

Critical Success Factors and Their Impact on Achieving Competitive Advantage: An Exploratory Study of the Opinions of a Sample of Workers in IBN Majid Public Company

Rafid Khudhur Radhi Alsaedi

Basra University for Oil and Gas, College of Industrial Management for Oil and Gas, Petroleum Project Management Department
Email: rafid.alsaedi[at]buog.edu.iq

Abstract: *The study aim is to show the impact of critical success factors and their dimensions (top management support, communication, training and learning, change management, organization's reputation) on long - term competitive advantage and its dimensions (core capabilities, creative culture, information technology, strategic flexibility), and where the researchers used the questionnaire as the primary data collection tool. During the selection of a sample of (manager, head of department, and divisional official in the surveyed Company, the size of (100) respondents with the goal of presenting and analysing the sample members' responses and perceptions of the variables and sub - dimensions of the study, as well as testing the study's hypotheses using descriptive and inferential statistical methods, as well as the use of personal interviews and field observations as tools to help in Data (SPSS V.25 16; Excel V). the questionnaire served as the primary instrument for data collection, and the researcher's overarching goal in conducting the study was to evaluate two hypotheses pertaining to the interactions and influences between the two primary variables. As a result of the study's findings, the researcher has come to the conclusion that it is necessary to implement a strategy to educate workers on the value of recorded information so that the business may reap its full benefits.*

Keywords: Critical success factors, competitive advantage, Ibn Majid Public Company, Organizations

1. Introduction

Recent changes in the work environment have put pressure on companies to perform efficiently and effectively in order to compete in the market. As a result, restrictions were lifted and companies were forced to deal with a sharp and continuous technical change in the workplace, and marketing gaps became the target of attack. As a result, senior leaders resorted to formulating careful strategies and implementing them with great precision, as any error can result in a severe consequence. These errors may be caused by a group of factors known as the critical success factors, which are the entrance that has been established and disseminated over the years, and since then it has been the focus of writers and researchers because it can be interpreted as a warning and an alert about the dangers facing the company. And that the critical success factors provide senior management with a report detailing the information required to avoid catastrophe and the sources of that information, as well as being a prerequisite for achieving a sustainable competitive advantage. The sustainable competitive advantage is one of the important topics in the field of strategic management that rises to the surface when discussing companies and how to manage them for success and excellence, as it represents the most important factor in achieving any goal that companies aspire to, as well as the ability to use its resources effectively. Due to the rapid changes in the internal and external environments, there has been a recent significant shift in the future ideas and visions that companies have. For the purpose of determining the nature of the relationship between the critical success factors and the sustainable competitive advantage, the study consisted of four sections, the first of which dealt with the

study's methodology, the second with the theoretical aspects of the critical success factors and the sustainable competitive advantage, the third with the scientific aspects, and the fourth with conclusions and recommendations. the problem under investigation is the requirement for businesses to establish long - term competitive advantage in a highly competitive global market that is no longer constrained to geographical borders owing to advances in information systems, communication technology, and environmental changes. Companies must identify crucial success characteristics that can preserve their core competencies and resources, both real and intangible, in order to keep their market position. The research problem seeks to provide answers to questions about the level of critical success factors in the investigated company, the existence and level of sustainable competitive advantage, and the correlation and impact relationship between critical success factors and sustainable competitive advantage. Such comprehension is required to secure a company's long - term performance and survival in a continually changing commercial environment. the study's objective is to develop a cognitive framework for the variables under consideration and to identify crucial success criteria in Bin Majid State Corporation, tying them to long - term competitive advantage. The initial goal is to provide authors' and researchers' perspectives and combine them into a cognitive framework. The second goal is to identify the important success elements that have the greatest influence on the organisation and how managers may successfully employ them. The third goal is to investigate the link between important success elements and long - term competitive advantage. This study is important since it is one of the first Arab studies to investigate vital success elements and their determinants, paving the way for future research in several domains. Moreover, global

