HOW TO ACHIEVE AND MAINTAIN A COMPETITIVE ADVANTAGE THROUGH A DYNAMIC AND INTERDISCIPLINARY VISION

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ABSTRACT

Wishing to find a stable point within this effervescent world, managers do their best in order to discover the most important factor in leading a company towards success. During times, there were developed several efficiency theories able to offer the supreme secret. It was though later that some of them were only fads, others (friezing by their simplicity the difficulty and complexity tendency and appetence of the economic studies), confirmed their realism and importance each step.

This paper discusses the possibility of a competitive advantage achieving and maintaining through a dynamic and interdisciplinary vision that puts together advantages of a knowledge outcomes management and those of a knowledge process management. The fundamental importance of knowledge management is recognized, being considered here the base of a strategic vision. Speaking about e-Business, SHRM, we take them as methods of managerial strategy implementation and PIM, Reengineering, TQM, Risk Management, Continuous Learning, as tools.

KEYWORDS: *dynamic and interdisciplinary vision, knowledge, new economy, strategic management*

1. INTRODUCTION

In order to stay competitive and to achieve an advantage within a more and more dynamic and crowded economic environment, organizations are forced to design and implement business development strategies and also to encourage the dynamic and interdisciplinary vision. Even if at a first sight it does not seem to be a difficult thing, it is proven later to ask for objectivity and lots of external and internal economic environment studies due to the special interconnection that it is between an organization and the wide world (the first is influenced by the second and it is also influencing the latest, in the same time).

Far away of being a simple result of a linear process consisting in analysis, evaluation, decision and implementation, *competitive advantage* of a company is both asked (as condition for surviving on the market) and influenced by a multitude of exogenous and endogen factors. Some of those that could be considered the most important will be mentioned further.
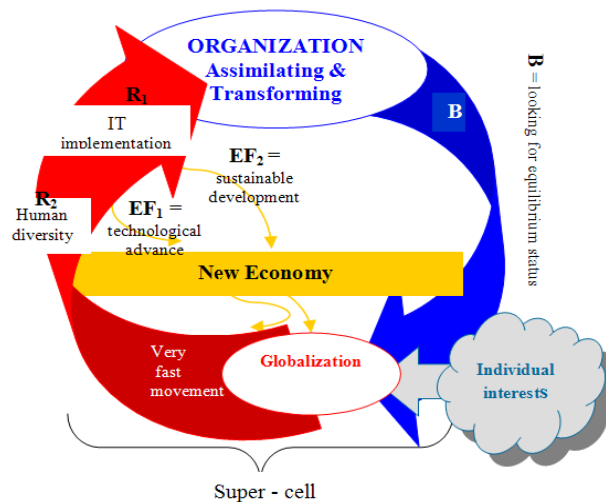
Fig. 1 Organization-economic environment relation

We can start by remembering the fact that human creativity has been the evolution engine, the most powerful and obvious of its symptom being *the technological advance (*called here *external factor EF_1).* On the other hand, evolution itself imposed in time a certain approach of human activity, asking for respect relating to environment, poorer countries, next generations, conceptualized in *sustainable development (*also called *external factor EF_2)* (see figure 1). It is quite clear that without the technological advance it won't be such a huge gap between the development level of different countries and between different generations' natural heritage. Still, this sustainable development concept can be also seen as a *driving force* related to the evolution of the technological approach. As a result, a new kind of economy is imposed, asking for a more *synergistic* and *dynamic* vision. This *new economy* found at the confluence of both *EF1* and *EF2* is progressively diminishing the economical space by *globalization*. As a consequence, in a real rebound effect, it is wished to become realistic the *e-Business* concept *one world, one computer* based on *IT implementation* (seen as a first *result R_1,* which makes people to converge**).**

On the other hand, going global make organizations to face a remarkable human, cultural, abilities and knowledge *diversity* that has to be assimilated and transformed, and which has to assimilate the technological improvement manifestation, too (called here *result R_2,* which in opposition with R_1, is a *divergent* one, increasing interpersonal barriers instead of decreasing them**).**

Coming back to an organization, it is obvious that in order to achieve and maintain a strategic advantage there is a need for adapting to the very dynamic environment' continuous pressure (looking for an equilibrium status, like any dynamic system, labeled *B* in figure 1)**.**

Nevertheless, there are also *individual or small groups interests* that cannot be always aligned to the general' but which are big enough for being taken into consideration.

