

STRATEGY AND INNOVATION IN BUSINESS

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Abstract: *The concept of competitive advantage has become, in the last two decades, one of the most intensely debated and analysed. Considered essential to long-term development businesses and businesses, competitive advantages are seen as true turning points in the activity of businesses. At the same time, competitive advantages are seen as the answer to „Why do some businesses fail to become efficient, while others stagnate or go bankrupt?“ It is true that these advantages must be the main objectives of the business, but attention must direct primarily towards specific sources and through which you can gain competitive advantage. Based on the main objective of any business represented by the desire for profit, strategic management is focused on the integration of all activities of businesses in this direction. The primary role of strategic management is to create and sustain competitive advantages, particularly through analyses, decisions and actions taken by the business.*

Keywords: competitive advantage; business; competition; work and identity.

I. INTRODUCTION

The competitive advantage is the result of detailed analysis and strategic planning, through which the business identifies opportunities arising in the market and exploits these opportunities allocated resources. Strategy is more than drawing a linear direction toward a goal stated above. The strategy is, above all, a way of thinking that involves observation of all activities taking place around the business and decisively influences every decision taken by it. Corporate strategy should represent a lifestyle and not just a means to achieve a particular purpose. Thus, our scientific approach will focus on specific ways that businesses observe and react to different events that occur in the environment in which they operate and the decisions arising from these events in order to identify the mechanisms underlying the growth businesses. It is very important, strategic formulation process to ensure flexibility and adaptability of the chosen

strategies. Dynamic environment in which they operate businesses work requires providing mechanisms by which they will be able to adapt to the new changes, so as to ensure continuity of competitive advantage gained. It should also be noted that nine out of ten strategies fail due to poor design and management of the implementation process. Why? Is it really that important strategic implementation process? The answer to this question is YES. The most brilliant strategy formulated in the most efficient way possible, will lose its effectiveness in the absence of a mechanism to ensure the implementation of the principles and strategic goals. Unfortunately, the theory and practice of strategic importance given to the implementation of strategies is significantly compared to the formulation of strategies. The important causes of this imbalance, from our point of view, result from the different characters of the two processes. Strategic

formulation is an analytical process, being relatively easy for managers to quantitatively assess the environment in which the business operates thus, the indicators obtained by analysing the evidence I can draw conclusions that will lead ultimately to identify and formulate the most appropriate policy options. On the other hand, the strategic nature of the implementation process does not allow full, its structure only based on purely quantitative indicators. The most important part of the implementation strategy is the creation of an optimal context for the strategy formulated to result in the acquisition of competitive advantages. In this respect, significant changes will be brought to the organizational structure, especially the values, attitudes and skills of the staff in the business, leading to the need to change the organizational environment. From the point of view of the possibility of failure of the implementation strategic mismanagement of organizational change is the greatest danger in the first place, because changing values, attitudes or existing rituals rooted in the business, without generating fierce opposition from employees is a very difficult process and, secondly, because the evaluation of the effectiveness of organizational change process is not a purely analytical process but involves analysing data from the employees' mind-set. Based on the considerations outlined above, this paper aims to study the characteristics of central enterprises in the construction industry and the efforts made by them in order to gain competitive advantages. Upsetting relations of cooperation between firms in the same industries lead to the rarefied collective achievements, such as research - development and training, which played a decisive role in promoting technological innovation and labour productivity in developed countries. (Arvanitis, 2004)

II. BEAUTY STUDIO

Public organizations, as opposed to profit organizations, do not have many resources at their disposal. Of the human ones is the most precious and most effective. Here I want to introduce a

differentiation: I talk about the "human resource" and not about "personal". The two phrases attest to a philosophy, a different orientation; if I refer to "staff", I consider our organization's employees to be a definite and finite factor, like a typewriter: each has its place and its use and I can not expect more. "Human resource" refers to the fact that any individual, if necessary, can grow and develop; Emphasizes that employees are not an investment like fixed or mobile capital but are a source of profit for the organization if they are offered the necessary opportunities. This is precisely the essence of human resource management: to teach managers how to create those conditions that allow employees to "produce" more. In other words, the HRM is trying to create the organizational space where employees can reach their full potential.

In order to further clarify the modern perspective on what I call the "human resource", let us also address the fundamental question: "What elements of the human resource are important to the professional activity carried out by it?" The answer becomes particularly difficult if I try to give it for each specialization in an organization, whether public or private. It is easier to give a simpler and more generic response, namely: competence and performance are the two general characteristics relevant to the human resource existing within or necessary to an organization.

One of the most accessible formulas for addressing the problem of human resource competence is the following:

$COMPETENCE = KNOWLEDGE + SKILLS + DEPRECIATION$ (Amenc, 2002)

Knowledge (theoretical) is the result of the educational system that an individual benefits from, sometimes restraining him to aspects of the type of vocational training in a particular field. However, this luggage of theoretical knowledge can not be abusively restricted only to a particular subject, as the concrete situations encountered in the workplace sometimes require the use of general knowledge obtained at the non-specialized (pre-university) level.

Skills are the native qualities of an individual. They can not be created, but only

activated or developed, sometimes some of them being in a dormant, inactive state until they are called. (Altman, 2005)

Skills or skills are the result of putting into practice theoretical knowledge, of course with the contribution of skills. It is usually indirectly referred to them, speaking more about professional experience in a general or specialized field in a specific field of work. In turn, experience is directly related to the concept of length of service, the importance of which is reflected in the level of remuneration enjoyed by an employee.

