T.C.
ISTANBUL GEDİK UNIVERSITY
INSTITUTE OF GRADUATE STUDIES

THE RELATIONSHIPS AMONG COMPETITIVE ADVANTAGE BUILDING FACTORS, COMPETITIVE STRATEGIES, AND MARKETING PERFORMANCE: THE CASE OF AL-GHADEER ANIMAL FEED BUSINESS IN BABIL

MASTER'S THESIS

Jafaar AL-MAMOORI

Business Administration Department

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İSTANBUL GEDİK ÜNİVERSİTESİ
LİSANSÜSTÜ EĞİTİM ENSTİTÜSÜ MÜDÜRLÜĞÜ

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Enstitümüz, Işletme Yönetimi İngilizce Tezli Yüksek Lisans Programı 191285038 numaralı öğrencisi **JAFAAR AL-MAMOORI'**nin "The Relationships Among Competitive Advantage Building Factors, Competitive Strategies, and Marketing Performance: the Case of Al-Ghadeer Animal Feed Business in Babil" adlı tez çalışması Enstitümüz Yönetim Kurulunun 28/09/2021 tarihinde oluşturduğu jüri tarafından **oy birliği** ile Yüksek Lisans tezi olarak **kabul** edilmiştir.

Öğretim Üyesi Adı Soyadı

1) Tez Danışmanı: Dr. Öğr. Üyesi Metin TOPTAŞ

2) Jüri Üyesi: Prof. Dr. Enver Alper GÜVEL

3) Jüri Üyesi: Dr. Öğr. Üyesi Ali ÖZCAN

DECLARATION

I Jafaar AL-MAMOORI, do hereby declare that this thesis titled as "The Relationships Among Competitive Advantage Building Factors, Competitive Strategies, and Marketing Performance: The Case of Al-Ghadeer Animal Feed Business in Babil" is original work done by me for the award of the masters degree in the faculty of Business Management. I also declare that this thesis or any part of it has not been submitted and presented for any other degree or research paper in any other university or institution. (28/09/2021)

Jafaar AL-MAMOORI

DEDICATION

To those who gave me love and tenderness, and planted in me all the meanings of loyalty,

And they bequeath me all the motives of sacrifice and giving, to whom I bow my head in reverence and reverence

I love people to my heart,

My father and My mother

To the symbol of loyalty and generosity, my wife and my life partner.

To my dear brother and sister, my dear brothers and sisters.

(Sabah, Muhammad, Muhammad al-Baqir, Musa, Noor)

To the smile of the present and hope for the future, my children, my beloved (Shams, Ruqayya)

To my dear grandmother, may God prolong her life and maintain her health and wellness

To those who rejoice in my joy and are pleased with my success ....

To all of them I dedicate this study.

researcher

PREFACE

After all praise and thanks to God Almighty who helped me to complete this work, I extend my sincere thanks to my supervisor Asst. Prof. Dr. Metin Toptaş, Professor at Istanbul Gedik University, Istanbul of social sciences , For his kindness to accept the supervision of the study, and for the advice and guidance he provided throughout the period of his supervision, which had the greatest impact on the success of the study, I would also like to extend my sincere thanks to Dr. Kamel Shakir Al-Wataifi for his assistance in choosing the subject, and I cannot fail to thank Dr. Jamil Al-Sarhan for helping me obtain the sources.

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September, 2021 Jaafar Sadiq Jaafar AL-MAMOORI

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ABSTRACT

Purpose: The main purpose of the current study is to reveal the relationships among competitive strategies, the factors of building competitive advantage, and marketing performance as a case study at Al-Ghadeer Animal Feed Production Factory in Babil, Iraq.

Design/methodology: The study hypotheses were formed on two axes. The first axis of the hypotheses was aimed at testing the relationship between the factors of building competitive advantage represented by price, quality, flexibility, time, and the marketing performance indicators represented by sales volume increase, market share increase, profitability increase, to outperform competitors. While, the second axis of the hypotheses was based on testing the relationships between competitive strategies represented by cost reduction (also cost leadership), differentiation, focus strategies, and the marketing performance indicators aforementioned. The study relied on the descriptive method, and a questionnaire was used as the main tool for collecting data. The study population consisted of 80 individuals from the Al Ghadeer fodder production factory, and the researcher was able to retrieve 63 questionnaires with a response rate of 84%. After an initial assessment for basic statistics, data were analyzed by Spearman Correlation Tests.

Results: Regarding the first axis of hypotheses, results indicated that the most emphasized competitive advantage building factors by the business were price, quality, flexibility. Also, there were positive and statistically significant correlations between the factors of building competitive advantage, namely quality, flexibility, time, and sales increase as marketing performance indicators. However, the relationship between price, as a competitive advantage-building factor, and increasing the marketing performance was insignificant. Regarding the second axis, results also showed that the most preferred competitive strategy by the business was cost reduction strategy, and there were positive and statistically significant correlations between all the competitive strategies applied by the business and the marketing performance indicators, except for to outperform competitors. Only differentiation strategy and to outperform competitors had a positive and significant relationship.

Practical Implications: The study sheds light on the possible role of strategic management approach and use of competitive strategies in building competitive advantage and improving marketing performance in the animal feed production industry of Iraq. Moreover, results suggest that Al-Ghadeer Business can build a clear-cut competitive advantage in two ways. First, by investing in its employees and innovation capabilities to enhance differentiation strategy; second, by focusing on automation investments to reduce production costs more.

Originality/Value: The study is thought to fulfill a specific knowledge gap in the Iraqi animal feed industry related to the use of strategic management approach and tools.

Keywords: *Competitive strategies, factors of building competitive advantage, and marketing performance indicators.*

REKABET AVANTAJI OLUŞTURMA FAKTÖRLERİ, REKABET STRATEJİLERİ VE PAZARLAMA PERFORMANSI ARASINDAKİ İLİŞKİLER: BABİL'DE AL-GHADEER HAYVAN YEMİ İŞLETMESİ ÖRNEĞİ

ÖZET

Amaç: Bu çalışmanın temel amacı, Irak'ın Babil kentindeki Al-Ghadeer Hayvan Yemi Üretim Fabrikası'nda bir vaka çalışması olarak rekabet stratejileri, rekabet avantajı oluşturma faktörleri ve pazarlama performansı arasındaki ilişkileri ortaya çıkarmaktır.

Tasarım/yöntem: Çalışma hipotezleri iki eksende oluşturulmuştur. Hipotezlerin ilk ekseni, fiyat, kalite, esneklik, zaman ile temsil edilen rekabet avantajı oluşturma faktörleri ile satış hacmi artışı, pazar payı artışı, karlılık artışı ile temsil edilen pazarlama performansı göstergeleri arasındaki ilişkiyi test etmeyi amaçlamıştır. . Hipotezlerin ikinci ekseni, maliyet azaltma (ayrıca maliyet liderliği), farklılaştırma, odaklanma stratejileri ve yukarıda belirtilen pazarlama performans göstergeleri ile temsil edilen rekabet stratejileri arasındaki ilişkilerin test edilmesine dayanıyordu. Araştırma betimsel yönteme dayalı olup, veri toplamak için ana araç olarak bir anket kullanılmıştır. Çalışma popülasyonu, Al Ghadeer yem üretim fabrikasından 80 kişiden oluşuyordu ve araştırmacı, %84'lük bir yanıt oranı ile 63 anket almayı başardı. Temel istatistikler için ilk değerlendirmeden sonra veriler Spearman Korelasyon Testleri ile analiz edildi.

Sonuçlar: Hipotezlerin birinci eksenine ilişkin sonuçlar, işletme tarafından en çok vurgulanan rekabet avantajı oluşturma faktörlerinin fiyat, kalite ve esneklik olduğunu göstermiştir. Ayrıca, pazarlama performans göstergeleri olarak rekabet avantajı oluşturma faktörleri olan kalite, esneklik, zaman ve satış artışı arasında pozitif ve istatistiksel olarak anlamlı ilişkiler bulunmuştur. Ancak, rekabet avantajı yaratan bir faktör olarak fiyat ile pazarlama performansının artırılması arasındaki ilişki önemsizdi. İkinci eksen ile ilgili olarak, sonuçlar ayrıca işletmenin en çok tercih ettiği rekabet stratejisinin maliyet düşürme stratejisi olduğunu ve işletmenin uyguladığı tüm rekabet stratejileri ile pazarlama performans göstergeleri arasında, rakiplerden daha iyi performans gösterme dışında, pozitif ve istatistiksel olarak anlamlı korelasyonlar olduğunu göstermiştir. . Sadece farklılaşma stratejisi ile rakiplerinden daha iyi performans göstermek arasında pozitif ve anlamlı bir ilişki vardı.

Pratik Etkiler: Çalışma, Irak'ın hayvan yemi üretim endüstrisinde rekabet avantajı oluşturma ve pazarlama performansını iyileştirmede stratejik yönetim yaklaşımının ve rekabetçi stratejilerin kullanımının olası rolüne ışık tutuyor. Ayrıca, sonuçlar Al-Ghadeer Business'ın iki şekilde net bir rekabet avantajı oluşturabileceğini gösteriyor. Birincisi, farklılaşma stratejisini geliştirmek için çalışanlarına ve inovasyon yeteneklerine yatırım yaparak; ikincisi, üretim maliyetlerini daha da azaltmak için otomasyon yatırımlarına odaklanarak.

Özgünlük/Değer: Çalışmanın, stratejik yönetim yaklaşımı ve araçlarının kullanımıyla ilgili olarak Irak hayvan yemi endüstrisindeki belirli bir bilgi boşluğunu doldurduğu düşünülmektedir.

Anahtar Kelimeler: Rekabet stratejileri, rekabet avantajı oluşturma faktörleri ve pazarlama performansı göstergeleri.

1. INTRODUCTION

1.1 Overview

Contemporary business organizations face many challenges that threaten their success and survival, represented by the economic and social changes resulting from the challenges of globalization in our contemporary world, the openness of the market and the challenges of technological and information development, which requires these organizations to use a set of competitive strategies through which they can address these challenges. Threats that threaten their survival in the business world, which in turn leads to an investigation, and therefore these organizations must be keen to preserve their members and do not want to lose them, which they must take necessary precautionary measures to confront the possible failure (Hansen & Lema, 2018: p242) Accordingly, competitive strategies are one of the most important options that contemporary business organizations resort to to face challenges and new developments in order to build competitive advantage factors that support the organization in order to enhance its market position.

On the other hand, building competitive advantage factors represents a major challenge that all organizations must address, which makes them able to compete in the long run. The identification of competitive strategies helps the company to reveal the extent to which the company can adapt and respond to environmental determinants by setting goals, building strategies and employing resources to achieve those goals. It also helps determine the level of coordination between the components of the company and its organizational design in achieving building factors. Competitive advantage and marketing performance. The importance of competitive strategies comes from the fact that they represent the company's ability to reach specific results, so companies seek to invest opportunities for competition and survival to achieve competitive advantage building factors (Jimenez-Jimenez& Sanz-Valle,2020: p227), and performance. Marketing that contributes to increasing the ability of companies to enhance their competitive position in the markets now and in the future. Therefore, companies analyze their competitive environment, which represents one of the pillars of strategic analysis by focusing on studying the institution's relationship with its markets, competitors and customers in order to make structural decisions in order to obtain a competitive position In what qualifies it to outperform its competitors in the sector in which it is active.

Organizations are also constantly faced with the need to implement changes in strategy, structure, process and culture due to increasingly changing environments. Many factors contribute to the effective implementation of these organizational changes, whereby organizational members' beliefs, attitudes, and intentions are readjusted (Mohammed et al., 2018:p2), as well as the challenges facing organizations in their practices of competitive strategies arise as a result of the changing and turbulent environment, Which contributed to creating the need for the necessity of embodying high-level competitive strategies that whisper them mainly in enhancing and developing the skills and knowledge of organizations in facing the environment and adapting to it by responding to the reactions they incur, which in turn contributes to creating a competitive advantage that enables the organization to seize opportunities and confront threats:

On the other hand, determining the company's ability to enhance the factors of building competitive advantage and marketing performance helps the company to determine the extent to which it can adapt and respond with environmental determinants in order to set goals, build strategies, and employ the appropriate resources for the organization in order to achieve the factors of building competitive advantage and marketing performance, therefore, excellence over competitors requires a basis for a real competitive advantage, which is created after deep awareness and thought so that the organization guarantees a high competitive ability, and ensures survival within the group of competitors and growth in the market, in order to ensure its continuity and achieve developments that satisfy its ambitions and aspirations, and therefore it must face the potential effects to surrounding changes and driving changes by drawing a clearly defined strategy in a specific ambient, competitive and organizational context, which is the overriding concern of most organizations.

For our treatment of this topic after the general introduction, we divided the study into five chapters, **Chapter one:** the general framework of the study. This chapter included an introduction, an overview, the study literature, the study problem, the study's hypotheses, and the study's objectives. and **revealed second chapter**: the theoretical framework of the study. This chapter includes the first variable of the study, which is the strategy and all that is related to it. **Chapter Three** included: Theoretical Framework of the Study This chapter includes the second variable of the study, which is the competitive advantage and everything related to it. and **review Chapter Four**: The practical framework of the study. This chapter includes the sample of the study, its size and methodology, in addition to the analysis and hypotheses. **While between Chapter Five:** This chapter included the findings, recommendations and conclusion of the study.

1.2 Literature Review

1.2.1 Studies related to the first axis, strategic management

Study by the researcher: Al-Tayeb Mustafa Abu Qanaya, the concepts of strategic management among administrative leaders and their impact on developing the performance of establishments.

This study targeted the levels of familiarity and knowledge of the administrative leaders in Sudanese enterprises with the concepts and methods of strategic management, and thus determine the degree of practice and actual application of these methods and measure the impact of this on the development of the performance of enterprises in Sudan, in addition to identifying the style and methods of administrative leadership prevailing in Sudanese enterprises and determining their quality.

The results of the statistical analysis showed a low level of familiarity and knowledge of the administrative leaders in the Sudanese establishments with the concepts and methods of strategic management, as well as indicated that the administrative leaders had a modest level of knowledge of the importance of the benefit resulting from the application of strategic management methods. And the degree of actual practice and application of these methods in the practical reality in Sudanese establishments, where the coefficient of determination through contrast showed that the level of familiarity and knowledge is a good indicator that has a strong relationship in determining the degree of actual practice of strategic management methods, and the multiple correlation analysis proved that there is a positive correlation between the level of familiarity and knowledge. And understanding the concepts and strategic theories and the effectiveness of the performance of establishments. The results of the study also showed that the degree of actual practice of strategic management methods in Sudanese establishments is weak, which negatively affected the performance of the establishments. The study also revealed that the administrative leaders in Sudan still apply traditional administrative practices. Also, data analysis showed the main factors that prevent the application and practice of strategic management methods in Sudanese establishments.

Study by the researcher: Saleh Othman Hussein, the effect of strategic management on the performance of the Sudanese Sugar Company.

The research problem is that the sugar industry is one of the strategic industries that needs large funding that the internal financial institutions in Sudan have been unable to provide, and that government restrictions often have a negative impact on the development of sugar commodity production, which is represented in weak sugar marketing strategies as well as insufficient electric power and others.

The research aims to test the following hypotheses:

1. The strategic plans affect the development of the Sudanese Sugar Production Company.
2. The strategic evaluation affects the performance of the Sudanese Sugar Production Company.
3. Government restrictions affect the development of the Sudanese Sugar Production Company.
4. Labor affects the performance of the Sudanese company of Sugar Production

Study by the researcher: Fatima Abdullah Al-Tayeb, strategic management and its impact on the performance of the sugar industry in the public sector in Sudan.

The main objective of the research is to study strategic management and confirm its importance as a management method and a scientific tool to reach the company's aims and better understand the current and future environment in which the company operates. The study reached a number of results, the most important of which are:

that the Sudanese Sugar Company faces many obstacles and problems in the external environment and weaknesses in the internal environment, and that the degree of practice of strategic management methods is weak, and that the company applies traditional administrative methods, which negatively affected its performance. Research, and recommended the adoption of the scientific methodology in management and the use of the concepts of strategic management, as well as the need to implement training programs for administrative leaders and increase their knowledge of strategic management methods through specialized training courses to clarify the importance of strategic management in developing the performance of organizations.

Study by the researcher: Muhammad Al-Naji Al-Jaafari Bashir, the impact of risks on strategic management by applying to the Kenana Sugar Company.

The research objectives were as follows:

1. Identifying and evaluating the strategies, objectives and policies applied in the company under study.
2. Study and analyze the risks to which the company under study is exposed and how to avoid them.
3. Recognizing strategic management as a modern administrative approach.

The study was based on the following hypotheses:

1. Risks affect the long-term performance of the organization.
2. The main risks facing the organization can be avoided by following the strategic management method.

The two hypotheses were proven and the researcher concluded a number of results, including:

1. There is no adoption of the strategic management method as an administrative approach in the strict sense of the company, but there is a kind of long-term planning with a partial application of this method.
2. The company faces internal and external risks that affect the company's performance and acts as an obstacle to the long-term planning adopted by the company and stops most of the plans.

3. Drafting the company's mission and main purpose is not in line with the objectives it seeks to achieve.

The researcher recommended several recommendations, the most important of which are: working on analyzing opportunities and environmental risks to avoid risks, seizing opportunities by analyzing the company's strengths and weaknesses, and taking advantage of modern approaches to management.

Study by the researcher: Muhammad Hanafi Muhammad Nour, strategic management and its role in the performance of industrial organizations, a case study of the Giad group of companies for the manufacture of cars and trucks Ltd.

This study aims to identify the extent to which strategic management is applied in Sudanese industrial organizations by applying it to Giad Auto and Truck Manufacturing Company Ltd. The research problem is what are the problems and obstacles that prevent the application of strategic management in the company

Accordingly, this problem can be formulated in the following questions:

1. Is the company's strategy prepared in a scientific way?
2. Does senior management carry out the process of environmental analysis when developing the company's strategy?
3. The current organizational structure of the company with the application of the strategy?
4. Is the company's culture appropriate to implement the strategy?
5. Does the application of management lead to raising the efficiency of the company's performance?
6. Preparing the company's strategy in a scientific way that works on the efficient implementation of the strategy?

Use statistical analysis to analyze the data. The study found the most important results:

1. The company's strategy is prepared in a scientific way.
2. The study showed the weakness of the senior management's knowledge of the process of environmental analysis.

3. That the company's current organizational structure is appropriate to implement the company's current strategy.
4. That the company's culture (the values prevailing in it) are appropriate for the implementation of the company's strategy, and that the work environment within the company is appropriate and helps to implement the strategy.
5. All respondents were convinced of the importance of applying strategic management and its role in raising the efficiency of the company's performance, and that the application of the strategic management model requires qualification and training of senior management cadres on strategic management methods.

Based on the results of the study, the researcher made a number of recommendations, the most important of which are:

1. The results of the study showed the company's interest in training in general, but there are weaknesses and shortages in training courses in the field of strategic management, so it is necessary to seek to increase and intensify training courses in the field of strategic management.
2. The results of the study showed the level of poor knowledge of senior management in the process of environmental analysis, so it is necessary to seek to increase the knowledge and familiarity of senior management with the process of environmental analysis through training courses and directives, as well as the need to pay attention to academic specialization when choosing administrative leaders in the company.

1.2.2 Previous studies related to the second axis, competitive advantage

Study (2000) Yair

The researcher has studied how the organization can achieve distinction so that it is different from others, and then achieve the competitive advantage for the sake of continuity of success. From change, development and sustainability in business performance that leads to achieving competitive advantage, as well as the results showed that excellence in production, presence in the market, full relations with customers and suppliers, and the ability to reduce product prices in addition to providing distinguished services, all because these companies realized that achieving customer desires leads to achieve a competitive advantage.

Study (2000) William

The researcher studied the extent of the impact of information technology on achieving competitive advantage and improving performance in the long term, and the study variables related to three main aspects: elements related to the environment that achieve excellence, elements related to technology infrastructure, and elements related to appropriate strategies to achieve competitive advantage. A special questionnaire for the purpose of obtaining data has been distributed to (30) business organizations that use information technology. The study concluded a set of results, the most important of which are: that managers should work on developing information technology innovation strategies that achieve a kind of distinction as well as achieve a competitive advantage in business.