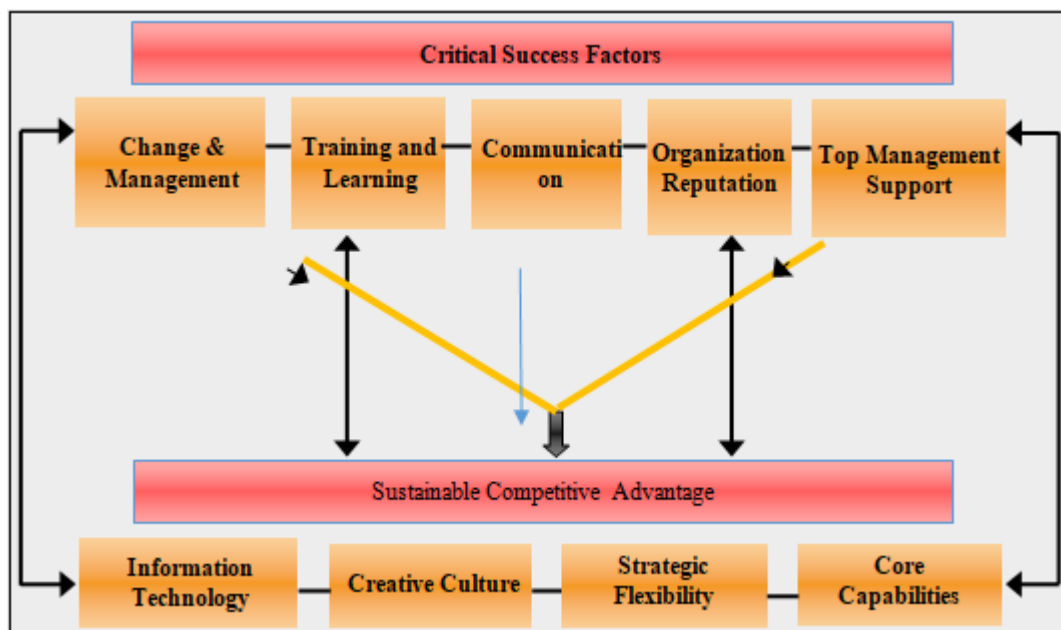
Volume 12 Issue 5, May 2023

www.ijsr.net

Licensed Under Creative Commons Attribution CC BY

competition highlights the significance of information technology, strategic flexibility, and collaboration in gaining a competitive edge.

2. Research Hypothesis Outline



The concept of critical success factors

Important success factors The approach (entry) that has been established and popularised among people over the past years by a number of researchers and writers, and today this approach is increasingly used by consultants and various departments as a means of support for strategic planning, which has resulted in an increased and great interest in it. Analysts and researchers (Kelliher & Reinl, 2009) identified them (Markard) as precise, dependable criteria that are relevant in all conditions and boost an organization's chance of success in changing circumstances. Some elements are more vital to the organization's success than others. These are described by Markard and Worch (2010) as the elements that affect the assessment of strategy and performance, as well as the risk that may emerge from natural fluctuations and changes in competition, markets, and customer preferences.

Critical Success Factor Dimensions:

Top management backing

When we examine two organisations, we can be certain that one of them outperforms the other, and that the organisation that wins is the one whose managers make the best decisions. What happens in a failed organisation is a source of contention (2000: Kathuria). In other words, the success of management programmes and the application of their methodology is determined by the level of conviction and belief held by the organization's higher authorities in their benefits and necessity for continuous improvement (Vilte et al, 2006).

Communication

According to communication studies, the average person who interacts with the vocabulary of daily life in its traditional form receives or conducts something similar (Vilte et al, 2006). And that this adage applies not only to

humans, but to all organisations, bodies, and organisational structures of all kinds (Chetcuti, 2008).

Training and learning

Since this is a learning process, you should begin by reviewing the learning process. We define learning as the process of transferring information via experience that results in changing behaviour, or it is a social creation of organisational norms based on experience that results in organisational behaviour (Kelliher & Reinl, 2009).

