

Managing competitiveness in XXI century: effective business instruments

V. N. Dyakonova
33702/3

Idea and factors of competitive ability

Competitive goods is mainly marketing field of research, which educe essential consumer qualities and terms of goods proposal in the market with a view to ensuring great demand for it.



Idea and factors of competitive ability

A competitive company – is the problem of strategic management which allocates the targets of business profitability and its benefits, which are necessary for long-term market presence.



Idea and factors of competitive ability

The leading researchers in this field consider market share and profitability as the basic criteria. The positive dynamics of these rates in the longer term mean that the product of a company finds a market.



Competitive ability control – environmental factors

External factors classification:

competitors;

consumers;

suppliers



New competitors are inclinable to appear in those branches which demonstrate high profitability over a period of time. At the present time the generally recognized means in competitive struggle and survival on the market is co-operation.

Competitive ability control – environmental factors

If business expansion rates are falling and there are no internal sources of optimization and development, then merger with one of the competitors or his absorption can give the strongest impulse concerning further development of the company.

In such a manner a company changes the structure of the market:

- the number of players is declining;
- a competitive pattern and market power of individual firms are changing;
- a character of mutual relations with customers and suppliers is modifying.

Competitive ability control – internal environment factors

By all means business external environment is the most important base for searching for competitive advantages.

First of all it concerns the situation when substitute goods and services appear.

Now we can see Nokia loses its position and iPad Apple comes to the front.



Competitive ability control – internal environment factors

There are no universal formulae of control as for internal environment. Traditionally the inner environment of a company is divided into resources and competences or business-processes. In their course interaction of resources takes place.

The recourses can be divided into:

material;

non-material;

human.

Conclusion

Strategic leadership, as a new organization management style in the 21st century wherein management direct all human recourses of a company to creation of knowledge and innovations, has the most important meaning in management of internal environment.

And it results in business cost increase, market share and level of profitability as the basic indexes of a company's competitive ability.

Thank you for attention!