The researcher recommended the necessity of conducting future studies related to the development of a comprehensive framework for the development of competitive advantage and the real performance of business organizations.

Li, Huichong (2003) Monograph

The researcher studied the extent of the impact of resources on achieving competitive advantage in the (foot wear) industry in China, through the use of the Porter model, which is related to each of the production elements related to infrastructure, employee skills, requirements related to products and services, suppliers, strategy, structure and competitors. The researcher used the interview method through a questionnaire specially prepared to collect data related to the study, which consisted of 12 questions directed to the target group during the interviews. The variables of the study were related to the usefulness of China’s entry into the international trade system, as well as with regard to resources and their usefulness in achieving competitive advantage. The most important results are:

As a result of China's entry into the World Trade Organization, Wenzhou's company expanded in increasing the competitive advantage, and that lower labor costs helped achieve competitive advantage and the expansion of international markets for this company.

Study (2003) Jay

The researcher identified the role of marketing capabilities in creativity and the behavior of the entrepreneurial organization within the competition strategy in order to achieve continuity in the competitive advantage, through the variables of the entrepreneurial model and marketing capabilities, and to obtain data related to the study, the researcher designed a special questionnaire for this, and the study sample consisted of (1272). A business company in Australia, and the study concluded a set of results, the most prominent of which was the existence of a relationship between marketing capabilities and the entrepreneurial model, as the organization that possesses principles, creativity and risk-taking has marketing capabilities, and that the entrepreneurial model has more capabilities in entrepreneurial systems, production, operations and marketing methods, and that the capabilities Marketing has a direct relationship with sustainability in competitive advantage. The researcher recommended the necessity of conducting other studies on the impact of the marketing capabilities of the entrepreneurial organizations on the management of such organizations.

The Sakarna Study (2005)

The researcher studied leadership strategies and their role in achieving competitive advantage and improving the performance of telecommunications companies in Jordan (2004-2005). The researcher developed a model in order to test the relationships between the study variables and designed a questionnaire to collect the necessary data for them. The study concluded with a set of results, the most important of which is: There is a relationship between the application of Entrepreneurship strategies and achieving competitive advantage, and that there is a relationship between the application of the elements of leadership strategies (creativity, innovation, exclusivity, taking the risk) and the achievement of competitive advantage, and that there is a relationship between the application of strategies and elements of leadership strategies and performance improvement and the achievement of competitive advantage, and there is a relationship between changes that occur in leadership strategies and achieving competitive advantage.

1.3 Study Questions

Based on both the study problem and its objectives, the study will attempt to answer the following questions:

1. What are the most important strategic factors that will build the competitive advantage of animal feed production companies at the local and global levels?

The strategic factors that will build competitive advantage have been identified as follows:

- price.
- the quality
- Flexibility.
- Time.

2. What are the most important competitive strategies that can be followed by animal feed production companies at the level of business units to gain a long-term competitive advantage?

Where the competitive strategies were determined based on the (Porter) model of competitive strategies at the level of the business unit, and they are as follows:

- Cost leadership strategy.
- Differentiation strategy.

As these two strategies serve a large market

1. Cost concentration strategy.
2. Differentiation focus strategy.

these two strategies serve a small market

3. What is the level of impact of the use of strategic factors on the criteria of competitive advantage for animal feed production companies?
4. What is the level of impact of the use of competitive strategies on the criteria of competitive advantage for animal feed production companies?

1.4 Study Hypotheses

Depending on the study questions, the study hypotheses can be formulated as follows:

The first main premise:

There is no statistically evidence about relationship at the level of significance between the strategic factors and the competitive advantage represented in (increasing annual sales, increasing market share, increasing annual profits and outperforming competitors for local pharmaceutical production companies.

For the purpose of testing this hypothesis, the following sub-hypotheses are derived:

- There is no statistically evidence about relationship $\mathbf{0.05} \geq \boldsymbol{\alpha}$ between the level of price and the competitive advantage of animal feed production companies.
- There is no statistically evidence for relationship $\mathbf{0.05} \geq \boldsymbol{\alpha}$ between the level of quality and the competitive advantage of animal feed production companies.
- There is no statistically evidence of relationship at the level $\mathbf{0.05} \geq \boldsymbol{\alpha}$ between flexibility and competitive advantage for animal feed production companies.
- There is no statistically evidence about relationship of the level $\mathbf{0.05} \geq \boldsymbol{\alpha}$ between flexibility and competitive advantage of companies producing animal feed.
- There is no statistically evidence about relationship at the level $\mathbf{0.05} \geq \boldsymbol{\alpha}$ between time and the competitive advantage of animal feed production companies.

The second main premise:

There is no statistically evidence about relationship between the level of significance of the competitive strategies and the competitive advantage represented in (increasing annual sales and increasing market share, increasing annual profits, outperforming competitors for animal feed production companies.

For the purpose of testing this hypothesis, the following sub-hypotheses are derived:

- There is no statistically evidence about relationship between the level of cost leadership strategy and the competitive advantage of animal feed production companies.
- There is no statistically evidence about relationship between the level of cost concentration strategy and the competitive advantage of animal feed production companies.
- There is no statistically evidence relationship at the level between the differentiation strategy and the competitive advantage of animal feed production companies.

1.5 The Aim of the Study

The study seeks to achieve the following objectives

1 Shedding light on the reality of the feed production companies in Iraq, the characteristics of the feed industry sector, and the most important obstacles facing it.

2 Identifying the most important strategic factors that will create a competitive advantage for animal feed production companies in the long run.

3 Identifying the most important competitive strategies that would create a competitive advantage in the long run for feed production companies.

4 Identifying the nature of the relationship between strategic factors and the competitive advantage of animal feed production companies.

5 Identifying the nature of the relationship between competitive strategies and the competitive advantage of animal feed production company

1.6 The Importance of the Study

Despite the importance of feed production for the individual, the country, and the world as a whole, our knowledge in the feed industries sector is still little, as many studies still focus on other industrial sectors. The importance of this study lies in shedding light on some of the strategic factors and competitive strategies that It would enhance the competitive advantage of animal feed production companies, especially since most of the previous studies dealt with research on the issue of competitive advantage in terms of marketing only, and on the other hand, the study of the feed industry sector in Iraq is one of the sensitive and important issues because of the importance of that sector in terms of development The Iraqi feed production companies are investing huge capitals exceeding 100 billion Iraqi dinars. Therefore, the importance of this industrial sector calls us to carry out this type of studies to ensure its continuity and development.

2. STRATEGIC MANAGEMENT

2.1 The Concept of Strategic Management

Writers and researchers have cited many definitions of strategic management over the past decades. He defined it (1983, Higgins) as the process that aims to achieve the mission of the organization by managing the relationship between it and the environment in which it operates. (Kotler 1997) also defined it as that process that includes defining the relationship between the organization and the environment in which it operates by formulating aims and strategies for growth and defining the organization's business portfolio, and (1987, Thompson & Strickland) defining strategic management as a process that includes setting a long-term direction for the organization and Develop strategies that ensure the achievement of its objectives.

Through this process, setting the strategic vision of the organization, setting aims, formulating the strategy, implementing it, evaluating performance and working to introduce the necessary modifications in the vision, strategic aims or implementation in light of actual data or changing conditions, including new ones. Ideas and Opportunities (Thompson & 2003) Smickland.

(Glock, 1980) Strategic management is seen from the point of view of managerial decisions as a set of decisions and actions that lead to the development of strategies necessary to achieve the objectives of the organization. (Wheelen Hunger & 2004) focuses on the same concept

Noting that strategic management includes a set of administrative decisions and procedures that determine the long-term direction of the organization by monitoring and evaluating external opportunities and challenges against the strengths and weaknesses of that organization. In the same context, (Pearce & Robinson, 2005) defined it as a set of decisions and actions related to the formulation and implementation of the strategy necessary to achieve the objectives of the organization, and that this process includes planning, directing and organizing. And control decisions and actions related to the organization's strategy. While (David

2011), he emphasized that strategic management is the art and science of formulating, implementing and evaluating decisions across functions that enable the organization to achieve the desired results

Heft et al. (2004) described Strategic management in terms of competitive advantages. In the view of Hitt and his colleagues, strategic management is that process that ensures a series of commitments, decisions and actions required for the organization to obtain competitive advantages and achieve high rates of performance. In the same context, it (2005, Dess et al.) is viewed as a set of decisions and actions that an organization exercises to create and maintain a competitive advantage. It is the whole set of commitments, decisions and actions required to achieve the competitive strategy of the organization to obtain above-average return (Hitt et al, 2011).

In general, it can be said that strategic management represents the set of administrative decisions and practices related to determining the strategic direction of the organization and creating a sustainable competitive advantage that enables it to achieve its aims in a distinctive way. This definition focuses on the term advantages only without referring to the word competitiveness, as is the case in some previous definitions, because contemporary strategic management no longer uses competitive strategies alone as a means to achieve its aims, but rather transcends it to the use of another type of strategy, which is called the cooperative strategies that is based on establishing Strategic alliances with other organizations download a win-win relationship, rather than a win-lose relationship, in order to face the sharp competition in the global environment that is witnessing rapid changes in all economic, social, political and technological aspects.

On the other hand, definition focused on the issue of sustainable advantage, because the advantage, whether competitive or cooperative, is subject to imitation in one way or another by others, which allows organizations that work according to the sound scientific logic of strategic management and enjoy some innovation from imparting the characteristic of continuous renewal on the advantages that you enjoy in no time. The definition also avoided referring to high financial returns as one of the long-term aims that the administration seeks to achieve and focused on achieving strategic aims in a distinctive way, because the field of strategic management is no longer limited to non-profit organizations only, but has extended to include non-profit organizations, and thus the strategic aims differ in Both types of organizations.

2.1.1 The characteristics of strategic management

Strategic management is characterized by a set of features or characteristics summarized by (Dess et al., 2005) as follows:

1 The interest of strategic management is towards the general and comprehensive objectives of the organization and not on any of its parts. In the sense that its efforts are directed towards achieving outstanding performance at the level of the organization and not at the level of individual functional fields. What is appropriate for a particular functional field may not be the same at the level of the organization as a whole. The R&D department, for example, seeks to design a product with sophisticated specifications in which the organization may be able to meet the desires of a specific group of customers, However, this design may entail additional costs that are reflected in the selling price of the product, and thus a large group of customers will switch to alternative products due to the high price. Here, the role of strategic management emerges as a coordinating department that works to achieve compatibility and harmony between the objectives of the various functions of the organization to ensure its success and continuity in the market.

2 The strategic management is keen to involve the largest possible number of stakeholders in the decision-making process. The concept of stakeholders includes individuals, groups and organizations who have a stake in the success of the organization, such as owners, workers, customers, suppliers, and society in general. It should be noted that the success that the organization wants for itself is not achieved when it focuses its attention on achieving the interest of one party only, without the others. If the management concentrates its efforts on achieving the maximum possible profits to satisfy the owners, then this may be at the expense of the comfort of the employees, or to a decrease in the quality of the products or services that the organization provides to the customers and thus losing part of its market share. Alternatively, the organization may be able to maintain its relationship with stakeholders in a balanced degree by relying on another means of increasing profits. The financial performance of the organization can improve

if it increases its interest in workers to achieve their satisfaction, and this pushes them to make more efforts to achieve customer satisfaction and increase the market share of the organization and thus increase profits.

3 Have the strategic management in an integrated and comprehensive manner about the future of the organization in the short and long terms, while the attention of the management of the organization is focused on its future vision, it must not lose its focus on operational processes. Managers at their various organizational levels must bear in mind the impact of different decisions and activities performed on the aims of the organization as a whole.

4 Strategic management works to achieve a balance between effectiveness and efficiency, that is, between doing the right things and doing things in the right way. While the senior management of the organization deals with strategic decisions related to fundamental changes in the organization's relationship with the external environment, it must also deal with operational decisions related to the procurement, production, sale, distribution and financing operations in a manner that ensures the optimal use of the organized resources (Taylor 1973, 1973).

2.1.2 Dimensions of strategic decisions

Strategic decisions are distinguished from other decisions by a set of dimensions (Pearce & Robinson, 2005):

1 The strategic decisions are the prerogative of the higher management in the main. Strategic decisions usually deal with multiple functional fields such as production, marketing, human resources, research and development ... also other functions, which requires the intervention of the top management of the organization when making strategic decisions. What is needed about the future of the organization, which is able to estimate the potential consequences of those decisions.

2 Strategic decisions require the mobilization and mobilization of the organization's resources. Given that the strategic decisions taken by the organization are essential decisions related to the long-term direction of the organization and aim to increase its value in the market and improve its competitiveness, the implementation of these decisions usually requires the

mobilization of the material, financial, information and human resources that the organization possesses to achieve the strategic aims that they aspire to.

3 Strategic decisions determine the long-term success of the organization. Although the period of time covered by these decisions is around five years, the impact of those decisions on the future of the organization may extend for a much longer period. The decision to add new production facilities, for example, includes options about the location and size of those facilities, the technology they use in the production process, the training programs that are required to be set up for workers to deal with those facilities, the choice of suppliers, and other options. If the organization builds these facilities and after a period of time wants to change them, this may take a relatively long time, and this may result in the inability of the organization to meet the needs of customers and thus losing its competitive position in the market (Pitts & Lei 1996). Also, the change made by the organization in its current strategy may lead to a change in the markets in which it competes, the products it provides, or the technology it adopts in the production process, which results in the impact of the returns that the organization can obtain due to changing that strategy, which may reflect negatively. Or positively on the future of the organization.

4 Focus on the future: - Although the future cannot be completely controlled, the successful strategist realizes that there is a possibility to anticipate the important changes that may occur in the future. Instead of responding to these changes automatically, he can investigate their impact on the organization by choosing the best possible strategic alternatives. In a changing environment, the organization cannot achieve success unless it takes proactive decisions towards the rapid expressions that occur in that environment, it reflects the results of strategic decisions on the various functional divisions or strategic business units that make up the organization. Decisions regarding the choice of markets or products determine the way in which the resources of the organization are allocated, and the decision on the type of organizational structure of the organization determines the extent of powers and the size of responsibilities for managers of departments or strategic business units. For this sib, the formulation of strategic decisions is no longer limited to senior

management only, but rather requires the participation of various administrative levels within the organization. However, such participation will increase the commitment of workers at those levels in implementing the decisions that they contributed to making.

5 Focus on the external environment: - Strategic decisions require the study and analysis of a large number of economic, social, political and technological variables that occur in the external environment, because any of these variables is either an opportunity for the organization to seize or a challenge that needs to be faced or avoided. Economic factors can determine the level of resources that the organization obtains, and social factors may determine the benefits that the organization can benefit from. This means that the organization is not absolutely free in its decisions, but rather it must take into account the rapid changes in the external environment of various kinds, and be sensitive to those changes (1991, Crosby).

As for (2012, Wheelen and Hunger), they believe that strategic decisions deal with the long-term future of the organization

It is characterized by three characteristics that can be summarized as follows:

- Rare: that is, they are unfamiliar decisions and there are no contexts according to them.
- Mission: It is decisions that require many resources and require a degree of commitment by everyone in the organization.
- Directive: that is, they are decisions that determine the future behavior of the organization.

2.1.3 Models of strategic management

Just as the concepts of strategic management have multiplied, so have the theoretical models that describe its operations ‹in general it can be said that there are two main models of the strategic management process:

First: the industrial organization model:

This model, which prevailed until the 1980s, is based on four basic assumptions from an economic point of view. These assumptions are as follows:

1 The external environment defined is the basis for the organization's strategy, not its resources.

2 Most of the organizations that work in an industry or a specific sector control a similar set of resources and follow similar strategies in allocating those resources (strategic groups).

3 Resources can move between similar organizations, and because of this characteristic, the disparity in those resources between organizations will only be in the short term.

4 The decisions taken by the management of the organization are characterized by rationality and rationality in order to achieve the maximum possible returns (Seth & Thomas 1994).

Based on the foregoing, the industry sector in which the organization operates has the largest influence on the strategic options decided by the organization’s management (BowIman & Helfat 2001), and that the organization’s ability to compete according to this model can be improved only when it is able to choose the industry that achieves its maximum Profits and learn how to continue its available resources to implement a strategy that is appropriate for the characteristics of the industry in which it operates.

The industrial organization model has been criticized in particular in the absence of sufficient number of applied studies to prove that the structure of the industry is the primary determinant of the success of the organizations. The applied studies conducted by some researchers on the subject indicated that a rate of 6-30. Only% of the difference in organizational performance is due to external factors related to the structure of the industry (1998, Mauri and Michael). Hence, the question arose about the other reasons behind the difference in the performance of organizations other than the reasons related to the characteristics of the industry. The answers of some researchers attributed that to the fact that some of this difference is due to the random line, the inapplicable economic variables, the membership of strategic groups, and chance). The largest part of that difference is due to the internal factors of the organization, which are represented in its resources and organizational capabilities, Hill & Deeds 1996; Runelt et al; 1999). Hence, the modified framework took the theory of the industrial organization into consideration of the effect of the organization’s behavior on the relationship between the industry structure and the organization’s performance. In the view of Hitt and colleagues, the Porter Five Forces model is the best analytical tool to use structured aid in this area.

The Porter model is based on the assumption that industry profitability is a function of the interaction between the five factors of competition which are suppliers, buyers, competition between organizations, alternative products and potential competitors. According to this model, the organization must study the reality of competition in the sector in which it operates, and choose a strategy that guarantees a competitive position in the market based on the organizational characteristics in the industry. In the language of this model, the organization can achieve higher than average profits through:

- Manufacture of products or services at a lower cost than competitors through a cost leadership strategy.
- Manufacture of products or services of high quality and distinctive for a group of customers, especially those who are willing to pay higher prices through a differentiation strategy.

From the point of view of (Porter, 1981), the competitive advantage of the organization can be maintained through the establishment of barriers or obstacles to other competitors through economies of scale, the effect of the experience curve, product differentiation, etc., and the organization must then continue to put those barriers through Reinvesting profits to prevent entry of potential competitors.

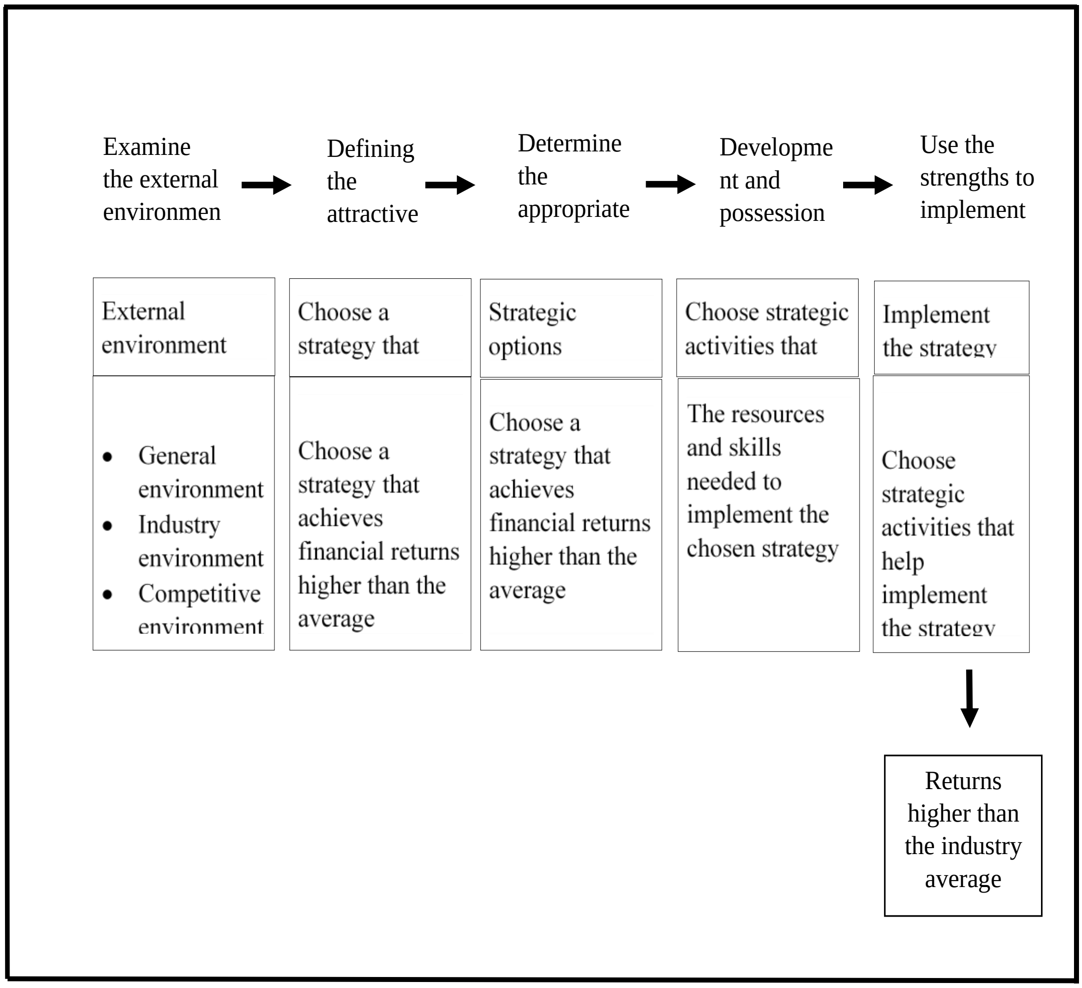

Figure 2.1: Industrial organization model

Source: Hitt, M.A., Ireland, D. and Huskisson, R.E. (2011).