The Management & Change

The continuous changes in the production processes and means, due to market competition, technological development, and changing consumer tastes and needs, can expose organizations to risks, including money laundering. Money laundering is a serious threat that can harm an organization's reputation, expose it to legal and financial penalties, and undermine its financial stability (Mohsin et al., 2022). Some of them are immediately distinguishable while others are harder to detect, and in order to decrease the negative manifestations of change, it must be regulated, as a management called change management has arisen. He was aware Robbins and Judge (2009).

George and Jones (2008) Defines change as either a dramatic or gradual modification of things. Organizational change is meant as a long - term endeavour to enhance the organization's capacity to solve issues and refresh its operations, given that it occurs via a thorough development in the organization's environment, with a specific emphasis on To improve the efficacy of its working groups with the assistance of a consultant or change specialist who persuades organisation members of new ideas

Organization's reputation

organization's reputat One of the organization's intangible assets that has received growing attention in recent years is

its reputation. (Kelliher & Reinl, 2009) indicated that the business's strong reputation is a barrier that protects the firm from collapse, since customer loyalty and trust has a vital influence, particularly in tough circumstances Reimann, 2010). or is the overall evaluation or stakeholder judgement of the organisation over time, that is, an evaluation based on stakeholders' direct experience with the organisation and any other form of communication that provides information about the organization's actions (Vilte et al, 2006).]

Competitive advantage

The concept of competitive advantage is important because it is a goal that all organisations strive to achieve, and they must strive to achieve the competitive advantage that their resources and capabilities put them in constant competition with organisations that work within commensurate with their activity in order to preserve and develop this advantage because the present time is a time for development and competition. The ongoing process that needs firms to gain a competitive position in the market, which is accomplished by identifying opportunities that may provide them with a competitive edge and trying to implement them. The customer's perceived advantages from acquiring the organization's products and services. The economic expenses of the remaining commodities and services (Barney & Hesterly, 2010) It is the process of finding, creating, and using competitive advantage in a clear and concrete way so that it may be used and retained in a currency. " (Lynch, 2000).

Competitive Advantage Dimensions

Core capabilities

It refers to the insurance company's ability to create a basic value embodied by skills and capabilities shared by the company's various production lines or businesses, on which it bases its distinguished capabilities in order to achieve sustainable competitive advantages in the industry in which it operates (Hazier & Render, 2011). Technology, collective learning, and tacit and apparent knowledge all contribute to achieving a competitive advantage for the organisation through organisational processes that ensure superior coordination in functional activities (Wanga et al, 2004). The resource - based theory is an essential foundation and source for the organization's competitive advantage, which rests in the company's internal resources as well as the significance of the environment in achieving the greatest levels of customer satisfaction compared to rivals. Productive resources are among the most significant basic competencies because they incorporate a complicated bundle of external skill inputs. The competitive advantage is determined by the bank's unique resources and

distinguishing competencies. Some of the resources held and managed by a bank, according to resource - based theorists, offer a competitive advantage and, eventually, greater performance for the bank (Raduanan, 2009).

Creative culture

It is a set of values and beliefs that encourage individuals to develop new ideas and methods of implementation or successfully develop existing ones, which are activated during the conduct of business to shape individuals' behaviour and become a culture with which they deal while completing their work. Thus, creative culture shapes how we think and carry out our job. It is the way we conduct business inside our organisational units rather than, as some scholars have suggested, the way we do business because believing in the attainment of the innovative and beneficial is a precondition for creativity. He believes (Panico, 2004) that the process of transforming into a creative culture that leads to a competitive advantage will be through its impact on people's ability to cooperate in providing service, marketing, and manufacturing, and that in this way the organisational culture, as an asset that competitive companies cannot imitate or simulate, can build a sustainable competitive advantage.

Information technology

Information technology helps management manage operations, execute tasks, and communicate with stakeholders more efficiently (Prajogo, 2011).

Strategic flexibility

Strategic flexibility emphasises the flexible use of resources, re - arrangement of operations, and dynamic capabilities that enable companies to gain a competitive advantage in turbulent markets. It also creates an environment in which the company can improve its conditions and use and absorb new information (Zhou & Wu, 2010). Strategic flexibility in the banking industry comprises creating and implementing effective policies and offering creative solutions that satisfy all consumers and surpass their expectations while lowering risk (Mohsin et al, 2022).