III. PERFORMANCE = COMPETENCE + ATTITUDE

In order to achieve appreciable professional results, an individual is not only competent enough. He still needs something to lead to performance, reflected in a second formula:

$$\text{PERFORMANCE} = \text{COMPETENCE} + \text{ATTITUDE}$$

If I have explained to this point that competence is the result of summing up three types of human resource specific qualities and that performance is obviously the professional outcome from the point of view of human resource management, I still have to clarify what the link term is between them, and namely the attitude.

Attitude (professional) is the intent of an employee to work, to make the most of the workplace, to use his / her full professional competence. Attitude is closely related to motivation, which is on the one hand of the strictly personal characteristics of an employee, such as conscientiousness or awareness of the fact that he has to give something in exchange for the various rewards offered to him by the organization in which he works, On the other hand it may keep to an even greater extent the external elements of that employee, but which have a major influence on the employee, such as the directing style of the chief but also those at

senior levels, the relationship with teammates, The use of resources and authority appropriate to the specifics of his work, culture and organizational climate, etc.

Once these two human resource problems are clarified, they can become milestones very useful in carrying out activities of major importance in human resources management, the first formula being very useful for recruitment, selection and promotion activities, and the second one Chosen for the assessment of individual performance and motivation of employees.

And now that I have thoroughly explained the issue of the relevant human resource features, let's see how I can make that gain in managerial practices.

Human resources management is the organizational activity that allows the most efficient use of people (employees) to achieve organizational, group and individual goals. (Alvarez, 2005)

Human Resource Management (HRM) consists of many activities, including the following:

- Analyzing and designing job postings
- Personnel planning
- Staff recruitment, selection and orientation
- Advice provided to employees for the future of their personal careers
- Performance evaluation
- Job-specific compensation and benefits
- Health and safety
- Relationships at work
- Discipline, control and evaluation of staff functions, etc.

Obviously, this list is not exhaustive but reminds most of the important actions that the HRM is dealing with.

If I am still trying to describe what the HRM is doing and what it is, then I need to review three important features of this activity. (Allen, 2004)

MRG is oriented towards action. It does not focus on billing, description or rules. HRM highlights and looks for solutions to employee problems to help achieve organizational goals and facilitate individual development and satisfaction.

HRM is individualized. Whenever possible, the HRM treats each employee as a distinct individual and offers services and programs designed to meet their individual needs.

The HRM is forward-looking. It is trained by the objectives of the organization and helps to achieve them by providing "competent", ill-motivated employees.

The objectives pursued by the HRM in its attempt to help the organization become effective include the following:

- Help the organization achieve its goals
- Make effective use of skills and manual skills
- Provide the organization with ill-trained and motivated employees
- Increase the employee's satisfaction with the workplace
- Develop and maintain a quality work environment that transforms employee status into an organization in a satisfactory personal and social situation
- Communicate personnel policies to all employees
- Help maintain professional ethics
- To help introduce beneficial changes for individuals, groups, organizations and the public.

All these goals form a whole. Once they are touched, then HRM can be considered effective and useful to the organization in which they take place.

Here are a few words about the role of manager or specialist in HRD. Unfortunately, I do not have valid data for Romania, so I will have to make comparisons. In 1981, there were 250,000 people employed in the HRM field in the US. Of these, 60% were from the private sector, 30% from the public domain and the other 10% from other areas (health, education, libraries, non-governmental organizations, etc.). The growth rate of the staff I am talking about is 5% per year. Let's focus on the public sector. (Altman, 1995)

If in the private domain any firm can come up with any kind of personnel policy, in the field of public administration the freedom is more restrained; there are laws, rules and regulations that emphasize uniformity rather than flexibility.

Traditionally, the role of the staff department focused on two functions: the routine processing of administrative burdens related to salaries, retirement and other benefits, and the observance of a growing set of laws, regulations and rules. What was the respect for the rules, not the innovation of HRD work? As a result, a rigid system that could not meet the goals mentioned above (or did not intend to meet them). This problem was encountered not only in us, but everywhere, in any administrative system. As the results were not in line with expectations, in the context of the public administration undergoing a general reform process aimed at "humanizing", making it more flexible and streamlining, three strategies have been designed to bring reform to the HRD as well. (Allen, 2007)

The success of a business in the field of body beauty is closely correlated with a number of factors such as the entrepreneurial skills of the initiating businessman, the mastery of the staff who performs the work procedures, the level of knowledge in the field. If the entrepreneurial skills and the mastery of the execution of the working procedures are in close correlation with the competencies of the respective persons, this guide gives the future entrepreneur a lot of useful information, thus contributing to the formation of an overview of the activity he intends to carry out.

IV. CONCLUSION

One of the strategies to engage customers from various segments, is the loyalty card, this becomes another criterion to motivate the customer to return to your establishment. Consider, for example, offering a 50% discount after every five cuts.

Nobody likes to feel cheated, does not it? If you can not keep, do not promise. This applies to the shifts, the duration of the cut, the prices and the final result.

Do not hesitate to ask customers about their preferences. Ask if there is something you want, if you liked the previous cut, if you need some alteration in the structure, if you have

suggestions, etc. Attentive treatment motivates you to return in the future.

On special occasions, such as graduations, weddings or anniversaries, the client may spend a lot of time in the establishment. To avoid having a tedious experience, it is necessary to offer forms of entertainment, such as a television tuned to a channel of interest, updated magazines and free internet access.

Finally, it is worth remembering that it is necessary to invest in surveys that measure the level of customer retention and accompany this evolution over time. A good alternative for that is to bet on a CRM system that gathers up-to-date data on consumer behaviour. In this way, you will identify what gives result and what you can adapt to your company with more effectiveness.

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