Second: The resource model

In the 1980s, some researchers in the field of strategic management began to question the ability of the industrial organization model to explain the difference in the performance of organizations operating in an industry. Instead, these researchers focused on the role that the organization’s resources and core capabilities could play in formulating and implementing the organizational strategy and its reflection on its performance on the basis that the organization’s ability to compete in the long-term stems from its ability to build a core capacity that enables the organization to provide products or Advanced services faster than other competing organizations at a lower cost. Intrinsic capacity is seen as the set of activities and processes by which the resources of the organization are used to achieve a competitive advantage that cannot be obtained or imitated by others (Johnson et al. 2005). According to Parahalad & Hamel (1990), the core capacity can be in any of the functional fields within the organization, but it is more likely in the fields in which the organization is able to achieve integration and coordination between its various activities and what adds value to its products or services. This ability is not fixed, but rather changes and develops according to the changes that take place in the internal and external environments.

For the ability to be substantial, it must:

- Helps the organization to introduce new products or services to gain a competitive advantage.
- Contributes to providing a basic benefit to the customer, making him prefer the products or services of the organization over the competing products or services.
- We are unique in that it is difficult to imitate by competitors.

he cores capacity is not required to be expensive to obtain, as there are certain cases in which it is possible to obtain substantial capacity at a low cost, as is the case in the alliances that the organization makes with other organizations or obtaining franchises. There are also other cases in which the organization is able to prepare an organizational design that facilitates obtaining substantial capacity at low cost or even without incurring any additional costs by facilitating the process of sharing the various capabilities that exist within the organization in the design process.

The main problem faced by executives is the difficulty of applying this concept due to the generality of the level of analysis. Hence, the resource approach emerged as a means to make the concept of the core capacity applicable and applicable in the field of analyzing the internal capabilities of the organization (Pearee & Robinson 2005, 2005). In general, the resource approach is based on a simple idea that organizations differ greatly among themselves because they have a unique set of resources that provide them with the basis from which their strategies stem, and therefore resources are the main source of revenues and profits that organizations obtain. In a more precise sense, the difference in the performance of the organizations is mainly due to the resources that the organizations possess more than being a function of the characteristics of the industry in which they operate as it is assumed that the entrance to the industrial organization, which requires it to develop its resources and manage them in a dynamic way that helps them achieve returns higher than the general average of the industry (1991), Marksides).

In general, it can be said that there are a number of basic assumptions on which the resource input is based (Mello, 2002):

- The organization's resources form the basis on which the organization relies on making its strategic decisions, not the characteristics of the external environment.
- The organization can obtain the competitive advantage through acquisition and valuable organizational resources
- The organization can choose the privileged location and acquire valuable resources.
- It is not easy to transfer resources between organizations.
- Valuable resources are costly to replicate and not replaceable.

The resource approach sets the guidelines for the organization in identifying valuable resources that create the core capacity that is a source of its competitive advantage. A resource is when the following characteristics are met: 2005, Wheelen & Hunger, 2004-2012; Pearce & Robinson

1 Competitive superiority: Competitive superiority means the ability of a supplier to meet customer needs in a better way than competitors. A supplier who is unable to meet customers' desires and expectations at the price they are willing to pay cannot be considered a value. This price is usually determined by the preferences of the customer, the alternative products, and the complementary product supply (Branden burger & Stuart, 1996). This means that the analysis of the resources of the organization should not be limited to the activities performed by the organization, but rather to the analysis of the competitive advantage of those resources in the market in which they deal.

2 Scarcity of resources: The second characteristic that a resource is required to have in order for it to be valuable is that its supply in the market for a short period of time. The resource that is owned by a small number of competitors

and works to meet the customer’s need in a better way than others, so this case creates a distinctive ability for the organization.

3 The difficulty of imitation: The valuable and scarce resource that competitors can imitate can generate a temporary advantage for the organization, but it will not be the basis for a long-term strategy. There are four characteristics that make a resource neither imitation nor costly to imitate

- Material uniqueness: The materially unique resource cannot be imitated. The privileged site, copyright, copyrights and distribution rights, mining rights, and patents are all resources that cannot be imitated.
- Reliability of the path This characteristic means that the resource cannot be obtained in a quick way, but is acquired over time in a way that is difficult to expedite, as competitors cannot acquire resources except by adopting the same path, and therefore the first gain of it is the one who has obtained the competitive advantage before others.
- Economic barrier: Some products and services require large investments in production capacity. Therefore, the organization needs wide markets in which it can dispose of its products or services in order to obtain the advantage of economies of scale. The economic impediment occurs when the organization has the resources required to manufacture products or provide services, but it chooses not to resort to that due to the limited capacity of the markets, because the supplier's imitation process will have a higher cost compared to the first product, and thus the second product will lose its competitive advantage.
- Ambiguity of reason: This characteristic refers to situations in which competitors are unable to know how the organization achieves its competitive advantage. In other words, competitors do not know the most beneficial resource for the organization or how the resources mix and combine with each other to create a competitive advantage.

1 Stamina: It expresses the speed at which the value of a resource decreases. A resource that is characterized by slow decline in its value is better than a resource characterized by a rapid decline in its value over time.

2 The acquisition of profits: The resources that are sponsored and developed by the owners and their control over them are fair as they play a clear role in creating value for customers and thus are more valuable than other resources that can be obtained through purchase or transferring them from one region to another.

3 Organizing: It refers to the ability of the organization to organize itself with the intention of making use of the available resources. The resource with which the organization is more able than others to organize itself to make the best use of this resource, as this is the case, it is a valuable resource for this organization.

Availability of the above-mentioned characteristics that allow the organization's resources to be transformed into distinct capabilities that constitute a source of sustainable competitive advantage for the organization Figure (2) illustrates the resource model.

The authors believe that neither of these two models is sufficient on its own. Rather, there is a need for a third entrance, which is the integrative entrance

Third: the supplementary form.

His study (McGlan, 1999) showed that about 20% of the profits of organizations are determined by the characteristics of the industry in which they operate. It also showed that about 36% of the differences that occur in these organizations are due to the characteristics of the organization and its decisions.

The above results indicate that the external environment in which the organization operates, as well as its resources and capabilities, all play an important role in determining the level of profitability of these organizations. In a more precise sense, the organization can be viewed as a package of marketing activities that are studied and understood through the mechanisms of the industrial organization model, as it represents a package of resources and possibilities that must be studied through the mechanisms of the resource model. Here, the top management of the organization must work to integrate the mechanisms of the industrial organization model and the resource model to create a sustainable advantage that ensures the organization achieves its strategic aims.

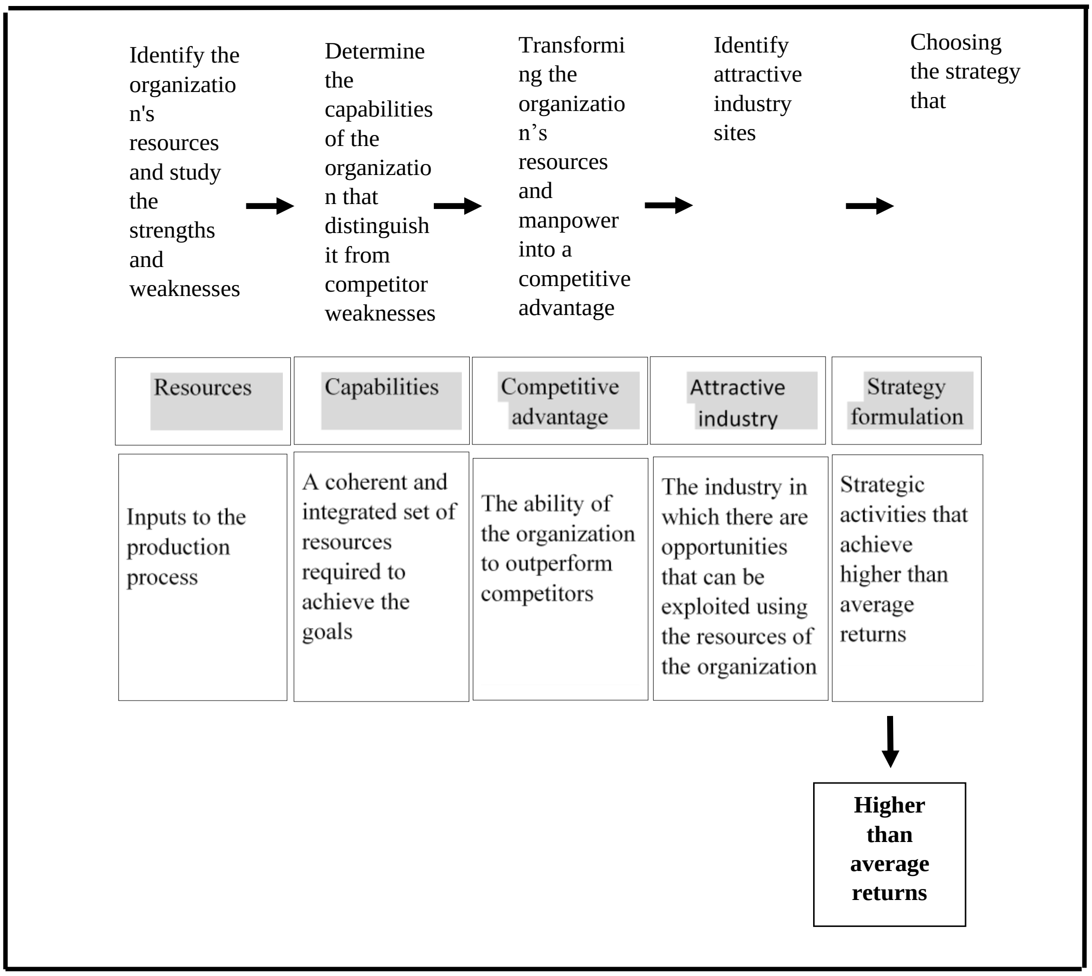

Figure 2.2: Resource Form

Source: Hitt, M.A., Ireland, D. and Huskisson (2011).

The previous figure shows the strategic management model that will be adopted in this book, noting that the stages of strategic management included in this model are integrated with each other and the need for continuous review to maintain its dynamism in order to enable the organization to exploit the opportunities available in the external environment and face the challenges posed by the changes. Accelerating in that environment by continuously developing its core resources, capabilities and capabilities.

The aforementioned figure indicates that the strategic management process passes through five stages, which are:

1 **Strategic analysis:** This stage includes monitoring and evaluating the changes that take place in the external environment of the organization for the purpose of identifying the opportunities and challenges posed by that environment. It also includes an assessment of the organization's resources, capabilities and core capabilities in order to identify its strengths and

weaknesses. It should be noted that the organization's strengths represent a set of core capabilities that in turn form the basis for a sustainable advantage.

2 **Determining the strategic direction of the organization:** This stage includes determining the general direction of the organization, which includes formulating the strategic vision of the organization, its mission, and the strategic aims that it seeks to achieve.

3 **Determining the strategic choice:** At this stage, strategic options are studied at the level of the organization and at the level of the strategic business unit (in the case of organizations that have more than one business unit) and at the functional level and the appropriate option is determined.

4 **Implementation of the strategy:** This stage includes defining the operational aims of the organization and allocating the material and human resources necessary for their implementation. It also includes taking a set of procedures for the organizational structure of the organization, defining responsibilities and powers, and other detailed procedures that determine how to license the activities required to implement the organization's plans.

5 **Strategic Control:** It represents the last stage of the strategic management process, where the formulated strategy is subject to the evaluation process to determine its compatibility with the changes that occur in the internal and external environment of the organization and the possibility of that. And think about adjusting it to fit those changes. It should be noted that the review and evaluation process is not limited to the last stage of the strategic management process, but rather this review is carried out at each stage through feedback and what maintains a sustainable dynamic of the strategic management process.

2.2 The Development of Strategic Thought

2.2.1 The concept of strategic development

The concept of strategy

The word strategy originates from the Greek term Strategies, which was used during the war that broke out between the Greeks and Persians in the year 506 BC to express the art of commanding armies. The Second World War and pointed out that strategy means distributing and using military means to achieve political inflammations, and he distinguished between three types of strategy, namely:

- **Tactic:** which concerns the actual battle
- **The minimum strategy:** which is concerned with distributing and organizing the movement of military units on the battlefield.
- **Supreme Strategy:** which is concerned with coordinating resources and directing them towards achieving the political end of the war, represented by the attainment of honorable peace.

This military concept of strategy is also embodied in Webster's concept of strategy, which is the science of planning and directing military operations.

For his part, Clausewitz (1976) focused in his position on strategy on the importance of linking ends, which usually express political races, and the means that in turn work to achieve those ends. (Lyllue, 1983) broadened the concept of strategy proposed by Clausewitz by adding another element to the equation, which is the methods that relate to operational concepts, work contexts, or methods used to reach specific ends, to become the formula for strategy as follows:

And the final mean of the aims that the organization seeks to achieve, while the means mean the resources needed to achieve those aims, while the methods mean the concepts that anticipate how to use the available resources to achieve the desired aims. Lylle believes that the strategy always includes a degree of risk represented in the gap between the desired ends and between each of the concepts and resources available to the nation, either the inability to find ideal concepts or the difficulty in obtaining the necessary resources to ensure the absolute mass, and in this case the organization must work to reduce the degree of Risking wherever it is.

In the same sense, both Richard & Barber (1997) view strategy as relating to how (methods or concepts) use the available force (means or resources) to control the set of surrounding conditions to achieve desired ends (aims). The two researchers attempted to formulate a theory of strategy that extends to the following premises:

- Strategy relates to the future and aims to control the surrounding environment.
- The strategist must know what end he wants to reach.

- Strategy must balance the end, means, and methods.
- The political purpose is what determines the nature and hierarchy of the aims that must be longed for.
- The strategy is of a hierarchical nature and this requires that the objectives, concepts and resources be compatible at all levels.
- The strategy is comprehensive and requires a comprehensive analysis of the strategic factors surrounding the organization.
- The strategy includes an amount of risk represented by the possibility of failure to achieve one of the objectives or giving up an important opportunity for the opponents.

The concept of strategy has moved into the business world to indicate what must be done to face the actual or expected moves of competitors. (Steiner, 1979) laid down the lack of agreement regarding the concept of strategy in the business world, but he indicated some definitions of strategy, including:

- Strategy is what senior management does on issues important to the organization.
- Strategy refers to the key guiding decisions related to the mission and aims of the organization.
- The strategy includes the important and necessary activities to transform decisions into reality.
- The strategy defines what the organization needs to do.
- The strategy defines the ends that the organization wants to achieve and how to reach them.

Although strategy is a general term that can be used to serve different purposes from the point of view (1980, Rummelt), it represents visually a set of aims, policies and plans designed in an integrated way to define the scope of the organization's work and define its own path to success and survival. Andrews) in the same direction, as he defines the organization-wide strategy as a model for the decisions taken by the organization to define its aims or objectives, formulate the policies and plans necessary to achieve those aims, determine the scope of actions that the organization can deal with, the current and future occurrence of the organization, and the nature of the economic contribution And non-economic that the organization can provide to shareholders, workers, customers and society in general. This definition includes an indication that the strategy can be a picture, a plan, and a pattern according to the definition, as we will see later.

While Porter's definition of strategy included a plan, and a position in the market, and he believed that the competitive strategy represents the means by which the organization can reach the aims it aspires to (1986, Porter). Porter emphasized that the competitive strategy of the organization means the deliberate choice of a group of different physical activities to provide a variety of products or services with a distinctive value to its customers compared to competitors (1996, Porter)

Both Irezoe & Zimmerinan, 1980, indicate that the strategy does not go beyond being a perception of what it wants the organization to be in the future, and thus the guiding framework determines the organization’s options for determining its nature and direction in relation to the products or services it provides, or the markets in which it deals. An organization’s decisions are to rely on a single driving force for each of its businesses. Although there are nine types of driving forces, only one of them can be relied upon as a basis for a strategy for specific work, and these forces are:

- Products offered
- The needs of the market
- Natural Resources
- Technology
- Methods of selling
- The needs of the market
- Productivity capacity
- Distribution methods
- Natural Resources
- Size / growth
- Return / profit

(1987, Mintzberg) believes that the ceremony of strategic management cannot be based on the recognition that there is only one definition of strategy. So, he introduced a concept that differs from the others within five definitions of strategy, one of which is complementary to the other, which he called: -

1 **Strategy as a Plan: -** Where strategy is seen as an intended activity to deal with different situations. The plan has two main characteristics. The first is that it is prepared before the activities for which it is developed, and the second that it is ready to achieve a specific aim or objectives.

2 **Strategy is a maneuver: -** Strategy as a station can be general and as explained or be private, and this is the case and this is an attempt to deceive opponents or competitors. The maneuver here takes on a narrow concept that is closer to tactics than strategy

3 **Strategy as a pattern: -** The strategy cannot be viewed as a plan or a maneuver in isolation from the resulting behavior. This means that the strategy should be viewed as a pattern in the process of the flow of various activities, whether intended or unintended, and thus it is a product of the organizational learning process and not a single decision.

4 **Strategy as a center:** where attention is directed to the products or services provided by the organization and the markets in which it deals. The position obtained by the organization in the market reflects the efforts it exerts in granting its products a distinctive value from the customers' point of view. The focus of strategy in this case is to find harmony between the organization and the surrounding environment.

5 **Strategy as a perception: -** As the strategy expresses the purpose of the organization and the aspects it focuses on, and therefore it is linked to the mission of the organization and its core values that all employees share, whether through their intentions (thinking) or through their actions (their behavior).

2.2.2 Competitive strategies

First: Porter's competitive model concept

Michael Porter is considered the pioneer in the competitive strategy, as this model highlights the necessary features of the concept of competitive advantage, as he sees the competition model as preparing plans for the competitive environment of the organization that helps it to create new strategies and develop its business (Kharub & Sharma, 2017: 136). (Rachapila & Jansirisak, 2013: 174-175) indicates that the competitive model represents the ability of current and future manufacturing organizations in addition to the requirements of customers, as companies can cooperate with service distributors in order to achieve industrial efficiency, which will positively affect the achievement of valuable results. (Irfan et al., 2019:4-5) reinforced that the competition model is a useful tool for examining the state of an industry and analyzing its competitive environment, and in turn provides valuable responses to developing effective strategies for enterprises and organizations.