Function of different aspects and dimension of each influence from within the interconnection, and not forgetting that new economy, globalization, e-Business, human diversity are self-reinforcing phenomenon, it can be discussed about *a positive* or *a negative synergy*.

2. Theoretical approach of the company's insight view

As it is obvious the very enlarge frame and increased complexity, *a strategic way of thinking* becomes imperative at each organization level**.** *Strategic management* is the conduct of drafting, implementing and evaluating cross-functional decisions that will enable an organization to achieve its long-term objectives. Speaking about the implementation of a strategy, it can be focus on two main directions:

 - *knowledge outcomes management* **-** *taking more into consideration time and financial aspect, operational and technology support,* meaning *managing the process* (monitoring results, comparing to benchmarks and best practices, evaluating the efficacy and efficiency of the process, controlling for variances and making adjustments to the process as necessary). From this perspective, *PIM - Processes Integrated Management, Reengineering, TQM - Total Quality Management, Continuous Improvement (kaizen), Risk Management and so on* are not *fads* (as they were labeled due to their one-side approach of the economical phenomenon and to their shortage of *synergic and dynamic* view) but *tools* used by the managerial staff in order to accomplish its goal.

- *knowledge process management - taking more into consideration the human factor* (assigning responsibility of specific tasks or processes to the appropriate specific individuals or groups, establishing a chain of command or some alternative structure such as cross functional teams, called *interlocks*, assessing training need, enhancing communication and so on).

Each of the previous mentioned management approach can successfully sustain the competitive advantage achieving but not on the long run. This is why using the *twister symbol* this paper sustains the importance and necessity of a dynamic and synergistic approach of both of them.

3. Competitive advantage through a dynamic and interdisciplinary vision

Appearing the necessity of understanding how one factor change impacts elsewhere, we developed a tool helping us understand how complex systems work and flushing out the long term impacts of a change. In our opinion, a good diagram shows how changing a factor may feed back to affect itself.
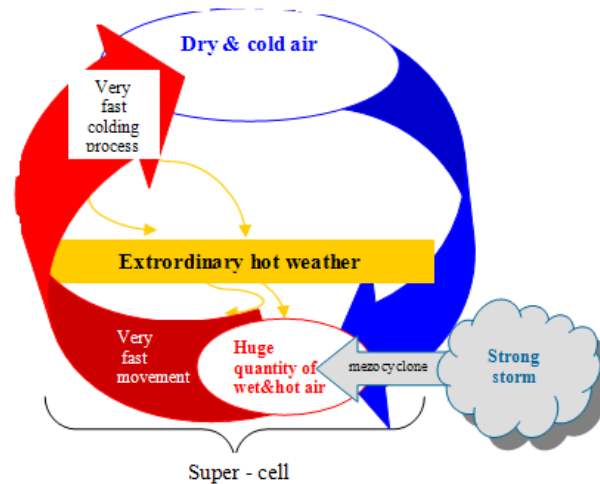

Fig.2. Tornado creation

Our opinion is that a *tornado's diffuser* takes birth and evolves similarly to economic phenomenon (figure 2). Everything seems to be created from nothing and to escalade its status-quo as tornado does. And exactly like a tornado that appears as a unique one (for real being more than one but linked between them), so it is the human activity result.

As the tornado is spinning itself, it achieves every time a second target, describing both a horizontal and longitudinal movement, in the same time. From the economic perspective, the competitive advantage is in a continuous change and improvement, its maintaining asking for a dynamic and interdisciplinary perspective.

