

My opinion



Producing Sustainable Competitive Advantage through the Effective Management of People The article being analyzed here has an absolutely self explanatory title indicating that the entire discussion is based upon attaining the competitive advantage through effective people management in the organization. It entails a rightly stated consideration that the organizations achieve success and accomplish their objectives by getting the work done through people with the help of superior leadership instead of replacing them with the new labor force. The Porter's Five Force model, though, is a conventional method of analysis, however, in my opinion, it still outlines useful measures of analyzing the companies positioning. By looking at this, the shifting trends of competitive analysis and the sustainability of the organizations have also been possible. I think that the concept of people management and its role in the sustainability and competitiveness of the organization is directly proportional to one another. The example of Southwest airline mentioned in the article clearly suggests that despite of having the best rates of its stock, the company did not achieve success and growth; while, in the later years, it achieved competitive advantage by successfully competing in the industry with the help of its efficient labor force. The example of Nordstrom also suggests that the favorable employee compensation and benefits schemes led the store to success. The factors such as employment security, selectivity in recruiting, high wages, incentive pay, employee ownership, participation and empowerment, and their training and development contribute to the organization big time. I think that, besides the monetary benefits, even non monetary enhancements such as promotions and autonomy also helps enriching the employee's morale. Thus, the suggestion of people management is and has proven to be

beneficial at every level of the organizations. Works Cited Pfeffer Jeffrey.

Producing sustainable competitive advantage through the effective management of people. Academy of Management Executive, Volume 9 (1). 1995.