3. Practical Research

First: Examining the relationship between important success elements and sustained competitive advantage in the examined organization.

To reject or accept the primary hypothesis (there is a substantial association between the important success elements and the sustained competitive advantage in the examined organization), see **Table 3**

Table 3: Critical success factors and competitive advantage

The dependent variable		Sustainable Competitive Advantage
The independent variable		
critical success factors	The degree of engagement	0.720**
	Significance level (sig)	000
	sample size	100

It is clear from Table (1) that there is a strong and positive correlation between the critical success factors and the sustainable competitive advantage. It amounted to (0.72**)

at a significant level, (0.01). (*0.72) leads to change in the same direction and the sustainable competitive advantage. Every increase in the independent variable leads to an

increase in the dependent variable, and the opposite is true. The value of the correlation reflects the importance of adopting the critical success factors by the research company that contribute to achieving sustainable competitive advantage.

Second: Testing and analyzing critical success factors and sustainable competitive advantage

There is an effect of the critical success factors in the sustainable competitive advantage in Ibn Majid State

Company at the aggregate level. The main hypothesis was tested, which states (there is a significant effect relationship of the dimensions of the critical success factors in the sustainable competitive advantage).

The linear regression equation was as follows: Critical Success Factors $0.377 + 0.837$ (sustainable competitive advantage).

Table (4) Analysis of the impact of critical success factors on sustainable competitive advantage

Independent variable	Coefficient Regression	T	Sig	R ²	F	Sig	dependent variable	
critical success factors	A	0.377	1.161	0.249	0.604	111.12	0.000	sustainable competitive advantage
	B	0.837	10.542					

It is evident from Table (4) that the calculated value of F amounted to (111.12), which is greater than the tabular value of F (3.97), and this means that there is an impact of the critical success factors on the competitive advantage in the researched company, as the value of (sig) is less than (0.05), which indicates that there are significant differences and that any change in the critical success factors will lead to the same amount of change as the sustainable competitive advantage, as well as the fact that any change in the sustainable competitive This suggests that a persistent competitive advantage exists even if there are no crucial success elements in place. The value of b came to (0.837), which shows that an increase of one unit in the crucial

success factors would lead to the same rise in the sustainable competitive advantage if there is also an increase in the sustainable competitive advantage. The significance level of the R2 coefficient that A descriptive measure that was used to describe the effectiveness of the regression equation in estimating the values amounted to (0.604), which reveals the variation in the sustainable competitive advantage. This variation is an explanatory variation that activates the important success variables. The determined T value was 10.541, which suggests that there are substantial differences for the study variables and their relevance in the research model. This is because the T value was calculated to be 10.541.

Table 5: An analysis of how the many aspects of crucial success determinants interact to provide long - term competitive advantage

Independent variable	Regression coefficient	T	Sig	R	F	Sig	dependent variable
Senior management support	a	0.126	0.371	0.646	25.233	0.000	sustainable competitive advantage
	b	(0.062)	(0.726)				
Telecommunications	b	0.358	3.887	0.000			
Training and learning	b	0.207	2.728	0.008			
management and change	b	0.275	2.791	0.007			
organization's reputation	b	0.138	1.607	0.113			

Table (2) shows that the sub - independent variable (senior management support) has no effect on the main dependent variable (competitive competitive advantage) and has no significance, as the value of b was (0.062), which is a negative value, and the value of T was (0.0726), which is less than one. It has a tabular value of (1.66) and a significance value of (0.471).

As the value of b was (0.358), which is a significant value, and the value of T was (3.887), which is greater than its tabular value at level 66 of (1.6), the sub - independent variable (communication) significantly and positively affects the main dependent variable (competitive competitive advantage). (0.05).

The sub - independent variable (training and education) has a significant effect on the main dependent variable (competitive advantage), as indicated by (1.6), and the calculated T was (2.728), which is greater than its tabular value of (1.6). (Sig) has a value of (0.008), which is less than (0.05).

