovation, ads & promotion, customer satisfaction. The research is conducted in Haripur university and mostly participants are undergraduates including both male and female. The sampling is non-probability and convenient. The method used in this research is questionnaire method and mostly structured question are asked from the respondents. For interpreting the results, we use SPSS software and evaluate the model summary, annova and co efficient and most important reliability of variables with respect to dependent variable.

Keywords: *Competitive Edge, Organizational Performance, Case, Haripur.*

Introduction

Competitive advantage is defined as the ability to stay ahead of present or potential competition. This is done by evaluating strengths and weaknesses of competitors and seeing where you can fill in the gap and improve yourself. The two factors or the source behind competitive edge is innovation and excellent information. In this period of extreme competitions among the challenging organizations competitive edge plays a vital role in defining the position of organization. Along with this a lot of strategies can give up an organization a competitive edge over the competitors like price cutting, advanced branding, adaptability of new technology and operational effectiveness .competitive edge is all about strategy ahead which should be always one step ahead of competitor because as mentioned by Kotler: "if the company has the same strategy as the competitors, it actually does not have a strategy".

Research Objective

The objective of this study is "To find out the relationship of core competencies of organization and its performance".

Literature Review

Quality services

By the exact time and fast response to gratifying the consumers demand is called quality services. Our findings show that services play an important role with respect to invention's quality, that is impression of guarantee and service quality on call raises when product quality is lower. Conversely, both service metrics are complementary with respect to demand, i.e., the better the service quality, the higher the marginal effect of longer warranty. Our product quality services impact on competitive edge we are offering the best quality services to our customer. Quality services have become a potentially valuable way of securing competitive advantage.

Technological advancement

Technology progression as facilitated business to save their time and the cost of production which is more beneficial for all business. They manage these improvements to get competitive edge. Alan l Forman as deliberated nine business that have research and development departments savings to look the ways that used technology successfully as a part of their competitive strategies which make it successful. Those which are intended to do it unsuccessful. Most of the companies in USA invest on research and development department for the advancement in technology to gain competitive edge. Most of the companies use technology advancement as competitive weapons. According to Debi Saini technology creates their own culture for example Toyota has unique culture and other automobile manufacturers are trying hard to copy Toyota production system. Technology advancement is use for competitive edge.

Customer Satisfaction

Customer satisfaction is to meet consumers need and wants from doing business with a firm in other words, become to know about the happiness of consumer and how was their experience with firm. Customer Satisfaction can provide you with major competitive advantages. Consumer's satisfaction helps organization to achieving their goals and gaining of competitive edge. For achieving competitive edge companies must need to satisfy their customers need and wants and howmuch your customers are satisfied with your product and services customer satisfaction create greater impact on competitive edge most of the companies R&D department invest money to know how much our customers are satisfied with our product just to get competitive edge.

Brand Reputation

Brand Reputation is the scope of the brand that brings in many profits and merits written above for the company and make it survive, succeed and sustain in the market a midst the cut-throat competition and changing business cycle. Brand reputation play a vital role for competitive edge many of the suffer losses just because of their reputation of brand to get competitive edge. Many of the companies involves in corporate social responsibility just maintain their brands reputation in the market. Brand reputation use as weapons for competitive edge. Brand reputation is the business assets which is intangible which is a long term. From employees to the product quality or quality service all adds up the value in it and thus a byproduct in the form of brand reputation we get.

Ads and promotion

From making an ad to the supply chain management and logistics all includes ads and promotion. If movements or compaign of an advertisement is good, in the result it can get a company competitive edge due to increase in value and can change the scenario. Advertisement and promotion play an important role in the promotion of products and services of any company by increasing brand awareness and attracting

customers in the market. A good advertisement campaign not only attracts customers but also aware those about the products and services offered by the organization thus people tend towards that. In the 1960s, Hamm's Beer came out with a cute television commercial, featuring cartoon bears. No one had really heard of Hamm's, but their sales shot up as a result of this commercial. As soon as people became tired of the commercial, customers also drifted away from drinking Hamm's Beer. The company can get competitive edge by doing a better at advertising than competitors, attacking them in the ads.