As it can be seen in figure 3, the tornado's diffuser has an upper side and a lower side of its loops. From our point of view, the first one is associated with the *knowledge outcomes management,* while the last one enhanced by the human diversity is associated more with *knowledge process management.*

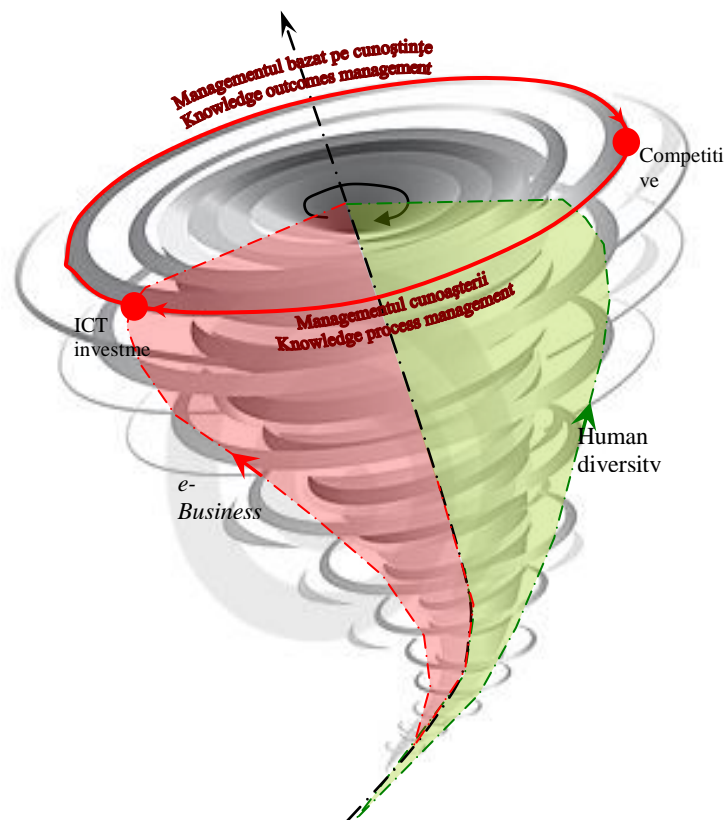In order to make it clear we have to explain what we understand by two of them.

Fig.3. Knowledge management's tornado

A - *Knowledge outcomes management (strategy implementation based on processes' efficiency), mainly focus on the complete implementation of e-Business concept seen as an open source* (using network intelligence technology within business processes in order to improve them and to create *a huge global network and data base).*

Far away of being a simple navigation on the *Internet*, *e-Business* makes people to rethink a business with the aim of enhancing its competitiveness level. The final result is or, at least, should be an extension of human ability for competing within the new global economy because *e-Business* does not take into consideration only the commercial relation with the customer or the processes from within the company, but also the perfect *integration within organizations*. It can be said that *e-Business* started a revolution completely redefining relations between sellers, suppliers, partners and customers (Ghinea, V., 2006).

If somebody looks at the current situation, he can divide the *Internet* presence of an organization into six phases (Amor, D., 2000): a) "Hello, I'm online, too", b) "Structured Web site", c) "Trying *e-Commerce*", d) "Doing *e-Business*", e) "Persuasive *e-Business*", f) "One World - One Computer". Presently, most companies are somewhere near or between phase 2 and 3. Only some of them are moving towards phase 4. From this perspective, it becomes obvious that the concept of *e-Business* is larger than those such as PIM, TQM etc and also assumes them.

As it can be seen, the main characteristic is the perfect lay-out and interconnection of information and processes. So, most of all, this is the case of using *explicit knowledge.* In an ideal situation, the personnel of such a based on procedures company, having perfectly described tasks and all the necessary information, will count on a clear *job description* (more important than the individual who fills it) and will not need high creativity, qualification or experience in that specific field; therefore *recruitment and selection process* will be focus on assimilation of IQ & EQ medium level employees and periodical *training providing* (more technical approach) as well as a *continuous learning process*.