The sub - independent variable (management and change) has a substantial influence on the main dependent variable (competitive advantage), as measured by b (0.275), which is a significant value, and T (2.791), which is more than its tabular value of (1.6). The (Sig) value of (0.007), which is smaller than the significant value (0.05), confirms it.

There is no indication from Table (37) that the sub - independent variable (organisational reputation) has an effect on the dependent variable (competitive competitive advantage), so we rely on b, which has a value of (0.138), which is a non - significant value because the value of T calculated for it is (1.60). This is explained by the fact that the (Sig) value is bigger than (0.05).

The second main hypothesis was accepted based on the results of the multiple regression test, which stated that (there is an effect of the dimensions of the critical success factors combined in the sustainable competitive advantage) if the majority of the dimensions of the independent variable, the critical success factors, affect significantly and positively the dependent variable, the maintained competitive advantage.

4. Conclusion and Recommendations

The modern corporate climate mandates that businesses pay attention to a variety of essential success criteria in order to keep their performance at a high level and retain some measure of control over their destiny. Effective communication is essential for ensuring that all stakeholders are informed about regulatory requirements and compliance efforts. It helps to create a culture of compliance within the organization, where employees understand the importance of adhering to regulations and take ownership of their roles in ensuring compliance. Because the environment in which businesses operate is in a state of perpetual flux, it is essential for those businesses to periodically identify the variables crucial to their performance in order to save expenses where they can and make progress towards their objectives. The expertise and other resources of a firm are important internal factors that can affect the profitability of a commercial organization (Al - Alawneh et al., 2022). A firm's expertise can help it to develop innovative products, improve processes, and provide better customer service, all of which can enhance profitability. However, if a firm's expertise declines, it may struggle to remain competitive and may experience a decline in profitability (Alawneh and Hani, 2021). Discussions with staff members may be beneficial to the development and rehabilitation of the organisation. Learning and training are the most significant aspects of crucial success elements, followed in significance by communication, the reputation of the organisation, support from senior management, and change management. Therefore, in order to assure their continued success, businesses should make these considerations a top priority. based on the investigation, the following suggestions for the company's improvement are made. To begin, it is advised that a strategy be developed with the cooperation of experienced personnel to increase employees' awareness of the relevance of the recorded information in order to completely and effectively profit from it. Second, the company's management should implement innovative techniques to customer relations management, such as building a main centre that takes client ideas and complaints and connecting it to the Internet to ease customer contact. Third, adopting a new approach to alter people's minds and make them see the need of change may help you get a competitive edge. Fourth, job rotation may be used to assist workers obtain more information while at work. Fifth, it is vital to strengthen the company's control and supervision processes and offer larger authorities to push employees to avoid undesirable characteristics and guarantee no errors occur. Sixth, top management should alter the present organisational structure to remove work slack and provide opportunities for experienced personnel. Finally, giving employees greater authority and allowing them to make choices might help them solve issues faster and minimise escalation.