This model highlights that organizations are working to improve their value chain in order to constantly achieve excellence over their competitors, which enables the organization to create a competitive advantage focusing on low cost and create a differentiated strategy (Bashir& Verma, 2017:1). The competitive model provides a systematic way of thinking about how competitive forces operate at the industry level and how these forces determine the profitability of different industries and industry sectors (Hussein & Muchemi, 2019:18). (Jeffrey, 2016: 227) shows that the competition model helps analyze the industrial environment to become more important, because the five-performance scorecard for Porter collects each of the five strengths indicators that score high, medium or low so that the organization becomes more committed to facing opportunities and threats in the industry

Porter Model Application Features

Porter's competitive model is characterized by a set of features, which are represented in the following:

- I have simplified microeconomic theory into only five main effects.
- Effectively and ahead of time applied "systems thinking".
- Show how "the intensity of competition is largely a function of the other four forces.
- It has helped in forecasting the long-run rate of return in a community industry.
- Go beyond a simpler focus on relative market growth rates in determining the attractiveness of an industry.

- Help combine input-output analysis of a society with industry boundaries via entry barriers and alternatives.
- He stressed the importance of searching for imperfect markets, which provide more national opportunities for superior returns.
- Stress the importance of bargaining power and bargaining arrangements in determining the relative attractiveness of the market.
- Managers focused on the external environment more than traditional SWOT analysis (Grundy, 2006:215).
- Increased sales volume (Adhaditya & Sutanto, 2016: 2).

Porter model application stages

Achieving competitive advantage is achieved through three stages suggested by Porter:

- **Determine the environment of the sector to which the organization belongs**

Which is determined through the pressure exerted by the five competitive forces (entry barriers, strength of suppliers, strength of buyers, threats of alternatives, and intensity of competition). It is very difficult to maintain the competitive position of the organization and the difficulty of achieving an acceptable return on investment

- **Choosing a competitive strategy**

As the organization should choose a specific competitive strategy in order to achieve the competitive advantage as a result of achieving the lowest total costs or through a strategy or gaining the advantage by highlighting a quality in the service or product that is valuable in the eyes of the customer

- **Apply the competitive strategy**

That is, the organization should consider this stage as not a stage that ends after a period of society, but rather a continuous stage in which the organization re-evaluates the sector to which it belongs and its competitive position (Al-Ta'i and Karmasha, 2010:25-26)

Secondly: The Five Competition Forces Model

Porter has identified five major competitive forces that managers need to consider when analyzing the industry environment and formulating competitive strategy

1 **High customer loyalty**

Customer loyalty is characterized by the fact that the cost of serving loyal customers is lower than that of new customers, which leads to the fact that loyal customers will pay the cost of the highest set of products (Prentice, 2013:49), and this in turn leads to the organization's view of these loyal customers will be different and treat them as their own marketing customers. (Quach et al, 2016:105) indicated that customer loyalty results from a set of multiple aspects, which are the repurchase intention, product preferences, and attitudes towards the brand. In turn, (Saleem & Raja, 2014:118) sees that customer loyalty is represented by the ability of customers to repurchase from the same service provider whenever possible in order to maintain positive attitudes towards the service provider.

From the point of view of some academics, the importance of high customer loyalty is:

- The customer loyalty process enhances the immunity of the organization against competitors (Heryanto, 2011:67).
- B- Increasing the profitability of the organization (Dowling & Uncles, 1997: 74; Buttle & Burton, 2002: 218)
- C - A source of competitive advantage: - Customer loyalty has a strong impact on the performance of employees
- D- Increasing the number of customers (Yoo & Bai 2013: 167).
- C- Increase market share (Kandampully et al., 2015:395)
- H- Enhancing the customer’s intention to purchase the organization’s products (Bilgihan, 2016:105)

2 **Power of suppliers**

With regard to the bargaining power of suppliers, it indicates that it is enhanced when there are few suppliers of raw materials, there are no alternative sources of supply, their sales do not constitute a high proportion of the products sold, and their product makes an important contribution to the industry, as well as when they have differentiated products and have The ability to merge vertically. When it comes to the tourism industry, the concept of a supplier can mean a supplier of raw materials to operate a tourism unit, as well as suppliers of manpower (Varelas & Georgopoulos, 2017:123).

Suppliers are organizations that supply materials and other products in the industry. The cost of items purchased from suppliers (such as raw materials and components) can have a significant impact on the profitability of the organization. If suppliers have a high bargaining power over a company, the organization's industry in theory is less Attractiveness, and thus the bargaining power of suppliers will be high when: there are many buyers and few dominant suppliers, there are undistinguished, high-value products, and suppliers threaten to integrate into the industry (Uçmak & Arslan, 2012:1038).

3 Power of buyers

A powerful customer is able to achieve greater value by forcing them to lower prices, demand better quality or more services and cooperate with other actors. If buyers are powerful, they are able to have high bargaining power, especially if they are price sensitive (Eskandari et al., 2015:189). (Hafezi et al., 2017: 6) pointed out that the volume and rate of customer concentration are among the most important characteristics that determine the bargaining power possessed by the buyer.

The more open the transaction opportunities, the more power the buyers have, in part because this reduces their costs in seeking and selecting producers. Suppliers, if buyers have high market power, they are able to push down prices or achieve better quality or they can impose expanded services, and on the other hand it reduces the profitability of the industry, and therefore the purchasing power of the buyer is high if the buyers are large, and they are able to Switching easily to another resource may be in numbers (Boafo et al., 2018:17).

4 Threat of substitutes

Substitutes satisfy needs that are similar to those of other organizations in an industry and belong to different industries. When faced with a large number of substitute products, businesses will not be able to increase their prices at the risk of reducing their customers (Varelas & Georgopoulos, 2017:122). (Maresova & Kuca, 2014:

136) stated that alternatives refer to the organization's ability to influence the price and quantity offered for products and services by substituting and influencing them. The threats of alternatives (Jeffrey, 2016:230) are:

- The relative price in the performance of substitute goods
- The price charged for each substitute product is adjusted according to the raw materials used, in addition, the price of the product charged is according to what the consumer receives.
- Buyers' tendency to replace products
- It refers to consumers buying another type of product
- The cost of switching to another product

It refers to the replacement products at competitive prices, as the substitute product contains the same raw materials that the original product owns. From the point of view of (Yin, 2014:47) the costs of transformation refer to the model of consumers who change suppliers when they face transformation costs, and it is known (Pick&Eisend:187; Lam et al., 2004:295-296) Switching costs are anticipated costs and/or experience expected by a buyer when changing the relationship from one seller to another (Lee et al., 2001:37). According to (Blut et al., 2014: 276) the transformation costs are research costs, transaction costs, learning costs, loyal customer discounts, customer habits, emotional cost and cognitive effort, along with financial, social and psychological risks on the part of the buyer. And (Kim et al., 2001:2) that transformation costs refer to those newly created costs that occur when economic customers change their products and transfer them to other products, as these homogeneous products may have previously become heterogeneous, and therefore these costs stem from A set of economic and psychological reasons.

There are a range of factors that influence turnaround costs according to the type of products, businesses, and customers. And as follows:

- For technology products, the mismatch between technology brands can increase the costs of transformation.
- Whereas in the context of inter-hospital business, the transfer costs can be categorized as fixed assets and soft assets). Transactional assets (TSAs) are a major source of transition costs.

- For consumers, transformation costs include those related to monetary, behavioral, research, and learning (Yang & Peterson, 2004: 805).

5 **Rivalry among existing competitors**

It refers to the structure of the industry and the nature of competitive relations in the industry (Eskandari et al., 2015:186).

The intensity of competition between existing competitors is largely determined by the following factors:

- **Competition structure:** where the competition is more intense as there are many competitors that are small or of equal size; Competition is less when the industry has a clear market leader
- **Industry cost structure:** It refers to industries with high fixed costs that encourage competitors to fill unused capacity by lowering prices
- **The degree of differentiation:** It is represented in industries in which the products are commodities (such as steel and coal) that have greater competition.
- **Transfer costs: -** which indicates that competition is reduced when buyers have high transfer costs, i.e., there is a large cost associated with the decision to purchase a product from an alternative supplier
- **Strategic objectives: -** When competitors follow strong growth strategies, the competition is more intense. When competitors "milk" profits in a mature industry, the degree of competition is lower
- **Exit barriers: -** It is when the barriers to exit from the industry are high, and thus competitors tend to show more competition (Uçmak & Arslan, 2012:1040).

Third: Basic Models of Competition:

After studying the models that resulted in the strategic planning matrix, defining the competition process contributes to the need to develop a model capable of achieving balance with various circumstances. Therefore, the development of the competition model for (Porter) preceded several models represented in:

1 **Industry model:**

An industry can be defined as a group of competing enterprises to produce and market goods or use resources. That is, we consider the industry in itself as a subject of study, and not as a tool for analyzing macroeconomic dynamics (Angelier, 1993) (Angelier, 1993:46), as indicated (Robinson, 1958) to this model as representing a group of institutions that participate in the production A related commodity or the use of one main raw material, one manufacturing method, or one type of machinery (Izzat, 2000: 11).

Marshall began his writings at the same time that modern industry began to be established in England in 1879, and he and his wife touched on the mechanism by which industry was considered as an independent sector in its contemporary form "the sectoral mechanism". They focused on the risks facing the monopolist when he sets a very high price, which leads to attracting new competitors. The industrial economy always aims to reject the perfect competition model (Towati and Mubaraki, 2017: 172), and this model goes through several stages:

- The institution: by studying and identifying a set of points that give a clearer picture of this element such as its goal, internal organization, and culture.
- Strategic position: In it we study how the organization can expect in the range of markets available to it, the choice of products, the choice of technology.
- Competitive dynamics: in which we study the work or progress of the dynamics of these markets, the competitive advantages of each institution, the intensity of competition, focus, and price strategy.
- State intervention: by studying the type of these interventions, and what interventions are supposed to be in order to ensure the optimal use of resources, competition policy, and industrial policies.

2 Ansoff. Matrix:

The Ansoff Matrix was developed by H. Igor Ansoff and first published by Harvard Business Review in (1957) in an article titled "Strategy for Diversification." It has given generations of marketers and business leaders a simple way to think about growth risks, and is a tool that helps organizations define a strategy This strategy looks at the organization and the markets in which it operates to help determine the correct direction of growth. The matrix is an excellent way to analyze marketing as a strategic response through the use of the product market expansion network proposed by Ansoff 1957 (Al Bostanji, 2015: 75), (Watts, et al., 1998: 104) believes that it is a marketing strategy planning tool that proposes four strategies for business development and focuses on the level of risks associated with each strategic choice. Ansoff presented a matrix consisting of four cells:

- Market penetration strategy: It is used to increase the sales of the organization by selling the existing products in the existing markets.
- Product development strategy: It is represented in the organizations planning and working to increase their sales by introducing new products.
- Market development strategy: It refers to the organization's introduction of new products in new markets.
- Diversification strategy: It refers to the process of entering new markets that differ from the current markets that the organization deals with (Nagati and Al Yamani: 2020: 91).

3 Structure-performance-behavior analysis model:

The approach to industry model analysis is based mainly on the model (structure, behavior, and performance), which is a major approach to the study of the industry since the second half of the twentieth century, and has been recognized as one of the most effective and reliable means of industry analysis, and in particular the profitability of the interrelated market forces in the industry. He also developed this model (Bain, 1956), and (MASON, 1939) (Dennis & Jeffrey, 2008:6).

4 Mean analysis model:

Marines do not use the same charts and navigational instruments for inland transportation than they do for long-term navigation, and likewise economists must use the tools of analysis appropriate to their goals and concerns. If the industry itself is their preoccupation, they should adopt a theory of the industry. This theory allows an understanding of the structure of a system consisting of a group of competing institutions. This level of analysis linking micro and macroeconomics is called macroeconomics. In order to study this type of analysis, economists have found a method commensurate with the nature of its components and the relationships between these elements (Shweikhi, 2006: 5-9).

Fourthly: The type of Competitive Strategies:

In order to achieve precedence over its competitors, organizations rely on the application of a certain strategy for competition, the main objective of which is to acquire a competitive advantage. The strategy is the structural decisions taken by the organization to achieve precise goals, which depends on the degree of its achievement, the success or failure of the organization, and accordingly there are three basic strategies for competition (Porter,2011: 1), she:

1 Cost leadership strategy

The lower cost is the main goal of organizations that compete on the basis of cost, even organizations that compete through other competitive advantage, they seek to reduce the costs of the products they produce (Hamed and Hanan, 2019: 148). Therefore, the goal of this strategy is to achieve a lower cost compared to competitors. Among the motives that encourage the organization to implement it are the provision of economies of scale, the effects of the learning and experience curve, and the presence of encouraging opportunities to reduce costs and improve efficiency (Madani, 2018: 222).

The cost reduction strategy achieves a number of advantages, which are as follows:

- The unit produced at a lower cost is in a better location than its competitors for the price
- It enjoys its immunity against powerful customers, as it is not possible to compromise on lower prices
- It is immune to powerful suppliers who set prices for inputs
- It occupies an excellent competitive position that enables it to reduce the price and face any attack from the new competitor
- It can compare with its competitors, i.e. use price reductions as a weapon against alternative goods with attractive prices (Al-Hamdani and Al-Subaihi, 2016: 541).

2 Differentiation strategy

The differentiation strategy is based on the organization's ability to provide a distinct and unique value to customers through different formulas, including distinguished quality, customer service, design, close relationships with suppliers, effective advertising ... etc., and (Porter) explained that the differentiation strategy does not mean that the organization does not pay attention To reduce the cost as this is not the main purpose of this strategy and the relationship between the cost leadership strategy and the differentiation strategy is a reciprocal relationship that the activities required to achieve differentiation (particularly research and development and product design) require expenditure and the organization that adopts this reduction strategy must try to In the aspects not directly related to the source of differentiation, the success of this strategy depends mainly on the customer's evaluation of the characteristics of the service provided to him that make him distinguished (Mahdi, 2019: 453). Al-Rabiawi and Al-Alaq (2016: 33) believe that the differentiation strategy describes two characteristics:

It is in the mind of the consumer

- It represents a competitive entrance through which products can be arranged on the basis of their differential position on the scale of each characteristic in the mind of the consumer.

Thus, this strategy requires the development of goods and services that are unique or unparalleled in the market, that is, depend on the loyalty of customers to the brand, and accordingly the organization can provide the highest quality, performance or unique features.

3 Focus strategy

In this strategy, the organization focuses on selecting a small number of target markets, also called the specialized strategy, that is, in this strategy, the organization focuses on its marketing efforts based on a specific marketing sector, and is compatible with the capabilities and resources of the organization in order to achieve the requirements of those markets, but it is misleading On this strategy it includes:

- Risks of not diversifying the services and markets in a way that makes all the organization's investments in one market sector.
- Risks that the target sector will become a source of attraction for the rest of the competitors after the organization focuses all its efforts in serving this sector (Al-Rabiawi and Al-Alaq, 2016: 33).

2.2.3 The stages of development of strategic thought

Strategic thinking has gone through many developmental stages during the past years, especially those that followed the Second World War. (1980, Gluck et al.) Defined it in four stages:

- Basic financial planning
- Forecast-based planning
- Strategic planning
- Strategic management

The following is a summary of the most important developments that took place at each of these stages, despite the presence of some overlap between them:

The first stage: Forward financial planning (budget planning): - The planning system at that stage relied on annual budgets, as the procedures that were taken by organizations to prepare annual budgets at that time were based on forecasting the expected costs and revenues for the next year. Business organizations at that stage showed strategies that enabled them to survive by achieving annual profit growth rates, in addition to some other financial aims.

The success of business organizations at that stage was dependent on the experience and knowledge of the CEO and the senior management team of products and markets and the nature of competition, but the changes that occurred in the business environment and the increase in the number of organizations and markets have made it difficult to rely on this type of planning and thus move to the second phase. One of the stages of strategic thinking represented by planning based on forecasting.

The second phase of forecast-based planning: This phase started in the 1960s. It was distinguished by its reliance on long-term planning based on environmental analysis and forecasting for long years to come as well as a steady distribution of resources in light of the organization's response to development requirements (Gluek et al. 1980).

The increasing number of products, markets, and economic and technological changes in wrestling have led to the use of advanced methods of forecasting changes in the external environment. Among the most important of these methods are trend analysis, correlation models, and computer simulation models.

This shift in the concept of planning has, in turn, led to a clear improvement in the level of effectiveness of strategic decisions, through the management studying the dimensions and potential impacts of the decisions taken in the long term. A number of writers and researchers contributed to the development of the concept of strategy during that period, in their introduction (Ansoff, Andrews & Chandler).

The most important feature of that stage is that the planning process focused on the capabilities available to the organization without discussing possible alternatives, which made it a routine based on making some simple adjustments to the plans of the past years to be the future plans of the organization.

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The third stage of strategic planning: In the 1970s, a shift took place towards externally directed planning. Instead of relying on forecasting the future as a method of planning, organizations are focusing on studying the basic market fundamentals and the growing need to respond to the demands of competition. This stage was characterized by a focus on comprehensive analysis of the state of the organization, review of the state of competition, the dynamic distribution of available resources, in addition to the strategic planners re-evaluating their product offerings and the product offerings of competing organizations from the customer's point of view. This stage witnessed the development of strategy guides with the spread of the planning school (1990, Mintzberg et al.). Among the methods used in the planning process at the time are:

- Product life cycle
- Give me experience
- Portfolio analysis

The strategic planning process that characterized that stage led to the diversity of opportunities and options available to the organization and the consequent difference in the returns and risks associated with each of those options, which increased the burden of the organization’s senior management and pushed it towards studying the possibility of the participation of functional departments in obtaining information. This created the impetus for future work represented by moving to the fourth stage of developing strategic thinking, which is the stage of strategic management.

The fourth stage of strategic management: - This stage, which began in the eighties of the last century and continues to the present, was characterized by working to link the process of strategic planning and management to one process to address the failures of organizations because of its focus on formulating the strategy without paying attention to implementation through the following mechanisms (Gluck et al. al. 1980):

- Create a specific and realistic framework for planning: - Facilitate the process of strategic decision-making and work to organize and mobilize the organization’s resources in a manner that enables them to achieve a competitive advantage.
- A flexible mixing process that helps stimulate and clear creative thinking and

discord

- Ensures that managers adhere to the strategy of the organization as a whole and coordinate among themselves to benefit that strategy.

The process of linking the aforementioned mechanisms resulted in a shift towards the concept of strategic management, which aims to ensure that strategic decisions take their way to implementation and what ensures the achievement of the desired aims of the organization.

The period of this phase was marked by unprecedented levels of change and complexity (& Prahalad 1994, Hamel), and it led to the emergence of a shift from relying on quantitative forecasts to the widespread use of qualitative analysis (Stacey, 1993) of customers, markets, and the organization's capabilities in addition to an emphasis on formulating a vision. The Organization and Its Mission (Wilson, 1994)

The concept of strategic management was based in large part on the ideas of Zuckerman, 2002; Oliver, 2002; Goulart, 1998 (Porter), who presented a set of analytical frameworks related to the concept, especially the analysis of the five factors, competitive strategies, the value chain and strategic aggregates and other contributions.

Porter believes that the study of strategy is based, in fact, on three elements:

- The external environment
- Kings of the organization
- Market results obtained by the organization through the benefit of its strategies.

In Porter's view, a successful market position is a consequence of the industrial environment and the presumed center or location of the organization within the market. In its

model of the Five-Year Factors, Porter sees that the relationship between these factors in (current competitors, potential competitors, suppliers, buyers, and alternative products) determines the profitability of the industry. The intensity of competition in the industry is the most important factor when evaluating the external environment of the organization, and that the industry analysis is the one that determines the competitive strategy that leads to achieving an above average financial return in comparison with competitors. Organizations operating in the same industry can choose one of the following second strategies: -

- Cost leadership strategy: - When it enables the organization to provide products similar to what the competitors offer, but at lower prices.
- Differentiation strategy: When it enables the organization to provide high quality products compared to competitors at high prices, it is also able to cover the high costs required to differentiate the products it offers.
- Concentration strategy: When the organization adopts one of the two strategies mentioned above with a focus on a specific area in the market. The focus is either on the cost when the organization decides to adopt the cost leadership strategy in the specified part of the market, or it is on the differentiation when the organization adopts the differentiation strategy in the specified part of the market.

