Business competitiveness: a theoretical review

Calvo Fuentes, Maria Alejandra and Ponce Ponce, Citlaly Nohemi and Juarez Lugo, Kassandra Cristina

University of Vizcaya

18 June 2020

Online at https://mpra.ub.uni-muenchen.de/107856/
MPRA Paper No. 107856, posted 22 May 2021 00:40 UTC
Business competitiveness: a theoretical review

María A. Calvo Fuentes, Kassandra C. Juárez Lugo y Citlaly N. Ponce Ponce
University of Vizcaya

Abstract
The aim of this paper is to analyze the different ways that allow addressing the issue of business competitiveness under the economic, political, social and cultural scenario at the municipal, regional, national and international levels, for which reason a documentary investigation is carried out considering its importance and its definition in the industry sector. It was obtained as a result that the most important factors in business competitiveness are innovation, flexibility, productivity and quality, moderately placing itself in a satisfactory category for customers, always considering the opportunity for improvement in technology, it is recommended to design strategies to strengthen resources and procedures used so that the productive sector is always competitive, where the organization promotes attitudes in favor of the strategic vision that are responsible for implementing best practices, generating positive effects on the performance of the human talent of employees.

Keywords- Global market, effectiveness, efficiency, innovation, strategies, customer.

Resume
The objective of this article is to analyze the different ways that allow addressing the issue of business competitiveness under the economic, political, social and cultural scenario at the municipal, regional, national and international levels, for which a documentary investigation is developed when considering its importance and its definition in the industrial sector. It was obtained as a result that the most important factors in business competitiveness are innovation, flexibility, productivity and quality, being moderately located in a satisfactory category for customers, always considering the opportunity for improvement in terms of technology, it is recommended to design strategies to strengthen the Resources and procedures used so that the productive sector is always competitive, where the organization promotes attitudes in favor of the strategic vision that are in charge of implementing the best practices, generating positive effects on the performance of the human talent of the employees.

Keywords- Global market, effectiveness, efficiency, innovation, strategies, customer.

INTRODUCTION
According to Saavedra (2012), competitiveness is an important factor within the organizational environment, particularly in the global environment, which is increasingly dynamic and where the technological revolution facilitates communication between countries and improves productivity, evidencing the qualities as well as weaknesses of the companies. For Ortiz and Arredondo (2014), each company adopts different conditions and characteristics that directly affect the way of acting of the members, and the way of perception of these characteristics that make up the organizational climate. Likewise, Saavedra (2012) refers that, to improve competitiveness in companies, it is necessary to start from within them and know the factors that determine it. Considering an adequate organizational climate, for the development of their work within an internal environment using their knowledge and skills in a convenient and timely manner. It was obtained as a result that the business competitiveness factors present in the commercial sector are innovation, productive flexibility and quality, ranking in a moderately satisfactory category, considering the technology indicator as an opportunity for improvement. It is recommended to design management strategies to strengthen the technical resources and procedures used for the productive sector, where attitudes in favor of the strategic vision are promoted in the organization, aimed at implementing the best specific human management practices, generating positive effects on the performance of the human talent.

The concept of competitiveness has acquired a great presence in the literature both internationally and locally when analyzing the economic progress of both countries and companies, these competences derive from the fact that the market for this type of companies must be competitive, but all this through their production methods, if they are of a high level, help them to emerge in the market and stand out from the rest. The feasibility of a company reaching and maintaining its levels of competitiveness is concentrated in the distinctive competencies or competitive advantages that it develops internally and in the external conditions provided by both the industry or sector to which it belongs, as well as the region-country in which it is located (Cabrera-Martinez, López-López and Ramírez, 2011).

Next, the next point will explain what models to use and factors to follow within a business competitiveness.

II. METHODOLOGY

On the other hand, as an example in an investigation the main objective of this was to describe the business competitiveness factors present in the commercial sector of Mexico and Colombia, with the theoretical approaches of Kreitner and Kinicki (2007), Bañuls (2009), Weitz (2015), Ortiz and Arredondo (2014), Rodríguez and Rodríguez (2017) and Ramírez M, (2018). With a descriptive, transectional field methodology. The study population was constituted by the personnel of the commercial companies of the Olympic Super Store (SAO) and COPPEL stores, considering as the universe of the population, the commercial sector of Colombia and Mexico. The sample was one hundred and twenty (120) key informants; specifically the permanent administrative staff that works in these companies. The technique of the
survey using a questionnaire, structured by (12) items, with a Likert-type scale, for selecting multiple responses. It was obtained as a result that the business competitiveness factors present in the commercial sector are innovation, productive flexibility and quality, being located in a moderately satisfactory category, considering the technology indicator as an opportunity for improvement, it is recommended to design strategies to strengthen technical resources and procedures used for the productive sector, where attitudes in favor of the strategic vision are promoted in the organization, aimed at implementing the best specific human management practices, generating positive effects on the performance of human talent.

However, companies survive and are successful if they are competitive. In addition, the economic contribution in the analysis is indisputable, because in a competitive world, where companies in perfect competition are mixed, together with monopolies and oligopolies, they all have to achieve the highest production with the resources they have at their disposal or, if You want to focus on competitiveness from the optimum, you have to know that you cannot go beyond the production factors you have; in other circumstances, companies die (Cabrera, López and Ramírez, 2011). Diaz (2007) and Mañalich (2004), affirm that there are two elements that really determine competitiveness, one is the microeconomic level that includes the company's ability to capture the market, the attitude of selling what is produced and the ability to maintain or steadily increase its market share; and the second is the macroeconomic level, which includes the ability of a country to participate in markets, the country's attitude to face competition, achieving the central objectives of economic policies.