Competitive Workforce

One who's well-matched to the company demand and uses its skills to give the maximum output by working to full extent is known as competitive force. Workforce rule is work, according to skills or skills according to work. Not only a good workforce but a diverse workforce can positively affect the output. Workforce is somewhat assets of organization and one of the important competitive edge points of organization. Some says that if organization got only a good workforce than half of its competitiveness is complete. Good incentives and bonuses and promotion may appraise and motivate employee to work effectively and efficiently. the important thing noted here is that it's like a circle. if any bad hiring going to happen it will affect the whole cycle like firing and hiring, continuously. But this can be avoided if a proper training and evaluation program can administer this problem.

Innovation

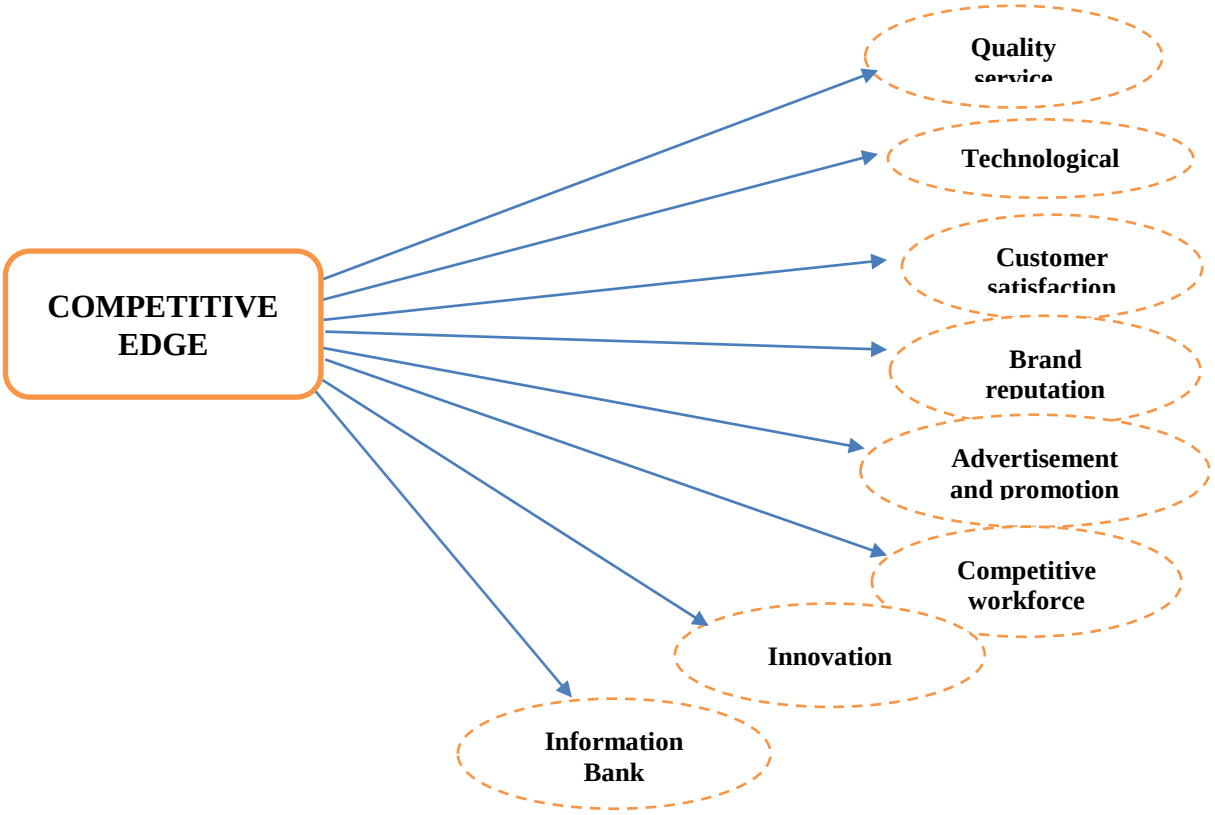
Innovation occurs when gap appears in the market. New thing appears and new ideas are being made to fulfill these gaps. Innovations appears as one of the main driving forces of organizational success. Organizational internal and external culture greatly affects the innovation. Some of the world's most innovative companies began as small businesses. Development of new processes, products and markets creates value by meeting a need in the industry. Innovation can make little business more competitive. Especially in this era technological innovation can not only build up a complete innovative business model but also sustain its core competencies .AI (Artificial intelligence) is the new form of technological innovation.

