

COMPETITIVENESS, A MANNER TO MAINTAIN ORGANIZATIONS ON THE MARKET

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Abstract:

To be competitive is an objective phenomenon within the surrounding world. This feature does not belong only to the economic field, but to other activities. We can meet competitiveness in politics, culture, sports, social position, as well as in satisfying communication, expression or social recognition needs.

Keywords: competitiveness, visible competitiveness, invisible competitiveness, ignored competitiveness, competitive assets.

JEL Classification: M21

Specialty literature includes a variety of opinions on the concept of competitiveness trying in fact to explain the organization's position on the market.

Competitiveness means:

- Raising the product quality level together with maintaining minimal costs;
- Maintaining quality at the established level, restricting however productivity growth;
- Lowering product or services costs, raising the degree of using materials, taking into consideration the importance of the market research and clients' preferences;
- Benefits for technical performances and exploitation savings granted by the producers on the market, in comparison to similar products and services or those considered to be standard;
- The organization capacity to earn in competitiveness on domestic and foreign market.

Out of the explanations above we can stress several *aspects*:

- Competitiveness is a double function concept: to *assess* the evolvement of the organization on the market, and to *direct* to various ways (quality, price, cost, reliability, replacement) of its evolvement on the background of competitiveness;

- Competitiveness obliges organizations to be in permanent competition on the market, where according the competitors' level of evolvement and degree of knowledge holds a certain position;
- In a competitiveness environment any organization has to be aware and provide the needs of consumers;
- Competitiveness is connected to a series of notions (competition, competence, competent etc.) which becomes complementary in understanding this concept.

Also, a part of the elements included by these explanations refers to *generating and starting factors* of competitiveness. Thus, the main generators of competitiveness are: supply and demand, product or service quality, prices, social need, adaptability, while the starting factors of competitiveness include from the point of view of:

External environment: products and services, clients, market and prices;

Internal environment: quality, cost, flexibility, replacement, organizational, operational safety, organization dimension.

Factors allowing regaining competitiveness are considered the following: adjusting to changes, quality and flexibility.

According to the way they are used, generating and starting factors of organization competitiveness may answer back slowly, rapidly or instantly to the manner of manifestation of internal and external environment or to the demand of the beneficiaries of products or services on the market.

Analyses on organization competitiveness used the following *typology*:

- *Visible competitiveness*;
- *Invisible(relational) competitiveness*;
- *Ignored competitiveness*.

a) *Visible competitiveness* expresses commune and accessible aspects such as: presentation manner of the activity object, delivery, wrapping, price, quality expressed by maintainability, and reliability, aggressive advertising;

b) *Invisible (relational) competitiveness* expresses aspects such as internal manner of organizing, management particularities, adaptability to new requirements and needs of clients, acceptance of changes;

c) *Ignored competitiveness* refers to aspects such production or dimensional monopoly, relationship between supply and demand, protectionist legislation, pioneering situation.

Concerns to get oriented into competitiveness and position within competitiveness take into account the concept of competitive asset. According to the concern for getting oriented into competitiveness, the competitive asset

represents from the clients' point of view the higher quality products of an organization or providing similar products and services as the competitors' ones.

This definition takes into account the effort delivered by the organization to accept and implement change, to have control on resources (especially material resources) to avoid useless or over-sized costs, and to observe national and international quality standards.

According to its position in competitiveness, the competitive asset represents the place occupied by the organization into the competing arena in a certain field of activities as compared to other competitors, a place that allows the organization to obtain turnout and prestige on the market.

This definition expresses the degree of discrimination between one organization and the rest of the competitors on the market, by the way its products and services are satisfying consumers' demands, by the way it provides higher achievement value and thus controls the prices or submits these to negotiation in accordance to how much organizations are aware with their competitors' conducts and evolvments.

The competitive asset is determined by several influential factors: the type of organization (national, multinational, transnational), the kind of competitiveness (perfect, imperfect, loyal, un-loyal), field of activity and its impact on the social needs, organization economy, level of information on the competitiveness and dimension of the accepted and implemented novelties.