The study carried out by Esser, Hillebrand, Messner and Meyer-Stamer (1996,) analyzes the concept of systemic competitiveness, establishing a frame of reference for both industrialized and developing countries and its premise is “integration social, demanding economic reforms and a project to transform society” seeing it from the point of the industrialized country has a better benefit since it has other companies at its disposal and they can help each other and become a whole production chain but All of this needs good management on the part of the one who takes the first step to its development and those who are in development even with some difficulties may stand out for a better process should be expanded.

Likewise, the success of a company is expressed in its strategies and policies in favor of its competitiveness, but they need to be constant and innovative in order to maintain their organization above the others, all this as a key factor the company will be successful. All these types of actions will contribute to the level of competitiveness of the company (Aragón and Rubio, 2005; Berumen, 2006; Estrada, García and Sánchez, 2009).

III. LITERATURE REVIEW

In the first place, in relation to the article by Savedra (2012), from the magazine “A proposal for the determination of competitiveness in Latin American SMEs” points out that competitiveness is fundamental within the global market and that to be more competent it is important to be dynamic and support us of technology, since today technology is very important to carry out commercial relationships, as well as to take advantages against competitors in the market. On the other hand, Ortiz C. and Arredondo E (2014), in their work on "Competitiveness and success factors in software development companies." that each company develops
characteristics and skills that affect the way they act and make decisions within the organization, which help them to be more competent, which in turn Savedra, (2012) in the article in the same magazine, points out that to improve competitiveness it is important to start within the company, to know the function and factors that develop the different areas of the company.

On the other hand, in terms of methodology, some authors such as Kreitner and Kinicki (2007), Bañuls (2009), Weitz (2015), Ortiz and Arredondo (2014), Rodríguez and Rodríguez (2017) and Ramírez M. (2018), agree that for terms of business competitiveness and to describe its factors, it is advisable to use a descriptive, transectional field methodology, which implies observing and describing the behavior of the competition, through customers, but without influencing it in any way. That is why in the example, surveys were applied based on the Likert Scale model, the most suitable method because it provides statistical elements that influence decision-making, in addition, it is possible to know the degree of satisfaction that customers have with our products / service, a key point that will help implement strategies to improve our production process, the relationship with the client and the quality of our product / service, without a doubt a great advantage to be more competent (Esqueda, 2017a; Esqueda, 2017b; Ang, Martinez and Esqueda, 2013; Esqueda, 2013, Esqueda, 2018).

Finally, according to Esqueda-Walle (2016), international competitiveness in the context of globalization is increasingly strong due to the fact that it encompasses numerous figures of territories, which is why it is often called global in scope, in this sense it is important to know that competitiveness is overvalued by national and subnational governments, because it looks at competitiveness with certainty of economic growth and development for the country, but competitiveness is more about a possibility than a certainty. In the same way, Esqueda-Walle (2017) points out that, within the economic context, competitiveness is fundamental for the economic development of the country and allows us to employ strategies that help achieve a more prosperous, inclusive, lasting territorial development and strengthen ourselves as a nation at the level international.

IV. CONCLUSION

In conclusion, it can be said that competitiveness has evolved throughout the changes that have occurred over the years in the economic, political, social and cultural fields, among others, in addition to focusing on the weaknesses and capacities of the local, regional and international companies in their industrial development, this allows to have a specific knowledge of how companies develop in their various areas and what is the competitiveness they handle. However, due to this, as the complexity of new forms of industrial organization increases, competitiveness acquires validity and greater strategic values in companies to develop industrial plans in developing countries, which constitutes a very valuable contribution to create new alternatives of industrial development that allow the achievement of economic growth in many parts of the world, certainly this evolution or the growth they have is thanks to their innovation and with this they attract all kinds of business skills and all this leads to a This competition cycle or business union benefits or harms depending on the position of each company and brings us to the point that we all want to be at the top of this business competitiveness since those companies that can have more benefits and better profit To become international or expand to that level obtain a great responsibility, since this brings with it greater
growth, that is, if one reaches the dreamed objective it should not stagnate, it must propose another objective to be more innovative and allow it continue to grow, it is important to highlight the financial factor and its imperative need to modernize, also, it is important to point out the fact of not neglecting our clients, since they can assign an added value to our brand and in them we can study the competition through of statistical data that influence decision-making and that allows the company to reorganize itself by taking the necessary strategies to improve management in terms of customer relations, production, advertising, etc. This will undoubtedly be a good support to consider in front of different companies and in terms of competition the investment possibilities that can be made with other large-scale companies, it allows us to create a collaboration with them that will help us to become stronger in the global market already meet the objectives within international business as they are; expand sales, acquire resources and reduce the risks of losses or other factors, due to the fact that in the global market competition is strong, they rely on technology and are always in constant innovation processes, a clear example of this is the company Apple against the Samsung company, these companies keep on the rise thanks to the innovation of their products, services and the desire to control the market by manufacturing new electronic devices, in addition, for these companies the perception that the customer has regarding their product / service, that is why the cell phone market is currently divided by these two large companies.

Undoubtedly, it is very important to know the activities carried out in our company, to know the client, the market, to be constant and be open to new changes, to the use of technologies and strategies, but also to be clear about the objectives that as a company we pursue and not lose sight of them along the way and then only in this way can we achieve success for our company and be the most competent.

REFERENCES