The sites or centers that do not fit with the previous options will result in what Porter called Stack in the middle, and thus the organization will not be able to achieve profits within the general average of the market. In explaining the process of obtaining a competitive advantage, Porter presented another concept, which is the value chain, which recognizes the success of the organization when it is able to add value to the chain, and thus he contributed to drawing the attention of management to the importance of looking at different operations and activities from the customer's point of view. Every process or activity must be viewed through the value it adds to the end customer. Porter believes that the competitive advantage is achieved as a result of the organization’s ability to complete the required activities either at a lower cost than competitors or in a distinctive way to create value for the buyer, which allows obtaining a higher price (Porter 1991). In the sense that the strategy of the organization stems from the way that links different activities within the value chain in comparison with competitors. Thus, the Porter model gave the opportunity for the organization to move more freely in the market by choosing one of the strategic options mentioned earlier.

For his part (1994, D Aveni) presented the concept of excessive competition to refer to conditions of competition radically different from the previous conditions that organizations must deal with. In the traditional competitive environment, the organization can develop a successful strategy based on developing its resources and capabilities to create a competitive advantage that enables it to get a good competitive position. In light of excessive competition, the matter is completely different, as the organization must follow different rules of behavior and respond to market requirements with rapid changes in strategy. If the organization wants to obtain a strong and distinctive competitive position, it must constantly work to change its competitive advantage by developing a group. Of short-term competitive advantages and departures constantly. This strategy will prevent competitors from imitating the competitive advantage of the organization and thus allow it to maintain a distinguished competitive position and create new capabilities and capabilities that allow developing a set of short-term competitive advantages in a competitive model characterized by dynamism and change.

In the same direction, Moore (1996) pointed out that the organizational strategy should not be based on competition only, but on the basis of competition and cooperation. Proceeding from the concept of an ecosystem, the organization cannot remain in isolation from its environment, and therefore cooperation between the components of this system can be beneficial to all of these components. According to this concept, the competitive advantage of the organization comes through the adoption of a strategy based on cooperation between the organization and other organizations selected from the ecosystem in which the organization operates in my borders. Branden burger & Nalebuf (1996) introduced the concept of cooperative competitive strategy by making use of the ideas contained in game theory, as the two authors believe that an organization can obtain an advantage through a wise link between competition and cooperation with other organizations at the same time. Cooperating with suppliers, customers and organizations that offer products that are related or complementary to each other can lead to the expansion of the market in which the organization deals and the formation of good working relations with these organizations.

2.2.4 The levels of strategy

Most researchers and those interested in the field of strategic management agree that there are three levels of strategy:

1 **Organization-wide strategy:** This strategy focuses on the method that ensures the organization achieves its mission and strategic aims. It is specialized in answering the following questions, which are usually related to the future image of the organization:

- What are the markets, products or services that the organization deals with?
- What is the way in which the process of distributing the organization's resources to the various business units?
- What are the limits of the organization and the effect of those limits on relations with various stakeholders?
- What is the level of diversification adopted by the organization? Is it a homogeneous diversification or not?
- Should the current business of the organization be reduced? What is the method that can be adopted in this area?
- Does the organization adopt a cooperative strategy such as making alliances with other organizations, or is it limited to adopting a competitive strategy?
- What is the way in which business units are managed in central or decentralization?
- How can integration and coordination be ensured between the various business units and conducive to consistency?

2 **Strategy at the level of the business unit:** The main concern of business strategy is to develop the competitive advantage of the organization and improve the competitive position of the products or services provided by the unit in the market it deals with or in a specific sector in it. Business strategy is concerned with the following aspects:

- Determine the products or services that need to be developed and the geographical area for each.
- Developing the core capacity that enables it to create its continuous competitive advantage.
- Coordinating and integrating the activities of the business unit in line with the organization's strategy.

3 **Career Strategy:** The functional strategy is concerned with maximizing the resources of the organization and the business unit to the maximum extent possible, by gathering and coordinating various activities and skills within the concerned functional field to improve performance efficiency and provide the required support and attribution to business strategies and the organization's strategy. It should be noted that the mentioned levels of the strategy They are interdependent and interacting with each other to a large degree in order to ensure the success of the organization in achieving its strategic objectives, as the following figure illustrates.

2.2.5 Schools of strategic thought

Many attempts have been made by writers and researchers to classify the accumulated cognitive development that took place in carrying the strategy over the past fifty years in light of a set of foundations and criteria that could be adopted in finding homogeneous groups of researchers' contributions in this field of knowledge. Among these distinguished attempts are Esham (1993, Whittington) and Essham (Mintzberg et al., 1998).

(Whittington, 1993) has classified the schools of strategic thought into four schools based on two main variables closely related to strategic choice, namely:

- Strategic aims
- Strategic operations

To clarify his ideas, Whittington worked on drawing a matrix with two orthogonal axes, whose horizontal axis distinguishes between two types of strategy: The first is the studied strategy, which means that the management can determine the strategy that can be adopted to reach its aims through planned and studied activities, and the second is the emergent strategy which It assumes that the management of the organization has a limited ability to influence future results and that the strategy can emerge during implementation for any reason. As for the vertical axis, it is like the target results of the strategy, whether it seeks to achieve a single aim, which is usually the profits that the organization seeks to reach (maximum profits, or if it includes achieving a set of aims such as market share, returns to shareholders, and creating the general impression of the organization ... As a result, the result of the intersection of these two dimensions is two-fold, its fruits in four schools are:

1 **The classic school:** This school assumes that the administrative activity of the organization is a rational activity that seeks to achieve maximum profits for it through a deliberate planning process. According to this school, the changes that occur in the external environment of the organization, although they are dynamic, can be predicted and controlled, and therefore the main aim of the strategy process is to find a match between the opportunities available in the external environment and the organizational resources that the organization possesses. The strategy formulation process takes place in the form of Successive stages that begin with formulating clear aims for the organization and conducting a survey of the external environment using a set of tools, means and matrices, and then formulating a strategy that works to achieve the set aims and working to implement them in a way that leads to achieving a financial return higher than the average. Among the pioneers of this school, (Porter, 1980,1985; Ansoff, 1965; Chandler, 1962).

2 **The secular school:** This school, which emerged during the seventies of the last century, views the organization as consisting of a set of alliances between individuals within it, each with his own personal aims and cognitive backgrounds, and therefore the strategy is the product of a continuous process of bargaining between the aforementioned alliances, i.e. It may not be a competition for activity, but rather it may emerge during the implementation process to achieve the aims of the individual actors in the organization. Among the pioneers of this school is 1979 (Pettiere, 1973, Stanon, 1972; Mintzberg)

3 **The revolutionary school:** According to the evolutionary school, the rational planning process in the long term becomes useless due to the large and rapid changes in the external environment of the organization. Thus, the continuous daily planning is the determining factor for its success. In the sense that the focus of the organization's management should focus on creating a harmonization between the organization and its external environment in the short term, and thus the organization's strategy is a strategy that emerges in light of the rapid environmental changes. It is the writers who belong to this school

4 (1988 Williamson, 1991; Handerson, 1989; Hannan & Freemnan,

5 **Organizational School:** The pioneers of this school believe that economic behavior is affected by a wide network of social, family, professional and international relations, and that this network greatly affects the behavior of its members. This means that the cultural, not the cognitive, norms determine the strategy that is chosen by the management of the organization. Meaning that the strategy is the product of a process of social interaction based on the beliefs, values and common understanding of the members of the organization. Among the pioneers of this school) Huff (1990) (Grannovetter, 1985,

It is worth noting that the Ripple of Whittington say the most reasonable role played a key role in the resource portal game in the evolution of strategic thought. Given that this entry cannot be categorized among the four schools in a model, it can be considered a stand-alone school (Manilcutty, 2000; Habbershon & Williams, 1990).

As for (1990, Mentzer et al.), He identified ten schools of strategic thought, three of which are instructive about how to formulate a strategy more than the implementation process, namely the design school, the planning school, and the centralization school. There are six other descriptive schools that are concerned with specific aspects of the strategy-making process to a lesser degree than they are concerned with the way in which that strategy is implemented. They include the pioneering school, the perceptual school, the learning school, the force school, the cultural school, and the environmental school. As for the last school, the Fine School, it brings together the different elements of the strategy-making process. The following is a brief presentation of each: -

1 **Design School:** This school sees strategy formulation as a conceptual process. The strategy can be formulated in a thoughtful way through an informal design process with the aim of achieving harmony between the organization and the external environment in which it operates, relying on this on the second analysis, which includes an analysis of the strengths and weaknesses of the organization against the opportunities and threats it faces. The organization's strategy is formulated by the chief executive officer of the organization carefully and knowingly, and it is usually a simple, clear and understood strategy by everyone after he has contributed to its delivery to them for the purpose of facilitating the implementation process.

2 **Planning School:** The planning school views the strategy formulation process as a formal, regular and independent planning process. Although it meets with the design school by relying on the binary analysis SWOT, it deals with it in a more systematic way, as the analytical process is broken down into a set of studied steps, and detailed procedures for each step are determined using checklists, in addition to a set of methods, especially aims, Budgets, programs, and operating plans. It should be noted that the level of formality adopted in the formulation of the strategy is usually with the help of initiatives and thus becomes a barrier to strategic thinking (1994, Mintzberg).

3 **The centralization school:** The centralization school believes that the strategy formulation process is an analytical process whose primary aim is to choose a strategic center for business in the industry sector in which it operates. And that this test depends primarily on the official analysis of the structure of the industry, and that there are a limited number of strategies that the organization can adopt in this area, which makes the planners like analysts in the organization. Academics have contributed greatly to formulating this school's ideas of strategic aggregates, value chain, match theory ... etc.

4 **The Entrepreneurial School:** The Entrepreneurial School viewed the strategy formulation process as a visionary process present in the leader's mind in light of the expected opportunities in the markets and the core capabilities of the organization depending on the experience, wisdom, initiative and foresight of the leader. Usually, this strategy is deliberate in its general line, but it is flexible and emerging in details. In short, this school focuses on key executives in the organization, within the framework of intuition operations.

5 **The Perceptual School:** The perceptual school viewed the process of strategy formulation as a golden process that takes place in the mind of the strategist. Meaning, it focuses on what is happening in the work of the strategist and how he deals with the information obtained. It should be noted that a new branch of this school has recently emerged, launched from the explanatory or inferential point of view in the strategy formulation process. The strategy is formulated in the form of innovative explanations instead of

being formulated by portraying reality in a way larger or smaller than it is.

6 **School of Learning:** The process of creating a strategy according to this school in an emergency or represented process through personal decisions rather than just perception. The complex environment and the acceleration of its change limit the organization's ability to develop deliberate strategies. Alternatively, the strategy can be formulated and implemented in small steps through a cyclical learning process that occurs only as a result of action. Working individuals can learn by trial and error and the result is an organization that is able to adapt and learn over time.

7 **The School of Power or Politics:** Strategy formulation according to this school represents a negotiation process between the main players. We take this process in two directions. The first is the partial force who believes that the development of strategy within the organization is a political process based on bargaining, persuasion and timing between the main players in the organization. As for the second trend, it is represented by total strength, which looks at the organization as a whole and is indivisible in its hegemony over others and its external partners (alliances and joint or temporary projects) to formulate collective strategies that serve the interests of the organization without concern for the integration process between the organization and the rest of the partners.

8 **The Cultural School:** This school deals with strategy formulation as a collective process aimed at integration and achieving common benefit. In the sense that the strategy is the product of a process of social interaction extending in that to the values, beliefs and common understanding of the working individuals, and thus it is with an active role for the organizational culture that the organization possesses for the events of the required strategic change.

9 **Environmental School:** According to this school, the strategy formulation process is a reaction or response to the external environment. Which means that the organization's strategies are in response to the challenges arising from the external environment surrounding the organization, and unlike other schools that look at the external environment as an influencing factor in the formulation of the strategy, this school viewed the environment as the main

factor that determined the strategy and direction of the organization, which means the result. Disrupt the strategic selection process.

10 **The diversiform School:** The Fine School believes that the process of formulating the strategy is a change. Organizations may exist in the form of stable formations (coherent groups of characteristics and behaviors) that dominate the organization for certain periods of time, which soon sees the need to shift from it and leave it after a certain period of time.

2.3 The Strategic Choice

2.3.1 What is the strategic choice

Many researchers dealt with the concept of strategic choice by study and analysis as one of the concepts that received wide attention by top managers in business organizations, especially in light of the deliberate environmental conditions accompanying the selection process on the one hand and the overlapping relationship between the variables governing this process on the other hand. When following up on the theoretical contributions related to this aspect, it is noted that there are many viewpoints that have attempted to define the dimensions and implications of the strategic selection process. Robson (1997) referred to the process of strategic selection with the process of generating and evaluating strategic alternatives, and then choosing among them.

Upon enjoying the views mentioned in the above and studying how the concept of strategic choice on the one hand and its relationship to the process of strategic choice on the other hand was presented in many of the literature of strategic thought, some aspects that the authors were keen to follow in dealing with the strategic choice process can be accomplished, namely:

- The strategic selection process is the last and most important part of the strategy formulation process.
- The strategic selection process in its various stages is a subsequent step for the external and internal environmental analysis processes.
- The strategic selection process includes three main stages (determining the strategy currently approved by the organization, conducting the appropriate

analysis, and selecting the appropriate strategy).

2.3.2 Strategic choice approaches

There are a number of main approaches that organizations can rely on in their endeavor to determine who is responsible for the process of strategy formulation in general and strategic choice in particular, which are mentioned (2003: Thompson and Smicliland) as follows:

1 Founder's first approach: This approach is based on the idea that there is one individual (the owner or the chief executive director) who takes upon himself the responsibility of defining a general or most of the features of the strategy adopted by the organization, but that does not necessarily mean that this individual is a source of all ideas or data. And analyzes required. Perhaps examples of organizations that have adopted this model are Dell Computer and its founder, Michael Dell, or Microsoft and founder, Bill Gates. It should be noted that the content of the strategy according to this entry in reality represents the function of experiences and the provisions of this founder and the accuracy of his observation and strategic vision in the main degree, taking into account the contributions of some individuals from inside and outside the organization.

2 **Authorization approach:** According to this approach, managers place the bulk of the task of strategy formulation on the shoulders of subordinates who trust them. These subordinates are the heads of major departments, managers of business units, self-directed work teams, task force teams or group consultants who help develop something of a strategic initiative. This model indicates that the approved strategy takes into account customer requirements and better evaluation of market opportunities, as they are the result of the benefits and knowledge of different parties and for different stages (brainstorming, analysis, and the installation of strategy components). At the same time, this model indicates that its success works on individuals at the lowest levels of strategy formulation skills, as strategy formulation efforts may be directed by passing it towards current problems instead of seeking to consolidate the position of the organization and direct its resources towards benefiting from future opportunities. In general, the owners of the power to

formulate the strategy have influential roles, which makes them significant in shaping the key features of the organizational strategy.

3 **The collaborative approach (the team approach): -** According to this approach, the managers who bear the responsibility of formulating the strategy ask for help and advice from their counterparts and their primary subordinates (the strategy team). The strategy team consists of executives and consultants from various departments who create their numbers and the time they spend on this task according to the nature of work in the organization and the external circumstances it faces. Consequently, this approach is appropriate for organizations whose strategy formulation requires attention to the details of the activities of strategic business units and product lines as well as the need for expertise and experience in the strategic thinking process.

4 **Entrepreneurial approach:** Senior management encourages individuals and teams to adopt this model to develop or propose new production lines or enter new business areas. However, CEOs retain a key role in selecting proposals that enhance their strategic directions, and therefore the success of this approach depends on the organization having ambitious individuals looking to take on managerial and strategic responsibilities as well as having the following technology that enables the organization to invest in new opportunities and in different areas. The Japanese company Sony Electronics Industries adopted this approach in formulating its strategies.

2.3.3 The stages of the strategic selection process

The strategic selection process goes through three stages (Smith etal: 1985)

1 **Determining the current strategy of the organization: -** The features of this stage are to determine the current location of the organization and the current occurrence of the strategy adopted by it. To achieve this, a group of factors should be considered, some external and others internal. The external factors include determining the number of current acquisition and disposal (divestment) cases and the current position on environmental opportunities and threats. As for the internal factors, it is the identification of the current organization’s aims and objectives of its business units as well as the trends towards financial risk and the focus on research and development activities.

2 **Conducting the appropriate analysis: -** This stage includes five integrated steps, namely:

- Choose the appropriate organizational level for the analysis.
- Determine the business units subject to analysis
- Choose the dimensions of the matrix.
- Data collection and analysis
- Initiate the analysis process

3 **Choosing the appropriate strategy:** It is the last stage of the strategic selection process. At this stage, strategic managers must pay attention to the set of factors affecting the selection process that they mentioned (Smith et al. 1985), as follows: -

- **The competitive position of the organization:** The strength of the organization or its position compared to competitors affects the type of strategy chosen. Poorly competitive organizations will choose strategies that expect to increase their strength or remove them all from the industry. These organizations, especially those that do business in rapidly growing industries, may resort to the adoption of a focus strategy, and they may often resort to adopting a rehabilitation strategy bypass). If these strategies do not succeed, they resort to adopting a liquidation strategy. On the other hand, if the organization has a strong competitive position, it may choose growth strategies that differ from those chosen by organizations with a weak competitive position. Strong organizations operating in fast-growing industries can choose a strategy of focus, integration, or rapid homogeneous.
- **Objectives:** Aims have a wide impact on the chosen strategy. The main point in this aspect is that the management must analyze the objectives to determine whether the chosen strategy fits with all the set aims rather than being consistent with specific aims.
- **CEO-CEO attitudes:** The views and convictions of the chief executive officer of the organization influence the chosen strategy. For example, the CEO may wish to take decisions unilaterally and without the advice of administrative or legal advisors. Also, managers ’attitudes toward risk may affect the type of strategy they are trying to avoid, especially when it comes

to entering new industries or markets.

- **Financial resources:** The financial resources of the organization play an influential role in the confused strategy. Organizations with sufficient financial resources can adopt growth strategies in contrast to organizations with limited financial resources.
- **Skills:** The quality and diversity of skills has a great influence on the process of choosing the appropriate strategy. In this field, the importance of the ideas presented by Walker Lewis emerged when he developed his approach known as the Introduction to Field Theory in which he explained that developing skills begins by analyzing some important aspects such as ming, customers, place of sale, and value-adding skills, and the conclusion of this analysis is relying on acquisition strategies or strategy new products that will invest in the skills available to the organization.
- **Loyalty to the previous strategy:** The loyalty of senior management and its dependence on the previous strategy can be seen as an influencing factor in the type of strategy chosen, which would pose a big problem. Indeed, loyalty to the previous strategy can lead to the failure to choose a new strategy and thus to maintain the previous strategy.
- **The degree of external dependency:** Some organizations depend to a large extent on one or more external parties (it may be a supplier or a customer), which limited the freedom of such organizations to create an alternative that is less on good relations with all external parties. For example, organizations that rely heavily on a third party to select their strategies, GE, make them geared towards producing targeted products.
- **The reactions of armed stakeholders:** Stakeholders can represent an influencing factor in choosing the appropriate strategy. Assuming that an organization believes that it is useful to adopt an abstraction strategy to deal with a particular product, but that this product has its customers that the organization does not want to lose. This may push the organization to adopt another strategy. The same trend may dissolve the state’s laws that grant monopoly the freedom of some organizations to conduct alliances or mergers.
- **Timing:** The appropriate timing for adopting a particular strategy greatly

affects the type of strategy chosen. For example, if the organization thinks about getting rid of one of the business units, the process of extended vertical integration extends to the addition of exterminating skin works, it has to timing all transformation processes because such operations have many financial implications. The timing component is based on another concept, which is the strategic window, which extends to the idea that opportunities are available for some time because customers, technology, competitors, distribution channels and laws all appear and change over time, and the time when the strategic alignment between the external opportunity and the capabilities of the organization is limited. That window is open. The organization can invest that opportunity and as soon as the circumstances change, the window closes. Then the organization must search for another new opportunity.