References

- [1] Abreu Pederzini, G. D. (2018). Neoliberal awakenings: A case study of university leaders' competitive advantage sensemaking. *Higher Education Policy*, 31 (3), 405 - 422
- [2] Al Shobaki, M. J., & Abu - Naser, S. S. (2017). The Role of the Practice of Excellence Strategies in Education to Achieve Sustainable Competitive Advantage to Institutions of Higher Education - Faculty of Engineering and Information Technology at Al - Azhar University in Gaza a Model.
- [3] Al - Awawdeh, W. M., & Al - Sharairi, J. A. (2012). The relationship between target costing and competitive advantage of Jordanian private universities. *International Journal of Business and Management*, 7 (8), 123. .
- [4] Alawneh, N. A. K., & Hani, L. Y. B. (2021). Analysis of internal factors affecting the profitability of commercial Banks. *IFAD journal of humanities and social sciences*, 1 (2), 1 - 24.
- [5] Aldeen Kassem Al - Alawneh, N., Jerri Mohsin, H., Yousef Bani Hani, L., Mohammad Al - Naser, B., Adel Qurran, A., & Khaled Alzubi, S. (2022). THE IMPACT OF COVID - 19 ON LIQUIDITY AND PROFITABILITY IN COMMERCIAL BANKS. *International Journal of Advanced Research*, 10 (05), 490-496. <https://doi.org/10.21474/ijar01/14731>
- [6] Auruškevičienė, V., Šalčiuvienė, L., Kazlauskaitė, R., & Trifanovas, A. (2006). A comparison between recent and prospective critical success factors in Lithuanian printing industry. *Managing global transitions: international research journal*, 4 (4), 327 - 346.
- [7] Barney, J. B., & Hesterly, W. S. (2010). *Strategic management and competitive advantage: Concepts* (Vol.408). Englewood Cliffs, NJ: Prentice hall.
- [8] Davies, T., Gilbert, B., & Swartz, J. (2005). Competitive response: a new lens for evaluating company performance. *The Practical Real - Time Enterprise: Facts and Perspectives*, 57 - 69.
- [9] Heizer, J., Render, B., & Munson, C. (2008). *Operations management*. Prentice - Hall.
- [10] Jerri Mohsin, H., Yousef Bani Hani, L., Aldeen Kassem Al - Alawneh, N., Mohammed Al - Ali, H., Hamad Al - Khalaileh, A., & Qasem Qased, W. (2022). THE ROLE OF JUDICIAL ACCOUNTING AND ITS IMPACT IN REDUCING THE PHENOMENON OF MONEY LAUNDERING. *International Journal of Advanced Research*, 10 (03), 535-548. <https://doi.org/10.21474/ijar01/14416>
- [11] Kathuria, R. (2000). Competitive priorities and managerial performance: a taxonomy of small manufacturers. *Journal of Operations Management* 18 (6), 641 - 627
- [12] Kelliher, F., & Reinl, L. (2009). A resource-based view of micro-firm management practice. *Journal of small business and enterprise development*, 16 (3), 521 - 532.
- [13] Markard, J., & Worch, H. (2009, May). Technological innovation systems and the resource based view - Resources at the firm, network and system level. In *DIME Workshop on Environmental Innovation, Industrial Dynamics and Entrepreneurship* (pp.10 - 12).
- [14] Maury, B. (2018). Sustainable competitive advantage and profitability persistence: Sources versus outcomes for assessing advantage. *Journal of Business Research*, 84, 100 - 113.

- [15] Mohsin, H. J., Al - Frijawy, J., Hameed, A. T., Hani, L. Y. B., & Al - Alawneh, N. A. K. (2022). Strategic Flexibility and its Impact on Raising the Performance of Banks. *Journal of Social Commerce*, 2 (1), 11 - 23.
- [16] Murauskaite, A., & Adomaskas, V. (2008). *Bottlenecks in agile software development identified using theory of constraints (toc) principles* (Master's thesis).
- [17] Pakwihok, S., Socratyanurak, M., & Parkatt, G. (2010). Achieving superior corporate performance and the characteristics of managerial dimensions: the stock exchange of Thailand. *A Message from the Editor*, 65.
- [18] Peffers, K., Gengler, C. E., & Tuunanen, T. (2003). Extending critical success factors methodology to facilitate broadly participative information systems planning. *Journal of management information systems*, 20 (1), 51 - 85.
- [19] Peffers, K., Gengler, C. E., & Tuunanen, T. (2003). Extending critical success factors methodology to facilitate broadly participative information systems planning. *Journal of management information systems*, 20 (1), 51 - 85.
- [20] Prajog, D. I. & McDermott P. (2011). Examining competitive priorities and competitive advantage in service organisations using Importance - Performance Analysis matrix. *Managing Service Quality: An International Journal* 21 (5), 483 - 465
- [21] Ranjan¹, J., & Bhatnagar, V. (2008). Critical success factors for implementing CRM using data mining. *Journal of Knowledge Management Practice*, 9 (3).
- [22] Reimann M. Schilke O. & Thomas J. S. (2010). Customer relationship management and firm performance: the mediating role of business strategy. *Journal of the Academy of Marketing Science* 38 (3) 326 - 346.