Information Bank

Information is not all about having software and hardware but it's a much broader term with respect to the hold of maximum number of facts and figures a company have. This is the era of information and anyone having the information can't be beaten by the rivals. We can figure out information as a competitive advantage. Information technology is not all about computers but it's a much broader term. it's changing the structure of industry, and also changing the rule of competition. So also creating new advantages and opportunities. Information technology divides company activities into economic and technological activity that creates a value to the chain process in the organization.

Study Model

The competitive advantage is taken as dependent variable and quality service, technological advancement, customer satisfaction, brand reputation, advertisement, competitive workforce, innovation is taken as independent variable.



Hypothesis

These hypotheses are taken from the above model to define the relationship between competitive edge and its independent variables.

H1 quality service is directly related with competitive edge
H2 technological advancement is directly related with competitive edge.
H3 customer satisfaction is directly related with competitive edge
H4 brand reputation is directly related with competitive edge
H5 brand advertisement is directly related with competitive edge
H6 competitive workforce is related with competitive edge
H7 innovation is related with competitive edge
H8 information is related with competitive edge

Methodology

Methodology used is questionnaire method. Questions asked in the method are structured questions. Research is conducted in university of Haripur. Sample size all includes undergraduates' students of university. Demographics includes male and female, ages ranges from 18 to 30 years.

Research Findings

Reliability

Table 1 shows the reliability of all the factors included in the research

Quality service is .627 which is somewhat acceptable and relatable with dependent factor. Technological advancement having .461 it is not acceptable and doesn't relate with dependent variable. Customer satisfaction having .765 it is acceptable and relatable with dependent factor**.** Brand reputation .742 shows it is acceptable with respect to dependent variable

Table1

VARIABLE	**RELIABILITY (**Cronbach's alpha)
Quality service	0.627
Technological advancement	0.461
Customer satisfaction	0.765
Brand reputation	0.742
Advertisement &promotion	0.724
Innovation	0.767
Information	0.693
Competitive edge	0.718

Ads & promotion .724 show it is acceptable and can be relate with the dependent variable. Innovation .767 show a high reliability value and is related highly with the dependent factor. Information .693 is somewhat acceptable value and can be relate with dependent factor. Competitive edge .718 is an acceptable value and relatable with dependent variable.

Demographics

Table 2

Gender & Age	Frequency	Percent	Valid Percent
Male	62	59.6	59.6
Female	42	40.4	40.4
10-19	17	16.3	16.3
20-29	87	83.7	83.7

Above table 2 shows the demo graph of the research paper which concludes that male respondents are 62 which makes up the 59.6% total participants, female respondents are 42 which comprises 40.4 % of the total participants. Respondents according to age group are 10 to 19, 17 (16.3%) respondents and 20-29 are 87(83.7%) respondents.

Regression Anaylsis

In the table 3 , 0**.**127 in R column shows that independent variables are explaining dependent variables 44%.It means that we need more variable in order to define dependent variable effectively.

Table 3 Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.441[a]	.195	.127	.83180

In table 4 in the sig column .007 shows the that this is a significant model as it shows only .07% risk in the difference

Table 4 Anova

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	15.873	8	1.984	2.80	.007[b]
	Residual	65.730	95	.692		
	Total	81.603	103			

Beta in the table 5 below shows following aspects as quality service as 13% explaining the dependent variable. technological advancement shows the 19.5%. customer satisfaction 9.7%.

Table 5 Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.253	.535		2.342	.021
1. Quality service	.132	.111	.130	1.190	.237
2. Technological advancement	.227	.132	.195	1.725	.088
3. Customer satisfaction	.102	.123	.097	.829	.409
4. Brand reputation	.195	.126	.185	1.556	.123
5. Ads and promotion	.070	.109	.068	.647	.519
6. Competitive workforce	.058	.117	.056	.495	.622
7. Innovation	.027	.146	.026	.182	.856
8. Information	.063	.120	.061	.523	.602

Brand reputation is 18.5%. ads & promotion 6.8%. competitive workforce 5.6%. innovation 18.2%. information 52.3% justify the competitive edge as dependent variable.

Conclusion

Innovation is the most important factor for taking up the competitive edge in any industry especially in highly competitive market like mobile industry. There is more study to be done to find further variable upon which competitive edge is dependent. All the other independent variables also play a key role in competitive performance of organization.

Scope for Future

Through this research companies can get a lot of scope for their future performance . here we explain different variables and factors that affect the core competencies of organization. Here the most important factor through which a company can have a competitive edge upon other organization is innovation which is the driving force for the competitive edge.

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