2.3.4 Strategic analysis tools

The management of the institution uses several methods in the light of which to ensure that the formulated and selected strategy falls within a logical framework and does not conflict with the basic principles of correct choices. Many techniques and tools have been developed that international companies use to ensure that their options and investments are consistent with the nature of environmental and competitive influences, despite the multiplicity of tools used in this field, the methods of analyzing investment portfolios proposed by international consulting firms remain the best of these methods. The results of most studies in the field of strategic management indicated that more than 50% of major international companies rely on this method when evaluating strategic alternatives. It is useful for helping organizations to identify and decide to enter into new business activities or reduce the focus on current projects and activities in the work of the institution, and this method is suitable for use at the level of the organization as a whole or at the level of activity units. The following is a review of the most important of these tools (Muhammad Boutalaa, 2008): -

First: The Boston Consulting Group (BCG) model: - The BGC presented a model that is one of the most important and most acceptable models and is agreed upon with the aim of making strategic decisions (Zakaria Mutlak Al Douri, 2005).

1 **Matrix construction:** This analysis is based on a matrix with two main dimensions:

- Market growth rate, which is an indicator of the market's attractiveness.
- Relative market share, which is an indicator to measure an institution's competitive position.

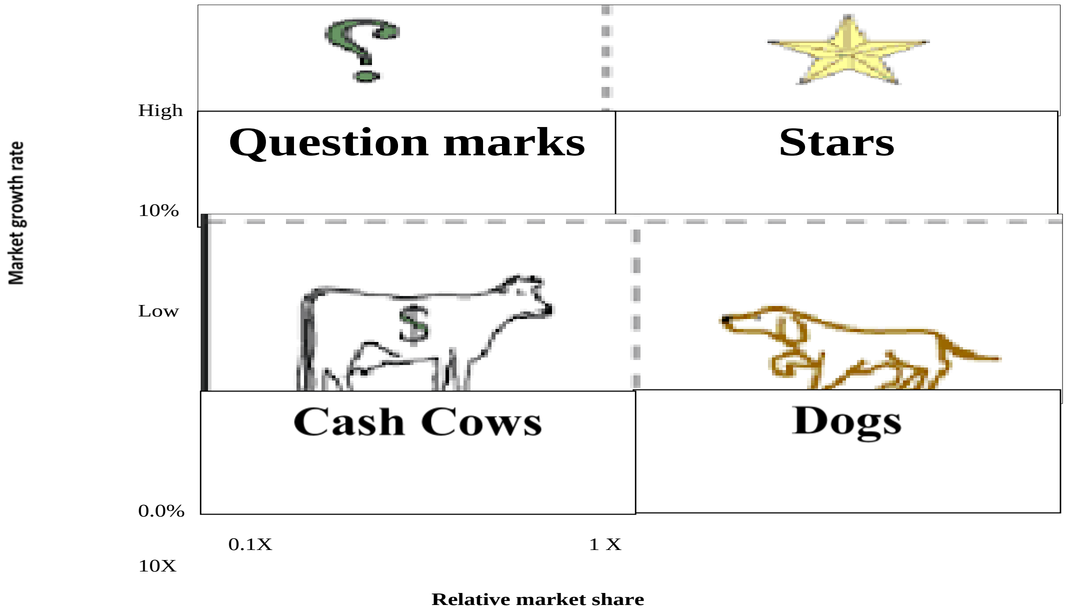

Figure 2.3: Boston Community Growth Quota Matrix

Source: Abdul Salam Abu Kahaf, 2002, p. 215

As shown by the following figure:

We notice through the figure that the vertical axis indicates the market growth rate measured by an annual growth rate (current or expected), and that market in which the institution operates, while the horizontal axis indicates the relative market share, which is calculated by dividing the institution's market share (in units) Share on its biggest competitor.

By dividing the matrix as in the figure shown, there are four types of strategic business units or products that can be distinguished between them (Muhammad Abu Tala'a, p. 44):

- **The star:** It represents the leading strategic business unit in the enterprise's portfolio of activities. Stars acquire a high relative share of the market, as they depend on high-growth industrial fields, and thus they provide opportunities for achieving large profits in the long term as well as providing growth opportunities. An example is the company (XEROX), whose activities represent bright stars in cameras (Nabil Morsi Khalil, pp. 130, 1996).

- **Question marks:** That such kind of strategic units should raise eyebrows and put question marks on the officials in the marketing department of the organization, because although the growth rate in the market is high, the share of the institution in its market is associated with the share of the largest competitor is considered low and to address this Situation The organization needs additional financial resources or other elements of input to enhance the position of the products in the market.
- **Cash-generating cows:** The products that fall into this square have a high market share for the largest competitors, and usually provide the organization with more liquidity than what is needed by these products that work in a low-rate industry, and the management must preserve the products that fall in this square as much as possible, Because it is considered a source of cash flow, and one example of a cash-generating product is Walkswagen Golf, which maintained the position of the best-sold car in the European market for many years, that is, it was a cash cow that enabled the company to develop new car models Such as: Sport Model, Corrato, Luxury.
- **Products of concern (dogs):** It is characterized by a weak competitive position in unattractive industrial fields, and thus it is viewed on the basis that it provides few benefits to the institution, and although it offers diminishing prospects and expectations for future growth, this cell may require large capital investments to maintain On the low market share, and there are several prominent examples in this field, among them is what the global auto industry faced at a time, when the market share and profitability ratio was low in some companies (American Motors, Ford, General Motors) so Ford was making less than General Motors had to reinvest a greater percentage of the lower earnings in order to maintain its position in the market.

1 **Strategic implications:** The BCG matrix aims to define the strategy in which the institution or business units can obtain additional resources in order to use them efficiently to achieve the highest growth and profitability of enterprises

in the future. The recommendations of the BCG include the following (Zakaria Mutlak Al Douri, pp. 183, 184):

- Increase the cash flow from cash-generating units or products in order to be used in supporting and developing business units or products that fall into the question mark box to reach stardom.
- When the business units or products in the question mark box suffer from weakness or most of the long-term expectations are not encouraging or uncertain about obtaining cash resources, then the nominated and appropriate strategy is the liquidation strategy.
- As for when the business units or products are in a weak competitive position, they take the position of (the turbulent situation), and this situation indicates that there are no opportunities to invest money for the purpose of growth, and if the institution continues to invest, it may expose itself to very large losses, and the institution should exit of the industry in which you operate and use a filtering strategy.
- If the institution is unable to provide sufficient cash to support the question marks and stellar sites, it should follow acquisition or merger strategies to build a balanced portfolio.

2 **Evaluating the matrix:** One of the strengths of the BCG matrix is the institution's ability to classify both business sectors with it on one map, comparing these sectors in terms of the contribution of each sector to the organization as a whole and thus this helps the organization to choose the appropriate strategy for each sector so that the institution can maximize the amount of its contribution to achieving the strategy of the Public Institution in the long term. For several years this model has enjoyed great popularity due to its conceptual simplicity, objectivity of the data used (growth rate and market share), as well as for its ease of graphical representation. At the same time, it is taken on the matrix as follows:

    - Simplicity is too much when using levels (high and low), and splitting the matrix into four parts.

- The relationship between market share and profitability is not necessarily strong.
- Ignore the smaller competitors and focus only on the bigger competitor.
- Market share is only one aspect of an organization's overall competitive position.

Second: The modern approach to BCG:

In response to the criticisms of the first matrix BCG, as well as due to the changing nature of the competitive environment faced by institutions, BCG presented a new matrix that relies on two different dimensions: the size of the competitive advantage, and the number of ways in which this advantage can be achieved (Muhammad Abu Tala'a, p. 47)

The following figure shows the new array:

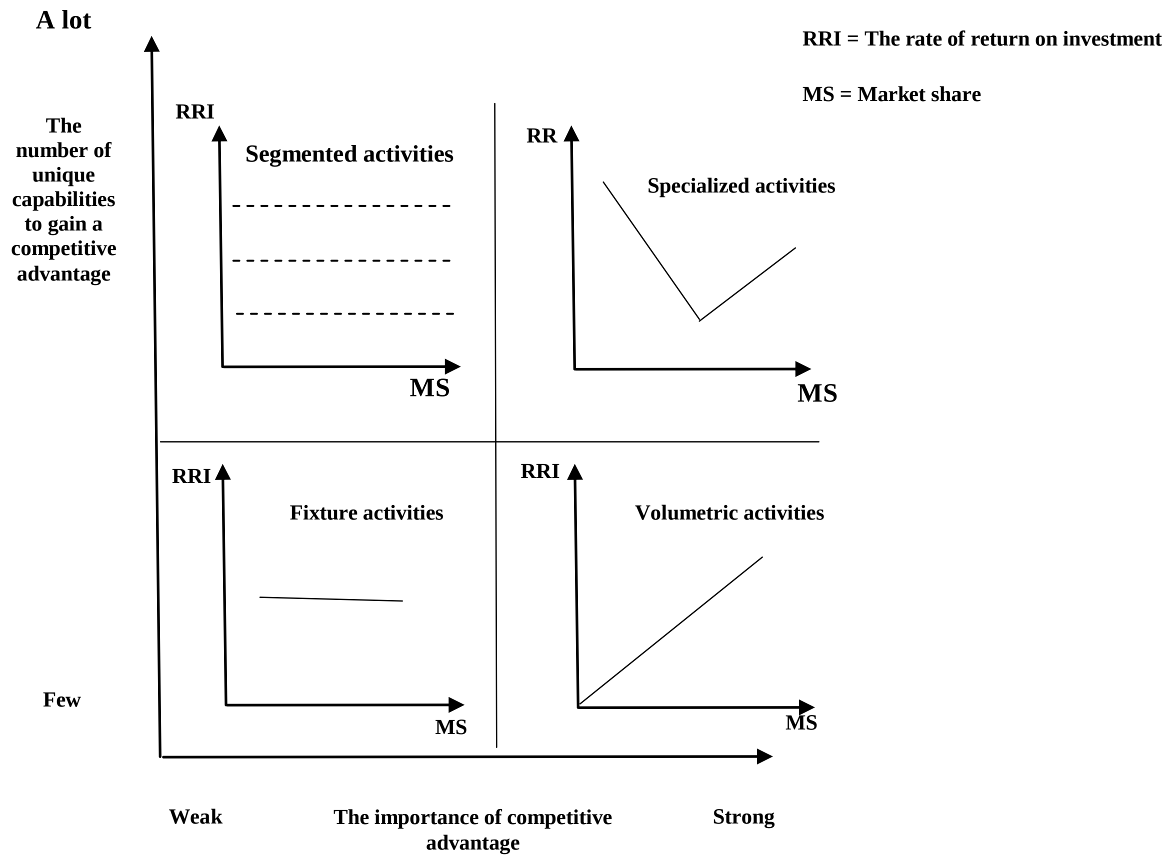

Figure 2.4: The second matrix for BCG

Through this figure, we note that the activities were divided into four sections. The meaning of each section can be explained as follows:

3 **Stalemate activities:** These activities are characterized by the weakness of the competitive advantage, as well as the possibilities of excellence, and thus it is difficult for the institution to set entry barriers due to the availability of technology to all institutions. And the weak profitability for competitors, as the profit does not depend on the size of the institution, but on the age of the investment and the technology used. The luxury of those who invest benefit from the decrease in technology, and none of the competitors controls the market.

4 **Activities of scale:** The size of the competitive advantage is strong, but the institution has few resources for competitive excellence, which enables the organization to exploit the impact of experience and thus distinction through the lowest cost, which enables the organization to attack competitors through the ability to reduce prices and thus obtain financial resources and profits. Additional.

5 **Fragmented activities:** the weakness of the competitive advantage and the multiplicity of sources of the possibilities of competitive excellence, which gives an opportunity for competitors to excel, as the return is not much related to the market share, so the size of the institution in this case may be a hindrance, and the element of success and access to competitive advantage is related to the flexibility of the institution, and the extent of its adaptation to fluctuations market.

6 **Specialized activities: -** Great differentiation of products and related to consumers' expectations, that is, every organization specializes in serving specific customers and usually the production of institutions is in orders, and there is no relationship between the size of the advantage and the profit, and the success of the institution is related to its ability to exploit the market parts (Les niches) and set it apart over competitors.

Third: MC Kinsey Model:

This matrix has been prepared by MC Kinsey Consulting in cooperation with General Electric Company, and it has been used by many leading organizations.

The matrix is based on two main dimensions (Ahmed Hamadouche. Mthodes et outils danalyses stratigiques, edition CHIHAB Alger, 1997):

- The competitive position of the institution, which depends on factors such as the institution’s market share, product quality, the institution’s technological development, etc., and in general it includes everything that represents the competition factor.
- The attractiveness of the industry or sector, which is measured through several factors, including: market size, applied prices, market growth rate, intensity of competition and the dynamism of technological development ... etc., and it is particularly related to assessing the feasibility of entering the institution into a specific activity sector.

The following figure shows how to construct the matrix and its strategic implications:

		Industry attractiveness (activity value)		
		High	**Medium**	**low**
Competitive position	**High**	Maintaining a leading position (more costs)	Maintaining follower status	Exploitation
	Medium	Posture improved	Take advantage of it with caution	Selective and partial withdrawal
	Weak	withdrawal	Gradual and selective withdrawal	Liquidation and non-investment

Figure 2.5: The strategic implications of MC Kinsey Matrix

Source: Detriet autres, opt, CIT, P111

2.4 Strategic Implementation

2.4.1 The nature and importance of the strategic implementation process

The strategic implementation process, which represents the second stage of the strategic management process, forms the link between the strategic planning process on the one hand and strategic control on the other hand, and thus it is the stage that takes upon itself to create the foundations and requirements for setting the strategy on which opinion has settled into actual implementation. The process of implementing the strategy has clear implications for the strategic performance of business organizations in view of the inclusion in the implementation process of various administrative and organizational tools that necessarily require the participation and cooperation of many parties within the organization and in various levels

Many researchers and writers have dealt with the strategic implementation process from different angles in an attempt to determine its intellectual implications and practical effects, as (Schellenberger and Bosemnan1982) viewed it as a process aimed at translating the strategic plan into actual operational decisions through an administrative system capable of creating a state of integration between the resources of the organization , financial, material, human and informational, and between the approved organizational structure. It was expressed (Macunillan and Tampoe, 2000) in the framework of the strategic change process as the outcome of activities aimed at putting strategies into practice, declaring the role of leadership, efforts to change business processes, and organizational culture. It (Thompson and Strickland, 2003) intended the process of putting the strategic plan into action with the intent of obtaining the desired results based on eight main tasks, and paired it (David, 2011) with the organization's defining annual aims and policies, motivating individuals and allocating resources in order to put the formulated strategy into practice. It was referred to by (2004; 2012, Wheelen and Hunger) as the process through which strategies and policies are put into practice through the development of programs, budgets and necessary procedures for that. In general, the previous viewpoints affect the existence of semi-agreement on the content of the strategic implementation process, as it is the process of putting the strategy that was formulated earlier into actual implementation. However, the divergence in viewpoints came within the limits of the implementation tools (means).

In the context of the strategic implementation process of the strategic management process, it is necessary to note that the success of the latter requires success in the formulation, implementation and control processes, Figure (2.6), since it is not enough to succeed at the level of planning, the execution must also be successful.

Editing / Implementation of	An appropriate strategy	Inappropriate strategy
Excellent implementation	Complete success	The possibility of rescue
Poor implementation	Troubles	Total failure

Figure 2.6: Matrix of the relationship between strategy formulation and implementation

Matrix of the relationship between strategy formulation and implementation

It is noticed from the previous figure that the excellent implementation of the appropriate strategy will achieve the organization's aims of growth or increase the market share or profitability, and that the excellent implementation of the inappropriate strategy may contribute to saving the organization from the problems it is experiencing at the present time. The weak implementation of the appropriate strategy will put obstacles in front of the management, as well as create the impressions it has that the strategy on which the opinion has settled is not suitable for the organization's conditions and capabilities, and at the same time the weak implementation of the inappropriate strategy indicates a complete failure on the part of the organization to achieve its aims. The desired.

Within the framework of the same topic, David (2001) went to distinguish between strategy formulation and implementation, with the aim of clarifying the nature of the relationship between strategic management processes through the table.

It should be noted that defining the features of the relationship between the process of strategy formulation and its implementation is not limited to theoretical contributions, but rather goes beyond it to the field of actual reality for business organizations. In a poll that included more than 114 international organizations, (Macmillan and Tampoe 2000) were mentioned.

According to Holliman (1999,) that 80% of managers believe they have appropriate strategies, but 14% of them think they implement them excellently.

Formulate the strategy	Implement the strategy
1. Strategy formulation involves identifying relevant forces before actually commencing 2. The formulation process focuses on achieving competency 3. Strategy formulation is an intellectual process 4. Strategy formulation requires great intuitive and analytical skills 5. Strategy formulation requires coordination between a small number of individuals or entities	1. Implementing strategy involves managing these forces while the action is occurring 2. Implementation focuses on achieving effectiveness 3. Implementing the strategy is a practical process 4. The strategy implementation process requires unique motivational and leadership skills 5. The process of implementing the strategy requires coordination between a large number of individuals or entities

Figure 2.7: Points of difference between strategy formulation and implementation

Source: David, F.R(2001)

It is estimated that the matter is related to the success of the strategic implementation process itself. It is noticed that the matter depends on the management's ability to clarify the content of the organizational change process that is required to be done in the implementation process by all individuals and at all organizational levels, especially those who change to include their fields of work, directly or indirectly (2003, Thompson and Strickland)

(Al-Sayed, 1999) agreed with that opinion by mentioning two types of special issues of importance in this field, namely dealing with problems of change and developing the organization to suit the changes that occur inside and / or outside it.

In order to seriously deal with the problems of change required to implement the strategy (Wheelen and Hunger 2004) listed ten types of these problems that were diagnosed in a study that included 500 American organizations, and these problems are:

1. Implementation may take longer compared to planned time.
2. The emergence of unexpected major problems.
3. The actor was dumbfounded by the activities.
4. Distracting attention from the implementation process for the account of some activities or crises that the organization has witnessed.

5. Individuals not possessing the diamond capabilities to accomplish their work in the best way.
6. Low levels of personnel training, especially at the executive levels of the organization.
7. Problems arising from external environmental variables that fall out of control.
8. The lack of managers of strategic business units in the organization to the leadership skills and the required direction.
9. Lack of clear and precise identification of the main tasks and activities in the implementation process.
10. Inefficiency of the information system in monitoring organizational activities.

As for the development of the organization, it is a planned process of change based on democratic human values (Robbins, 2003) and leading to the following results (Thompson, 1997):-

- Improving the effectiveness of the organization.
- Increasing returns and profits and providing better products and services to customers.
- Effective decision-making.
- Increasing efficiency in managing change easily and easily.
- Increase the deposit level.
- Reducing the level of conflict.
- Increasing levels of trust and cooperation between business units and between them and individuals working with the management.

Organization development can take place through the following means (Robbins, 2003):

1. Sensitivity training: It is a way to change behavior by relying on free and open interactions between group members.
2. Permissibility: It is a way to assess individuals ’attitudes, identify discrepancies in their perceptions, and then solve them

3. Consultations provided by external and internal consultants.
4. Team building.
5. Group development: It is a method for resolving conflicts between groups by trying to change the attitudes, perceptions and perceptions that each group holds about other groups in the organization.

2.4.2 The bodies responsible for the strategic implementation process

(2003, Thompson and Strickland) indicates the responsibility of all members of the management team for the process of implementing the strategy, each from his position, as well as the participation of all individuals working in the organization, as these parties must answer two main questions:

1. What should each individual do on their part to implement their part of the strategic plan?
2. What are the necessary arrangements to do that?

Wheelen and Hunger, 2012; 2004, disagreed with them regarding the need to distinguish between the party responsible for the strategy formulation process and the party responsible for its implementation, but the matter depends on the reality of the organization's organizing process. In large organizations or organizations that carry out their activities in more than one industry, it is possible for everyone in these organizations to have a role in the process of implementing the strategy, as managers of strategic units work with their subordinates in preparing and directing the implementation process. In return, the field managers (plant manager, project manager, and strategic business unit manager participate with first-line supervisors in the implementation process.)