By combining resources and experience, the organization obtains a competitive asset allowing it to face fluctuations within business environment. Expertise and resource support the competitive asset of an organization, while combining these allows organization to reach the concept of collective learning (undergone by the entire personnel) to ensure a higher position on the market and to have the organization included in a business network.

There are two *aspects* in approaching competitiveness, disregarding its kind of ownership and dimension:

- 1) Organizations have to have the capacity to permanently and actively maintain on a competition and evolvment market, reaching turnout to allow by its own forces (resources) financing targeted objectives.
- 2) *Passing at world level* from the idea of competitiveness gained only by higher quality and lower prices to a *new concept* to lay stress towards knowing market and competitiveness, adjusting to change, flexibility in introducing new things, rapidly acquiring new manners of communication.

Ensuring capacity of competitiveness entails the modification of the organizations' conduct, identifying directions of action able to orient their effort to optimize current activity and prepare technical and economic premises for further development, to create condition for quick adjusting to the change of insure and hostile surrounding environment.

Identifying tangible direction to ensure competitiveness supposes to act at the same time from the managerial point of you as *follows*:

A) Reexamining the role and place of each and every function of the organization, establishing the frame of their action, enlarging or decreasing their area of covering, determining their connections so that to help achieving targets in conditions of competitiveness..

In this situation we can mention the following *changes*:

- 1) Resizing the research-development function by its own efforts or by cooperation with specialized institutes;
- 2) Achieving within the commercial function certain activities aiming at researching domestic and foreign market, directly negotiating and contracting with foreign beneficiaries, promoting products and creating brand images, procuring raw matters and materials in accordance to technical technological changes;
- 3) Conceiving and achieving activities within the personnel function, the main role being played by the education and specialization in accordance to the strategy of development, investigating on the psychological state of the personnel and setting up positive motivational strategies to provide connection between answering to personal needs, expectations and interests and reaching the goals of the organization. All these have to influence on the personnel's conduct to be creative and performing.

B) Modifying the managers' vision on the way they are thinking the organization structure in accordance to the necessary request to resize research-development, commercial and personnel functions, a reason for which it is necessary to ensure:

- Being aware in useful time on the evolvement trends of the market, technique and technology;
- Favoring the introduction of new products and technologies even before the demand of these raises, granting so an offensive conduct to the organization;
- Logically simplifying the goals of the organization as reported to the evaluation and hierarchy of the other components in order to make decisions in the respect of various notions: technologic and commercial risks, how much the innovation is spread, lifetime of products and services, organization lifetime;

- Remodeling the organization structure by: setting up, merging shutting down compartments, making up ad-hoc working groups and collectives to solve problems produced by the popping up un-scheduled activities, or for already existing activities when collectives or persons working in these activities are not able to solve them.

C) Existence of new ways to share incomes and turnout between the organization and the State by an acceptable taxation system, as well as between the organization and its personnel so that to ensure premises of a force able to support strategies and policies to sustain competitiveness.

Acting in these three directions, the organization is laying premises to accept changes and pass to an innovative or virtual dimension positively involving its position on the market.

It seems there are *forces and elements of the* organization competitiveness on the international level.

Competitiveness forces on the international level are considered to be the following:

- Increasing similarities between countries (by the apparition of similar elements of infrastructure, in distribution channels, in marketing approaching of the organizations);
- Global capital markets;
- Quitting tariff barriers in certain countries;
- Restructuring technology;
- Integrating technique and technology in the actions of the organization, and coordinating complex activities to various geographical areas especially by information means.

Favoring elements of competitiveness on world level refers to the following:

- Economic discontinuities in the last decades in various countries;
- Eroding of the traditional competitive assets, such as, ensuring quality in accordance to international standards;
- Existence of protectionism forms out of which the tariff protectionism which became significant lately;
- Manners of government boosting by encouraging potential investors by legal facilitation;
- Tightening coalition between organizations aiming at joining their forces, in order to overcome their weaknesses so that to rank highly on the market to eliminate other competitors.

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