

Management strategy

Business



Business is a value proposition for different stakeholders and shareholders that is conceptualized to meet the changing needs of the people at large. In the current environment of fast changing business dynamics, strategic innovation greatly facilitates competitive advantage. The huge diversity within business models necessitates development of unique activities and approaches for delivery of their vision and objectives. The I/O framework and resource based models are used by firms to gain competitive advantage. They are complementary and help provide the firms with leverage in the industry.

Lynch (2003) asserts that resource based strategy of the firm uses unique knowledge base that is creatively applied on all tangible and intangible assets to above average return. Thus, various business processes, innovative products and services, human capital etc. become strong elements of RBC. Apple, Huawei, GM, Wal-Mart etc. are exemplary examples that have been able to maintain their market position through innovative products and services across the globe. Apple and Huawei have creatively evolved new features and techniques in mobile devices to suit the changing requirements of the new generation.

The technology driven resource based strategy that exploits the information to give distinct differentiation to its products and gain leverage. GM has innovated green technologies to make its cars environment friendly. Wal-Mart, on other hand, has judiciously used I/O framework to enhance efficiency of its business processes. The information vis-à-vis customers' changing preferences are used both in new product develop and value addition as well as in logistics to give quality services to its customers and maintain its niche market position.

Hence, I/O and RBC both are critical ingredients of strategic management that significantly enhance performance outcome and provide firms with market leadership.

(words: 280)

Reference

Lynch, R. Corporate strategy. 3rd ed. London: Prentice Hall International, 2003.