And (2005, Pearce and Robinson) went on to distinguish the role of the CEO of the CEO in the process of implementing the strategy as taking two aspects: the first is symbolic, which relates to loyalty to the chosen strategy, especially if it requires making major changes. Board of Directors.

2.4.3 Models of strategic implementation

This paragraph is concerned with reviewing a number of models that, in fact, represent the perceptions of many writers and researchers related to the strategic implementation process.

1. The model (Smith et al. 1985,.): Smith and colleagues identified three tools of the strategic implementation process, namely:

- Evaluating the organization's resources and allocating them through developing programs, budgets and procedures.
- Organizational Chart.
- The management of change.

2. A model (1995, Mondy and Preineaux): These two researchers viewed the strategic implementation process in the context of changing the organization's behavior based on the following indicators:

- Leadership.
- Organizational Chart.
- Information and control systems.
- Production technology.
- HR.

3. Model (Pitts and Lei, 1996): These two writers agreed on the importance of two elements in the implementation process:

- Organizational Chart.
- Achieving organizational design integration).
- Employment policies.
- Performance appraisal and reward.
- Organizational culture.

4. The model (1998, Wright et al.): Wright and his colleagues identified three tools that senior management can adopt as means of motivating individuals and directing their efforts towards implementation:

- Strategic leadership.
- Power.
- Strategic culture.

5. A model (Macmillan and Taunpoe 2000) through these two researchers on the implementation process the strategy is in terms of the strategic change process according to three tools: -

- Change systems and business processes-
- Change the organizational structure.
- Change the culture of the organization.

6. Model (2012; 2001, David): David states that strategic implementation requires:

- My policies and aims together.
- Resource allocation.
- Organizational Chart.
- Mixing motivation and reward.
- Reducing resistance to change.
- Managers align with strategy.
- Organizational culture.
- Systems operations.
- Effective management of human resources.

7. Model (Hill and Jones, 2001): These two writers believe that strategic implementation is a function of three elements:

- Organizational Chart.
- oversight.
- Management of conflict, power and barley.

8. Model (2003, Thompson and strichland): Sees Thompson and co Strickland has two important tools in the effective strategic implementation process:

- Organizational culture.
- Leadership.

9. Model (2011; 2004, Hitt et al.: Hitt and his colleagues view the strategic implementation process within the framework of the following tools:

- Governance of the organization.
- Organizational structure and organizational oversight.
- Strategic leadership.

10. The model (Pearee and Robinson, 2005): These two writers mentioned two sets of practical tools necessary for strategic implementation, namely:

- Setting short-term aims
- Functional tactics (the monotonous activities that are performed within any activity of the organization).
- Rewards system.
- Policies that include empowerment of individuals
- Organizational Chart.

2.4.4 The main tasks to implement the strategy

In order to benefit the strategy on which the opinion has settled, attention should be paid to many tasks, as they are of great importance in the implementation process. Regardless of the nature of the organization, its size, the circumstances surrounding it and the philosophy in which the management believes, these tasks must receive the attention of managers at all organizational levels. It should be noted that scholars differed in determining the number of these tasks, but Thompson (2003, audd strichland) was able to summarize them with eight tasks, some of which will be dealt with in the subsequent period as tools for strategic implementation, and these tasks are:

1. Building the organization according to the resources, capabilities and capabilities to ensure the successful implementation of the strategy
2. Set budgets in order to direct resources. Eliminate activities, especially those that contribute to creating value.
3. Determine the policies and procedures that contribute to supporting the successful implementation process.
4. Adoption of practices that enhance the process of continuous improvement in implementing installments in the value chain.
5. Laying the foundations for information, communication, electronic commerce, and operating systems It contributes to the success of the organization in successfully performing its strategic roles.
6. Linking incentive and reward systems to achieving aims and effectively implementing the strategy.

7. Ensuring the availability of a work environment and an organizational culture that contribute to facilitating the strategic implementation process.
8. Exercising the leadership activities required to direct and manage the implementation process. Means of strategic implementation.

3. STUDY OF COMPETITIVE ADVANTAGE

Competitive advantage is one of the most important strategic aims that organizations seek to possess in light of the competitive challenges that have intensified at the present time and in light of global economic changes that build on the basis of competence, quality and knowledge. In spite of the variation and special analysis related to competitiveness, and in a context characterized by profound transformations and fast-paced changes, unprecedentedly witnessed at all local and international levels and at all levels, whether on the economic, commercial or organizational level, or at the technological and knowledge levels, and with tremendous developments affecting all aspects of production and service, The formation of large institutions and the emergence of strategic alliances and the expansion of the technological revolution, especially informatics, which has transformed the existing war between institutions into a war of technology and innovation, and institutions adopting new behaviors and strategies, such as the orientation to competition on the basis of time and the reformulation of the organizational structure, abundant production and intensity of competition Not necessarily to achieve its progress and prosperity, but often to preserve its survival and continuity, that every organization, regardless of the diversity of its tasks and activities, through the use of examples of all its resources, seeks to achieve a set of aims, perhaps the most important of which is achieving an advanced and high position in the markets, which gives it a degree of competition that has become today The most important ways that you seek to obtain it, as this feature arises as soon as you reach the A. By innovating or discovering new and unused methods, and also by relying on good and distinct strategies in terms of goods and prices, as well as gaining customer satisfaction and working to develop their capabilities and skills, which makes these organizations gain a position in the market and ensure their survival and in this chapter on competitive advantage. Therefore, this chapter will be explained. The following paragraphs:

3.1 Possession and development of competitive advantage

3.1.1 What is the competitive advantage?

First: the concept of competitive advantage

Most of the organizations that want to excel seek to possess a sustainable competitive advantage and make it a major aim for them. One of the most important problems facing organizations is the problem of the sustainability of the strategic foundations supporting growth and prosperity, which are based on sustainable competitive advantages that stimulate and support growth strategies and maintain their distinguished successes, as is gaining a competitive advantage. Sustainable is a strategic aim that the organization seeks to achieve, to be able to face the competition imposed on it, whether from the internal or external environment, and it represents the basic basis on which the organization's performance is based.

The sustainable competitive advantage is the advanced model of the competitive advantage targeted by business organizations in the market position, because it contains elements that guarantee continuity and retain this advantage for the longest possible period, and in order to identify a clear concept of sustainable competitive advantage, we must know three terms on which this definition is based. (Sustainable competitive advantage) So in the (webster) dictionary there came definitions of these three terms, as it defined the advantage as (the position, status, or the distinct benefit resulting from the organization's course of action), and competitiveness was defined as (the characteristics that the organization is characterized by its competitors While sustainable was defined as (which can be preserved as long as possible) (Hoffman, 2000: p:7).

According to Lynch (2000) opinion that the concept of sustainable competitive advantage consists of two parts: - The first is the competitive advantage embodied in the field of strategic management by emphasizing that organizations differ in their internal resources and capabilities, and in order to formulate their strategies, they must first assess their resources and capabilities to determine What distinguishes it over competing organizations, as for the second section is sustainability, which means continuity and communication in achieving excellence through continuous and permanent renewal and development of resources (Lynch, 2000: 153). The sustainable competitive advantage is profitable business so that the value it creates exceeds the cost of activities in the long run. Remote. However, in light of competition, simply exceeding value for cost is not sufficient to achieve a sustainable competitive advantage. This is why the company is said to represent a competitive advantage when it achieves profits in the field in which it operates that exceed the industry average (Reginald, 2010, p: 6).

The competitive advantage can be permanent or temporary. A temporary competitive advantage is one that lasts for a short period of time. As for the sustainable competitive advantage, it lasts for a very long time as there are many types of competitive advantages. The following figure shows the types of competitive advantage:

Second: Terms and characteristics of competitive advantage

The studies focused on the nature of the relationship between competitive advantage and the level of performance, as it concluded that owning a competitive advantage is one of the most important sources of profit higher than industry profit rates. The company gains strong competitive advantages when it is able to maintain a high profit rate over time. The number of years and the rate of profit are determined as the return on working capital. In order to achieve the competitive advantage to improve the financial and competitive performance of the enterprise, three basic conditions must be met (Nabil Mohamed Morsi, p. 97):

1. The advantage should be of a degree of greatness to enable the company to achieve significant advantages or benefits in the event of entering into a specific market or sector of the market.
2. It should be relatively continuous and continuous, meaning that it cannot be easily imitated by the competing companies.
3. That its impact is tangible and noticeable.

It can also be said that, regardless of the definitions differ regarding competitive advantage, its characteristics are supposed to be understood in a correct, comprehensive and continuous framework, so these characteristics can be embodied (Smallali Yahdih and Bilali Ahmad, 2005, p: 3) as follows:

1. It is constructed and framed by difference, not likeness.
2. It is established in the long term as it pertains to future opportunities.

3. It is often geographically concentrated.

Third: the importance of competitive advantage

Due to the great acceleration in the development of competitive technologies, the power of market intelligence, and the growth of artificial intelligence in today's organizations, possessing a competitive advantage has become a clumsy and useless process due to the ease of imitation and reproduction of this feature by competitors, so the most important thing in the world of industry today is how to sustain the competitive advantage and make it difficult Imitation or even understanding by competitors, and here lies the importance of sustainable competitive advantage.

As the organization has a sustainable competitive advantage over its competitors when its profitability is the largest rate of profit of all organizations in the industry, and it is able to maintain it for a long time. Therefore, the book focused on analyzing the sustainable competitive advantage and its components through its importance in the field of business as (Alaa Farhan Talib, Zainab Makki Mahmoud Al-Banna):

1. A weapon to meet the challenges of the market and its counterpart organizations by developing its competitive knowledge and ability to meet the needs of customers in the future.
2. A criterion for identifying successful organizations over others, as they are characterized by the creation of new unique models that are difficult to imitate and simulate constantly. Because its old models have become known and widely available, and competitors are aware of it.
3. It determines the availability of the basic elements of success compared to competitors, and is represented in that the organization adopts its strategies on the basis of a sustainable competitive advantage that is not available to competitors and that it is long-term, as it avoids strategies whose success requires the availability of strengths not available to the organization.
4. A basic and necessary aims pursued by all organizations that seek to excel and excel. And the organization's ability to exploit resources and capabilities in achieving a better position among competitors and seeking to satisfy customers and to identify their needs and desires in a way that is difficult for other organizations to imitate.

5. Mainly linked to the performance achieved by the organization and its workers. Hence, it is not possible for any organization to build or possess a competitive advantage without raising its performance to a level that surpasses other competitors and for a suitable period of time, which may be long or short, depending on its ability to maintain its competitive advantage and perpetuate it.

Competitiveness has become a major means for developing the capacity of economies and its importance stems from the fact that it participates in improving efficiency and stimulating foreign investments by liberalizing markets, as well as helping to create growth opportunities, facilitate access to larger and wider markets, attract capital and contribute to the development process. In raising the level of performance and improving the standard of living by reducing costs and prices (Kamila Abdul Wahid - 2018). The importance of analyzing the internal capabilities of any institution as this process enhances, is a diagnosis of the strengths and weaknesses of its resources, activities, and components, and then standing at the financial position and expected competition for the institution And linking it with the outputs of the external capabilities analysis process to form the strategic analysis portfolio, as the internal capabilities of the institution are a special identity that the institution possesses without having similar capabilities to it in another institution. The process of analyzing internal capabilities factors must cover all aspects, activities and functions of the internal organization, for each of the marketing, research and development and human resources management functions, the objectives, strategies, and programs of these functions must be investigated, in addition to focusing on the capacity for use of those functions, strategies, policies and programs. And its compatibility with the mission of the institution and its general strategy with internal and external capabilities (Wheelen, Thomas., & Hunger, David) and the internal capabilities of the institution include variables and factors related to each of the functional, marketing, operations, financing, financial management, research and development, human resources and factors related to the institution's capabilities and resources (Mohiuddin Qutb, 2002).

By analyzing the internal capabilities of the institution with its various components and components, the strengths and weaknesses are reached. Strengths can be defined as the aspects with which institutions can compete in the market, which refer to their strategic performance. According to these directives regarding strengths, it can be said that the analysis of the internal capabilities of the institution aims to identify areas of distinctive capabilities in a manner that can be used effectively, in the context of achieving superiority over competitors (Abdulaziz Saleh bin Habtoor, 2004). The characteristics of the internal organization that enhance its competitive performance, the strengths are derived from important elements (skills and experiences, physical assets, human capabilities, organizational assets, intangible assets, competitiveness) (Thompson, Arthur) or (Swot) analysis to identify opportunities, threats and points Strengths and weaknesses are among the strengths, as they are the internal factors that positively affect such as the availability of liquidity and the presence of experienced and competent workers. The weaknesses are the internal factors that negatively affect the activity of the institution. As for the opportunities, the external factors that contribute to the benefit of the company such as government support. As for the threats, they are the factors Externalities that negatively affect the company, such as competition. (Sabah Majeed Al-Najjar, 2012) Within this approach, strengths are known as qualities, qualifications, or resources that the institution possesses and are at a better level than competing institutions, as it has managed to gain a competitive advantage that makes it superior to competitors by implementing its competitive strategies (Hassan Ali Al-Zoabi, 2005). And the elements of strength are fundamentally represented in the ability of management and the efficiency of the organization, the ability to move and act, and to achieve the best industrial and economic achievements, that is, the presence of elements of strength in the organizational structure itself, the elements of strength also result from the availability of financial resources or easy access to these resources, and the low costs of financing or a result. The institution's possession of a high level of technology and material facilities with high quality, or possessing technological knowledge and distinctive competence in knowledge management. (Yassin Saad Ghalib, 1998).

On the contrary, the elements of weakness are represented in the lack of the ability to make the appropriate decision in light of the analysis of the capabilities of the institution and its resources, and weaknesses are defined as qualities, resources, qualifications and capabilities that are at a lower level when balanced with competing institutions, which is directly reflected in the effective implementation of the strategies of the institution. And evaluation of the internal capabilities of the institution, and the process of collecting data on the internal performance of the institution and analyzing it is to reveal the relative strengths and weaknesses, that is, with regard to competitors in the industry, meaning that there is no absolute strength or absolute weakness, but strength and weakness are measured in a balance with competitors, and on this. The basis is that evaluating the institution's internal capabilities is a strategy that should be viewed as a process related to what is happening in the internal and external capabilities (Awad Muhammad Ahmad, 2000).

Fourth: The Competitive Necessity

One of the important matters whose concept must be clarified when talking about competitive advantages is what is known as the competitive necessity, which is intended to use the competitive advantage in order to catch up with competitors and ensure that they remain within the framework of competition, meaning that the competitive advantage means using its resources in order to advance over competitors, as for the necessity Competitiveness means using these resources in order to gain an advantage over competitors. As for the competitive necessity, it means using those resources in order to imitate competitors and catch up with them. Institutions must search for a competitive advantage, in order to achieve an advantage in their competitive position beyond what their competitors have achieved, but if this matter is neglected or Pay attention to him until it is too late, for it will strive to achieve the competitive necessity, which in fact is competitive advantages for other institutions that the institution imitates in order to remain within the ranks of the institutions, in other words so that it does not lag behind its path, but this gain does not achieve it. It is ahead of competing institutions, but rather remains within its circle (Hassan Ali Al-Zoabi, p 161).

3.1.2 Determinants of competitive advantage

The process of gaining a competitive advantage is not an easy thing, especially in the current business environment characterized by rapid change and intense competition, which makes competitors able to imitate the competitive advantage, and so organizations must know the basic determinants of the sustainability of the competitive advantage represented in the following elements (Rana Ahmed Walid, 2003) 206): -

1. Bases for competition: Building a sustainable competitive advantage in the markets requires the availability of a set of assets, resources and competitive capabilities. Competitive strategies that mean quality and quality, for example, need special capabilities and skills in design and manufacturing to produce a good or service that meets the desires and aspirations of customers. You need efficient human capabilities, so the question is who you are? It has emerged in this field as a basis for competition in the market, and although the imitation process affected many products with distinctive marks, it is difficult to imitate the high quality of these products, which are based on certain competitive capabilities. The sustainable competitive advantage is also achieved if the organization is able to maintain the lower cost advantage or the product differentiation advantage. Hence, the greater the advantage, the more competing organizations will have to make greater efforts in order to overcome it (Khalil: 1998: p. 98).
2. The field of competition: The organization's determination of its tests of products, services and target markets in which to compete is one of the requirements of sustainable competitive advantage. Despite the importance of supporting the organization's strategy with assets and competitive capabilities, it may fail if it is not employed in the right place.
3. The organization's tests for its competitors: The organization must know the identity of its competitors and determine their positions, capabilities and relative importance in the industry in order to ensure the continuity of its competitive advantage. It focuses on classifying competitors into strong and weak groups, in order to build a strategy based on competitors' weaknesses while taking the organization's capabilities and capabilities Competitiveness into consideration.
4. Methods of competition: Building a competitive advantage and working on its sustainability depends on the type of strategy that the organization adopts by it. This can be illustrated by the following figure.

3.1.3 Continuity and enhancement of competitive advantage

After the enterprise has evaluated its acquired competitive advantages, and these advantages have gained a competitive advantage over competitors in that sector that operates in the environment of that enterprise, the important question that must be asked by that enterprise is: What? It maintains this competitive advantage. And keep it away from imitating competitors?

1. Continuity: The energy of the competitive advantage depends on the rate of consumption or obsolescence of the resources owned by the institution. The degree of continuity of resources varies due to the increasing rates of technological change, methods and the volume of expenditures allocated to their maintenance (Moayad Saeed Salem, p. 121)
2. The possibility of imitation: As the institutions that acquire competitive advantages will achieve profits higher than the average rate, which sends indications to the competitors that the institution has distinct competencies of high value, and it is natural for its competitors to try to identify this efficiency and try to imitate it.

In order for the competition to imitate, it must overcome two problems: (Hassan Ali Al-Zoghbi, p. 149):

- Information problem: What is the competitive advantage of a successful competitor and how is it achieved?
- The problem of copying strategy: How will the relied upon competitor gather the resources and capabilities (skills) required to imitate a successful opponent's strategy?

The problem of information is caused by a lack of information, and if the organization wants to imitate the competitor's strategy, it must provide the skills that are the basis of the competitive advantage with respect to competitors, and then determine the required resources.

1. Industry dynamism: The dynamic industrial environment is one of the rapidly changing environments, and most dynamic industries tend to possess very high rates of tightening of the product, where the product life cycle is usually short and the competitive advantages may be temporary due to the blockade imposed on the enterprise by competitors (Charles and Gareth Jones, p. 222).
2. How to develop: - developing competitive advantage: Institutions that seek to enhance and support their competitive advantages must resort to using new

methods and methods that are better for competition, and this is by undertaking continuous innovation processes, whether in terms of making improvements in their products, or providing production or management methods. New, and among the most important reasons for innovations that enhance competitive advantage, we find (Nabil Morsi Khalil, pp. 100-99):

- The emergence of new technologies: technological change can create a new opportunity in the areas of product design, marketing methods, production or delivery, or services provided to the customer.
- The emergence or change of new needs of the buyer when the buyers develop new needs or change the priority needs, in such cases there is an amendment in the competitive advantage or perhaps the development of a new competitive advantage.
- The emergence of a new sector in the industry: The opportunity to create a new advantage arises when a new market sector appears in the industry, or new methods emerge to regroup existing sectors in the market. The idea is not only to reach new market sectors from consumers, but also to find new ways to produce special items in a line. Production or finding new ways to reach a particular group of consumers.
- Change in input costs or the degree of their availability: the competitive advantage is usually affected in the event of a fundamental change in the absolute or relative costs of the inputs such as labor, materials, raw materials, energy, transportation, communications, promotion, etc.)
- Changes in government restrictions: such as the nature of government restrictions in the areas of product specifications, environmental protection associations from pollution, market entry restrictions, etc.)

3.2 Criteria and Barriers, Strategic Risks, and Mechanisms to Maintain A Sustainable Competitive Advantage

The organization has standards by which it can identify its resources and capabilities that constitute a sustainable competitive advantage and which it may face strategic risks threatening to lose it. However, there are mechanisms and methods for avoiding and preserving these risks.

