



Developing Strategic Capability

WEEK 8

Welcome Back



WE HAVE ALL HAD A WEEK AWAY FROM
LECTURES, SO LET'S REFRESH OUR BRAINS A
LITTLE

Assignment

- 4000 word Report
- Template has been emailed to you and is available on Moodle
- By now you should have made a start
- Introduction – Background on the chosen organisation
- Main Findings – More information about the company. What is the current strategy used? Strengths of the strategy. Weaknesses. Does it create value for the stakeholders? How? Current market position. Vision/Mission, does the strategy align?
- Conclusions/Recommendations – How can the organisation ensure sustainability?

Quiz Time! Module Recap

- Insert Kahoot here

Break Time



Resources and Capabilities



Resources + Capabilities = Core Competence

Resources

These are tangible assets owned (or leased) by the company

Examples of resources include buildings, machinery, manufacturing plant, capital.

This is essentially the 'kit' that will be utilised to manufacture/distribute the product

Capabilities

These are the skills,
the technological
competencies and
the processes used
by the organisation.

The skills can include
time management,
expertise,
communication,
innovation and more

Intellectual Property

- An intellectual creation by someone within the organisation – the 'Idea' and more
- Literary works, Art, Design, Inventions, computer code etc
- These are often protected by copyright or patent. This then legally prevents anyone from using/borrowing/stealing the intellectual property.
- Why is it important to protect Intellectual Property?



Resources, Capabilities & Strategy



WHY DO WE NEED TO CONSIDER RESOURCES AND
CAPABILITY WHEN ESTABLISHING A BUSINESS
STRATEGY?

Activity

- You will be given the name of a company – you are then required to list the Resources and the Capabilities



VRIO Framework

THEORETICAL FRAMEWORK
HELP ORGANISATIONS
IDENTIFY RESOURCES AND
CAPABILITIES



VRIO



It is helpful to conduct a SWOT analysis to identify the internal resources and capabilities, the VRIO framework can then establish the value within them



Value – The first component of the VRIO framework is value – meaning the strength or attribute must be one of your valuable resources providing value to your customer. A strength cannot be a competitive advantage if it is not valued by your customer or market.



Rarity – The second component of the VRIO framework is rarity, or rare resources. You need to assess if a core strength is rare amongst your competition, meaning it is a strength that you uniquely possess?



Inimitability – Can it be imitated by the competition? True competitive advantages cannot be easily copied.



Organisation – Is the company structured to fully utilise the value of the resources?

Recap

Assignment

Resources

Capabilities

Intellectual Property

VRIO



Next week

The class will start at 10am, I will be available from

9am – 10am for an assignment workshop.

Please email me beforehand to book a slot! L.knight@uwtsd.ac.uk