

Difference related to the rbv and relational view in interorganizational coopera...

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The Resource-Based-View (RBV) and the Relational View are two insights on firms creating sustained competitive advantage. This sustained competitive advantage occurs when a value creating strategy is not implementable by competitors and other firms are unable to duplicate the benefits of the strategy. In order to distinguish between the perspectives of the Resource-Based-View and the Relational View it is important to have a clear definition of both concepts.

The basic principle upon which the Resource Based View builds, is related to the idea that firms are heterogeneous in terms of the resources they possess or control (Reed and DeFillipi, 1990). The resources a firm possesses or control enable it to conceive and implement strategies that improve effectiveness and efficiency (Barney, 1991). In order to create sustained competitive advantage, resources need to be rare, valuable, nonsubstitutable, and difficult to imitate. Competitive advantage in the RBV, focuses on resources that are housed within the organization (Dyer and Singh, 1998).

The Relational View is based on the idea that organizations that combine resources in unique ways may realize an advantage over firms who are unable to do so (Dyer and Singh, 1998). The Relational View focuses on network routines and processes for understanding competitive advantage. According to Dyer and Singh (1998), this competitive advantage is possible when alliance partners combine, exchange or invest in assets, knowledge, and capabilities and also employ effective governance mechanisms.

These mechanisms are in combination with cultures, critical in creating appropriate incentives for knowledge sharing, and therefore in creating complementary competitive advantage. The Relational View complements the RBV by arguing that a firm's boundaries can be spanned. Furthermore, it incurs aspects of Transaction Cost Economics, because it is based on the mechanisms of joint value creations (Hennart, 1988). Combining those theories allows for richer analysis of competitive advantages (Lavie, 2006).

To sum, besides the difference in unit of analysis, the primary source of obtaining competitive advantages differs. Also, the control mechanisms are different. Finally, whereas the mechanism that preserves profits is in the situation of the RBV, firm level imitation and are in the Relational View network barriers. In respect to interorganizational cooperation. The RBV fails to acknowledge that performance gains that materialize exclusively within the learning alliance. However, this organizational learning is seen by the Relational View.

Mesquita and Brush (2008) argue that three factors associated with interorganizational cooperation increase performance, which can not be found in the RBV: joint knowledge acquisition, suppliers' investments in dyad specific assets and capabilities, and buyer supplier alliance relational governance. They conclude that the RBV helps to create a fundamental link between a supplier's advantages from expensive to imitate assets, whereas the Relational View suggests that these advantages are interlocked in the network relationship.