Hence it is needed a *perfect integration of the employees within the puzzle of the existing organizational culture* (hiring of new personnel in conformity with pre-established mould). As Tomas Jefferson said, "*the patch should fit the whole*" (Myers, K., 2001). It can be maintained in this way the sustainability and unity of the company, its power related to external environment, its possibility of achieving the competitive advantage. Nevertheless, this process brings some stereotypes, too: information packages standardization, necessary competencies standardization, approved behaviors and knowledge level standardization, and so on. It even can come to a role organizational culture (controlled by procedures and rules, and having the power associated with positions, not people).

Without doubt, that goes to *a standardization (stereotype)* of processes themselves and of the employees, too, but, more than that, of the possible customers. Paradoxically, the final result is some *similarity* obtaining within a global world speaking about diversity (most management systems allow only similarity even if managers declare they encourage diversity*)*.

Because of its fundamental use of *knowledge outcomes* (*all notions, ideas and special information that someone has within a certain frame)*, the development and implementation of this strategic approach it will be called *knowledge outcomes management.*

B - *Knowledge process management,* on the other hand, managerial process focus on human factor as *holder* and *creator of knowledge***,** recognizes the importance of a human resource strategy (individual and collective approach in order to obtain a valorization of intrinsic / tacit knowledge, as well as extrinsic / explicit knowledge, but also to reinforce ways of knowledge creation).

Generally speaking, recruitment actions have to be coherent and connected with the HR strategy and general strategy of the company. Therefore, the size and the scope have to be relevant for each position aside, too. Here**,** *recruitment and selection process* must target employees with an appropriate IQ (higher than in the first case), and an EQ high

enough in order to ensure a better and easier integration within the group whose values and beliefs follow to be assimilated and also influenced by them in a positive manner, if possible.

The necessary training providing is decreased at minimum. High EQ supposes *creativity* and *imagination* ("*Imagination is more important than knowledge, because knowledge is limited, whereas imagination embraces the entire world*", Albert Einstein), but nevertheless, creativity means experts, too (strong personalities, mental independent and highly creative persons, difficult to be fitted in restrictive moulds). That imposes a certain flexibility of companies that have to build and develop itself as a result of each employee development apart (targeting a diversity intensification even where is nothing but similarity). Thus everything that a company offers becomes less important than knowledge generated by each individual.

Looking for improving its profit, the company looks also to achieve the competitive advantage basing equally its success on organizational culture and information transfer. It is here about a *managerial approach focus on knowledge creation process.*

Both approaches are equally important for a company's well-run. Even if managers are sometimes tempted to incline the balance one way or the other, the reality is that there is no long-run achievement of the competitive advantage without an interdisciplinary perspective. The welfare of a company leans not only on its processes efficiency improvement but also on the appropriate human approach. The managerial staff has to take into consideration the tied interconnection existing between individuals, their creativity, new technologies and the company's processes implemented actually by the same individuals. There is no right or the best strategic approach. There is only a mixture of people appreciation, of their working power, their imagination and adaptability. This means that no managerial system has to enhance only the knowledge outcomes perspective or, on the contrary, the knowledge process one.

A *reengineering, total quality management* prescription or something of the kind cannot offer the supreme secret. As in life, they are only ways of sustaining the well-run. They are general tools, if we come back at the organization approach. And regarding the importance of *e-Business* and *strategic human resource management*, they can be seen as methods of a strategy implementation, each of them being focus more on a part of the knowledge management (*knowledge outcomes management* and *knowledge process management*). Thus, going deeper on this stream, we find as primordial root the *strategic vision.*

4. Conclusions

Concluding, it can be said that the entire world has to surpass some profound changes regarding its structure. At individual and also organized level, it is forced to assimilate the results of a powerful and fast *informational technology development*. In the same time, it stays imperious necessary to not forget that everything is built on each person's *creativity*. Still, creative persons are hard to be integrated asking every time for flexibility. Thus, there is a need for equilibrium between similarity and diversity, for a homogeneous human capital creation starting from a diversified labor force (*through a convergent management based on knowledge outcomes and knowledge process)*; the final reason is not only the increase of the profit but the competitive advantage achievement and its maintaining.

Taking into consideration that the model presented here can be improved, we declare it like a starting point of a larger study. Even so, it allows the simulation of a company's complex systems, helping to reveal its factors interaction.

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