

Competitive advantage

Telecommunications management & strategy

Ewan Sutherland

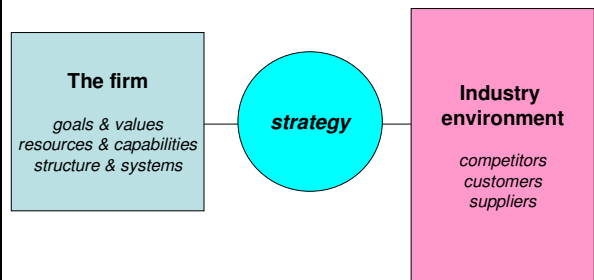
Introduction

- Competitive advantage
 - resources and capabilities
 - value chain
 - core competences
- Grant - Chapter 5
- Case study: Eastman Kodak

Resources and capabilities

- A basis for formulating strategy
- Identify and appraise
- Evaluate the potential for competitive advantage
- Formulate strategies
- Identify means to develop useful resources and capabilities

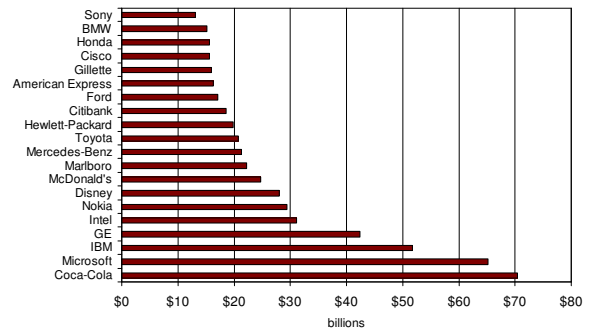
Resources and capabilities

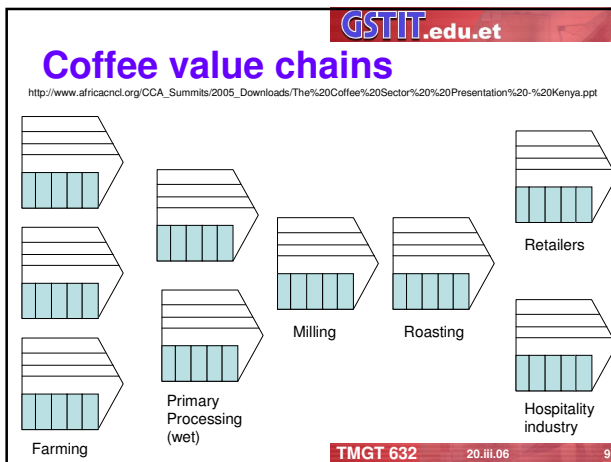
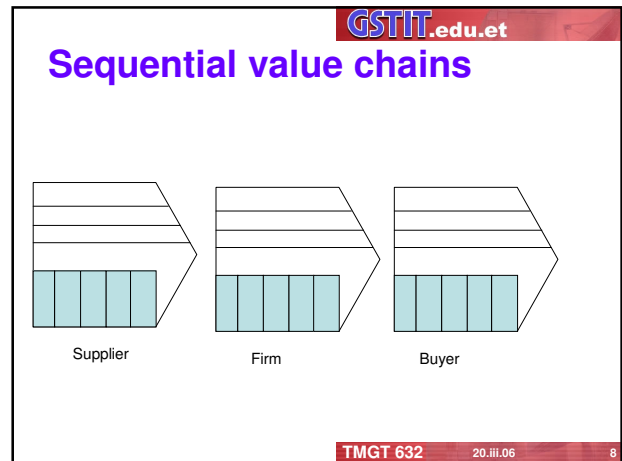
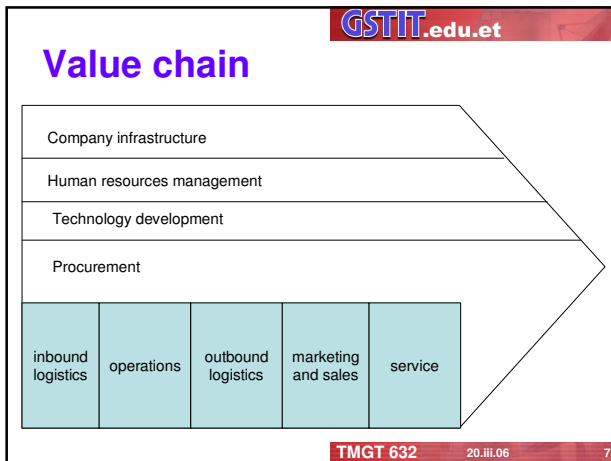


Resourced-based view

- Deploying the existing resources
- Filling resource gaps
- Developing future resources
- **Tangible:**
 - financial
 - physical
- **Intangible:**
 - technology
 - reputation
 - culture
- **Human:**
 - skills and know-how
 - capacity for communication
 - motivation

World's most valuable brands





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- ## Hierarchy of capabilities
- Cross-functional
 - Broad functional
 - Activity-related
 - Specialised
 - Single-task
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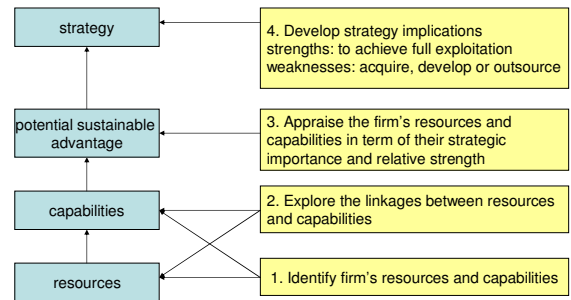
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- ## Profit-earning potential
- Extent of competitive advantage established:
 - scarcity
 - relevance
 - Sustainability:
 - durability
 - transferability
 - replicability
 - Appropriability:
 - property rights
 - relative bargaining power
 - embeddedness
- TMGT 632 20.iii.06 11

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- ## Practicalities
- Identify key resources and capabilities
 - Appraise resources and capabilities
 - Develop strategy implications
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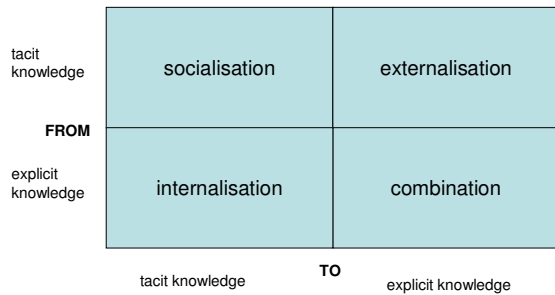
Capability development

- Mergers and acquisitions
- Strategic alliances
- Incubators
- Product sequencing
- Managing the process

A framework



Knowledge-based view



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