3.2.1 Standards and barriers to sustainable competitive advantage

First: Standards for sustainable competitive advantage

There are specific criteria for sustainable competitive advantage through which the organization can identify the resources and capabilities that constitute the sustainable competitive advantage. According to Berney (2007; Berney), resources have four characteristics that constitute the pillar of sustainable competitive advantage, which are formulated in the form of questions called (Vrio) analysis (Ali Muhammad Alyan Ali 50):

- Value: Does it provide the customer with value and a competitive advantage?
- Scarcity: Can other competitors obtain the same resource?
- Cannot be copied: Are the costs of counterfeiting considered too high?
- Organization: Does the organization have the organizational and administrative capacity to exploit its resources? Are there alternatives? Available for this resource?

1. Valuable resources: The valuable resources allow the organization to exploit and invest the opportunities available in the external environment, and to avoid threats through the effective and efficient use of the available capabilities. The capabilities become valuable after subjecting them to certain modifications or in a manner that improves their capabilities to satisfy the needs and desires of customers. It cannot satisfy customers' desires and expectations with the price they want to pay, it cannot be considered valuable, and this price is usually determined by the customer's preferences, the alternative products and the supply of the products (Salah Abdel-Ridha Rashid, p. 158)
2. Scarce resources: The second characteristic that a resource must have in order for it to be valuable is that its supply in the market is small and short. The resource owned by a small number of competitors works to meet the customer’s need in a better way than others, so the competitive advantages stem from the exploitation of scarce resources and capabilities. (Alaa Farhan Talib, p. 225)
3. Expensive imitation: A sustainable competitive advantage is achieved when

the organization's resources are costly to imitate it by competitors. Among the reasons that lead to resources in imitation are the following: (Salih Abd al-Ridha Rashid, p. 158)

- When these resources and capabilities are acquired through unique historical situations or when it is difficult to ascertain how they have been implemented, then the resources and capabilities will be very expensive when trying to imitate them;
- The relative ambiguity of resources and capabilities is the second condition for resources to become costly in imitation;
- That the resources and capabilities of the organization be the result of a complex social phenomenon and it is very costly when trying to imitate it.

1. Owning the organization: This criterion shows whether organizing the organization facilitates the proper investment of that resource or not. In addition, the resources and capabilities of the organization are difficult to replace, that is, in the difficulty of finding an equivalent for them. The use of this model as an evaluation analysis means preparing a list of the organization's material, financial, human, informational, cognitive and intangible resources, then dividing the organization that allows its investment, and the resource that has these characteristics represents an important resource. And the strength of the organization, and each resource can be evaluated by its approach with what it was in the past or with the corresponding resources of competitors. (Abdul-Bari Ibrahim, p. 131)

Second: Barriers to sustainable competitive advantage

(2004, Jain) believes that good strategies do not aim only at profit, but rather seek to achieve a competitive advantage and maintain it for the longest possible time, and this requires the organization to erect barriers against competitors and this barrier may be: (Alaa Farhan Talib, 230-232)

- Size in the target market.
- Get superior resources and customers.
- Determine the options of the competitors.

Economies of scale may give the organization advantages to reduce costs that are not available to the competing institutions, as the enjoyment of a low cost in the form of a defense force against competitors enables it to continue to make profits during periods of competition.

The superior entry of resources or customers enables an organization to ensure the sustainability of its competitive advantages if it:

- The means of access is more secure than the competitors have.
- This method can be sustainable for a long time.

From a financial point of view, barriers to competitors may include differentiation in cost, price, or differentiation in services, and that distinction requires continuous research and innovation in the aspects that can achieve this, and distinction means gaining an advantage by highlighting a quality in the product or service that has value. In the eyes of the customer, and in all cases, the success of the barriers returns to the organization with greater margins than the competitors, and the successful barriers must continue and last and be unbreakable by competitors so that they must cost competitors more if they try to overcome these barriers.

3.2.2 The strategic risk of losing competitive advantages

Within the framework of competitive advantages and their sustainability, we find that organizations that acquire competitive advantages strive to maintain the benefits that they achieve as a result of obtaining those advantages, as the main problem facing the strategy of excellence is embodied in the organization's long-term ability to maintain its distinction in the eyes of Others.

As there are risks with negative effects that cause the organization to lose the competitive advantages it has if it fails to deal with it, as follows:

First: Imitation

In the framework of business organizations' endeavor to limit the ability of competition to imitate them in their competitive advantages on the one hand and to seek their sustainability on the other hand, it is imperative to identify the sources of those benefits and try to protect them from the risks of counterfeiting, and in this regard we point out that both the resources and capabilities owned by the organization It is considered one of the sources of its competitive advantages, and it requires the organization that possessed those resources and capabilities and achieved competitive advantages through it to work on setting obstacles that limit the ability of competitors to imitate them (Ali Muhammad Alyan Ali, p. 66) and such obstacles are the main determinant of the speed of completion of imitation. Consequently, to the sustainability of competitive advantages and vice versa, and within this framework it is possible to talk about reducing the risks of imitation that the organization possesses of distinct competencies as follows:

1. Imitation of resources: The resources owned by the organization are considered one of the main sources of its competitive advantages. Therefore, the organization tries to limit its imitation by competitors in owning those resources in a way that leads to competitors imitating it by owning these resources, and then imitating its competitive advantages, and in this regard it is possible. Take advantage of the ideas contained in the resource-based strategic theory, which indicates that the strategy is able to provide a sustainable competitive advantage only if it is based on some of the organization's own resources, otherwise competitors will easily be able to imitate it with diminishing unique advantages achieved by the organization, as this theory confirms The need for organizations to own and employ them for their own benefit through strategic investments that hinder the entry of potential competitors, raise prices in exchange for lowering long-term costs, and provide high-quality products in a way that distinguishes them from competitors based on the resources owned and in a way that helps them achieve profit levels that outperform competitors. (Ali Muhammad Elyan Ali, P.66)

2. Imitation of capabilities: The process of imitation of capabilities is more difficult than imitation of resources, mainly due to the fact that the capabilities of the organization are often invisible, and the difficulty of distinguishing between the organized processes that express those capabilities, and that capabilities depend on the way in which decisions are made. With it, the operations are managed and are deeply rooted within the organization, so it is difficult for those outside the organization to distinguish and realize these capabilities (Jones, Hill, p. 220), and it is possible to distinguish between two types of capabilities, namely: (Bushnaq Ammar, pp. 61-57)

- Individual capabilities: represent a link between individual characteristics and the skills obtained in order to perform well for specific predisposed tasks. Among these characteristics are: vitality, doing what needs to be done, learning speed, tendency towards teamwork, and so on.
- Collective capabilities: they are the capabilities resulting from the convergence and overlap between a group of activities. These capabilities allow the creation of new resources for the organization. They do not replace resources but rather allow their development and accumulation.

Second: Inertia

This means that the organization finds it difficult to change strategies and structures to adapt to changing competitive conditions, especially in environments dominated by the nature of rapid change, as relying on previous experience in these environments may push officials in the organization to keep things as they are and ignore the need to Change and that the difficulty of adapting to new environmental conditions and organizational capabilities, which means the method of making decisions and managing processes that can be a source of sustainable competitive advantage, and it is difficult to change capabilities because the distribution of forces and power hinders decision-making and the management of operations in the organization, so whoever has power and power today will resist any A change because it hurts his position. (Alaa Farhan Talib, p. 184)

Third: the capabilities of competitors

These capabilities are represented in enabling competitors to possess the ability to simulate and imitate the advantages of the competing organization and substitute their advantages as a substitute for it by enabling them to develop a specific set of resources and strategic capabilities in a way that facilitates the process of imitation and simulation of the competitive advantages of another organization, the solutions are intended to be in terms of returns and profits. The state of simulation, imitation and substitution among competitors threatens the continuity of the Maya competitive organization and prevents its sustainability, mainly due to the adoption of the approach of imitation and simulation and then replacement by competitors characterized by a low cost of one third of the new innovative thing. Actually, it is necessary to work within the framework of the strategic range. Al-Taweel searches for obstacles that limit imitation and imitation by adopting strategic commitments that include achieving what are known as the advantages of the first movers, namely: (Jones, Hill, p. 222).

1. **Private information:** the organization is made available and achieved superiority over its competitors, and the need to preserve it and make it under wraps, because this would make imitation and simulation costly for those who try to do it, and so imitation and simulation are possible.
2. **Quantitative economics:** It refers to the advantages resulting from the increase in size. These advantages are of three types, namely:

- **Econometric economics:** These are the benefits of excel in a specific business and at a specific time.
- **Knowledge economics:** it is the benefits of excel in certain businesses over time.
- **Domain economics:** These are the benefits of excelling in different areas of unconnected businesses, and accordingly the imitator's ability to simulate and imitate becomes weak due to the first movers committing himself to investing his economies, which afflicts the imitator with fear of the great possibility of failure that he suffers as a result of the increase in the size of the supply beyond the size of the required That the first movers invested in their economies.

1. Execution of contracts and relationships: It is related to the ability of the first operator to conclude agreements, contracts or establishing and relationships with better conditions than others and describing them in practice, which drives competitors on the volumes of imitation for fear of the loss that would befall them if those contracts and agreements succeeded.
2. Threats of revenge: It is related to the ability of the first mobile to stop imitation by resorting to the announcement of a selective threat campaign that confirms the rigor of the first moviemaker in his actions against opportunists.
3. Delayed response: This refers to the minimum time required to affect the imitation and simulation process. From the point of the first movers, this is referred to as response delays, which mean as a certain amount of monitoring

and implementation delays, even if these delays do not stop the tendency of imitation but rather delay its implementation.

Fourth: Industry dynamics

Today's organizations live in the context of an increasing dynamic and rapid changes that are reflected in the industry itself. The industry is described accordingly as a dynamic industry. The existing organizations in it have to acquire very high rates of product renewal. An organization that acquires competitive advantages today may find its position besieged in it after innovations and Competitors Therefore, we find dynamic industries that operate in light of high rates of rapid change. The life cycle of their products tends to be short due to the high degrees of renewal, which is reflected in the timeliness of their profits and their deliberate returns. We find continuous innovations by competitors (Jimmot Pankage, p. 140), This contrasts with the state of sustainability of competitive advantages and their continuity, so we find that organizations operating in such industries strive to extend the life cycles of their products indicated by the approach of continuous innovation in products to ensure the sustainability of competitive advantages in their favor. (Hill, Jones, p. 222)

From the above, it is clear to us that the strength and cohesion of the competitive advantage of the organization depends on the extent of the high impediments of imitation, and the ability of competition to simulate modernization and renewal and take into account environmental changes.

3.2.3 Mechanisms for avoiding risks and maintaining and sustainable competitive advantage

Several mechanisms can be used to avoid risks and maintain a sustainable competitive advantage, including the following:

First: Focusing on the pillars of building competitive advantage

To maintain sustainable competitive advantage, the organization is required to continue focusing on four basic factors: efficiency, quality, innovation, and responding to customer needs, and developing distinctive capabilities that contribute to outperformance in these four factors. (Muhammad Ali Elyan, p. 81)

Second: strategic thinking

Strategic thinking refers to those mental and intellectual capabilities and skills necessary for the individual to undertake strategic actions and practice the tasks of strategic management from the process of defining the mission, aims and objectives of the organization, formulating the strategy, implementing it, and monitoring the implementation process. (Naeem Ibrahim Mazher, p. 19)

Among the characteristics of strategic thinking are the following: powerful insight, environmental sensing, the ability to analyze and interpret data and information, the skill of strategic choice, social response, comprehensive and complete knowledge of the various aspects of the organization, its environment and its activity requirements. Distinction with broad scientific and applied knowledge, as well as the advantage of innovative thinking. (Ali Muhammad Elyan, p. 73)

The organizations that succeed in building and developing the capabilities and capabilities of strategic thinking will have a competitive advantage over other organizations, as the new system perspective will increase their efficiency and effectiveness, and that the intended interest is more able to achieve aims than their competitors, and their ability to think at the right time will improve The quality of decision-making in it and increases its efficiency, as well as the speed of implementation

Third: Knowing the competitors' capabilities

The main determinant of competitors 'ability to simulate the competitive advantages of the institution is embodied in the priority of competitors' strategic commitments, and it is intended to commit to the organization in a special way in the completion and implementation of its work, that is, the development of a specific set of resources and capabilities, that is, after the organization declares the strategic commitment, we will find it difficult to respond to competition This would lead to a slow simulation of the competitive advantages of an updated organization, and thus its competitive advantages will be relatively persistent. (Sana Abd Al-Rahim Saeed, p.140)

Fourth: Imitation obstacles

The impediments to imitation are the main determinant of the speed of completion of imitation, which are factors that make it difficult for competitors to reproduce the distinct competencies of the organization, the higher the degree of difficulty of such simulation, the more entrenched the competitive advantages of the organization, meaning that the decisive factor here is time, the longer the time taken by competitors In the tradition of distinguished competence, the organization has increased the opportunity to build a strong position in the market, as well as a good reputation among customers, which leads to high difficulty for competitors to get what they want.

The organization's possession of and acquisition of resources helps it add new obstacles to converting new competitors to the industrial sector in which it operates, as well as the differentiation of the organization in possessing different types of resources, especially those that are difficult to imitate and simulate, that can lead to the sustainability of competitive advantages. (Ali Muhammad Elyan Ali, p. 78).

Fifth: Benchmarking

The best ways to develop distinguished competencies that contribute to achieving the four building blocks of the previous competitive advantage The mention is to identify and adopt the best practices through which the organization can be able to build resources and capabilities that support and enhance excellence in achieving these pillars, and on the other hand, this requires tracking the performance of other organizations (Sanaa Abdel Rahim, p. 158) and the best way to do so It is what is known as benchmarking, which means: "measuring the performance of the economic unit in comparison with the best economic units by determining how those economic units achieve their performance levels, and using the information as a basic base for objectives, strategies and applications. "The importance of benchmarking is embodied in analyzing the performance of competitors and those with a high rank to diagnose the best practices and know how to accomplish jobs by competitors or who excels in those jobs, as well as knowing and identifying the performance of the organization and its areas of strength

and weakness compared to others, and which areas need to be changed. (Salah Abd al-Ridha Rashid, pp. 157-156)

There are many types of benchmarking, but the most prominent of these types are:

1. Internal benchmarking: which is directed towards product designs, processes or administrative procedures practiced by direct competitors, and this provides a clear strategic image and perspective of the organization's position in the market, while defining priority fields that require continuous improvement according to the state of competition.

2. External benchmarking: It searches for information on the performance of operations from outside the industry in which the organization operates to achieve sudden leaps for the organization with easy access to data as long as it does not compete with those organizations because the latter are from other industries.

The benchmarking process aims to achieve a set of aims, most notably improving performance, facilitating training processes, meeting customer requirements, ensuring best operations practices, and more. (Ali Muhammad Alyan, pp. 84-83)

Based on the foregoing, we conclude that organizations that aim at survival and continuity should persist in their work on the one hand and achieve excellence and creativity on the other hand, which is the secret of their success, and they must work to improve their performance compared to the performance of competitors and constantly even if they are the best in the sector to which they belong. , because benchmarking is a method of continuous improvement.

Sixth: Organizational Adaptation

Overcoming internal forces, which represent an obstacle to change within the organization, is considered one of the basic requirements for maintaining the competitive advantage, and stresses that the organization's inability to adapt to the distinguished environmental conditions is an obstacle to the organization's achievement of a state of sustainability for competitive advantages. Adaptation to the inertia that the organization suffers from in its internal unit that cannot overcome the requirements of change required to achieve a state of sustainability for competitive advantages, and here it must be emphasized that the renewal of the barriers to change is the first step and then requires the implementation of change through capable administrative leadership Upon accomplishing the change in the organization’s building, systems and components, and when the change is implemented according to environmental requirements, the issue of keeping the organization on its competitive advantages and sustainability becomes accessible and avoiding the risks of losing its competitive advantage. (Ali Muhammad Alyan Ali, p. 88)

Seventh: a process of continuous learning and improvement

The only way the organization maintains its competitive advantage is through continuous improvements in efficiency, quality, creativity, and customer responsiveness, and continuous improvements are "endless processes of improvements that give people, equipment, raw materials, and procedures" (Alaa Farhan Talib, p. 186), and the basis of the philosophy of continuous improvement is learning within the organization.

Organizational learning represents one of the forms of strategic capabilities in the organization and the main aims of it is to acquire new core competencies and diverse knowledge that are shared together to achieve a basic purpose of responding to dynamic changes and organizational development, and it also expresses the ability of the organization to manage and mobilize its resources in responses Competitive, and within the framework of this, the organization becomes of great value, especially when the state of harmonization between the components of the organization with its environment is achieved as a result of its success in generating knowledge, seizing it and then transferring it, and accordingly organizational learning can become a source of generating, renting or benefiting from knowledge.

3.3 Building Factors and Entrances to Competitive Advantage

3.3.1 The factors of building competitive advantage

The best way to build a sustainable competitive advantage is to understand the customer's renewed needs and work to meet them constantly. Building successful relationships with customers is not an easy thing. Rather, these needs and desires must be incorporated into the core of the organization's work, that is, integrating them into the strategies of the organization, its individuals, and its culture. Technology, and ongoing operations.

(Rashid and Jalab, 2008) agreed with (Hill & Jones, 2008) that there are four factors that help build and maintain competitive advantage (efficiency, quality, creativity and responsiveness to customers) and each of these factors produces the distinct capabilities of the organization.

The main factor associated with achieving a sustainable competitive advantage is the organization's ability to manage a range of capabilities and resources to build a competitive advantage. g There are general distinct capabilities of each organization that allow the organization to:

- By differentiating its offered products and then offering greater benefit to the customer.

- By reducing the cost structure.

These factors are general building blocks of competitive advantage that no company can adopt, regardless of the products or services it produces.

1. **Efficiency:**

An organization is a tool for converting inputs into outputs. Inputs are the basic factors of production, such as: employment, land, capital, administration, and technological knowledge. Outputs are the goods and services that a company produces.

Kali (2003) defined efficiency as meaning how to systematically use resources (human, financial, informatics).

The organization is able to raise its efficiency through economies of scale, the learning curve, directing the human resources strategy towards enhancing organizational efficiency through training workers and developing their competence in order to increase their performance, which will be reflected in an improvement in efficiency, cost, and infrastructure.

Hill & Jones (2008) defined efficiency as a means of converting inputs into outputs. Inputs are the main factors of production such as labor, land, capital, management and technology. Outputs are the goods and services that the producer produces. Where efficiency equals the output / input, and the more efficient organization is the one whose inputs are less to produce l g for a certain level of output. The two most important components of efficiency are: (Hizer & Render, 1996).

- Worker productivity: It refers to the output produced by one worker, so the smaller the time it takes to manufacture the product by one worker, the greater the productivity and then it is more efficient. Productivity of the worker helps to reduce costs and thus to have a competitive advantage.

- As for capital productivity: it refers to sales for every dollar invested in labor. The greater the sales per dollar invested, the greater the productivity of capital, meaning that the investments achieve greater returns.

Therefore, the most important components of efficiency in most companies are productivity of workers and productivity of capital, and productivity is not linked only to labor and capital, but there are companies that use the productivity of research and development and is measured through the amount of new products developed from investment in research and development. There is the productivity of the selling forces, which means the amount of sales, and the higher the productivity, the more that leads to greater efficiency and lower costs.

2. **Quality:**

(Bank, 1992) defined quality as a force that has an impact on the organization's performance and in enhancing its competitive position, because quality is a real opportunity for success that is supposed to be supported by the management strategically, and that the management is actively committed to improving quality as a strategic necessity and setting quality standards for its strategic planning.

While (Davis, etal, 2003) defined it as the path used by organizations in order to achieve actual competitive advantage and it is considered a good path to achieve rapid growth and profits. Quality means in terms of added value in order to achieve competitive advantage for a long period (meeting the needs of the customer and his legitimate requirements to the extent or higher than him (Goetsch & Davis, 1997)). The productive organizations use the concept of quality for the purpose of distinguishing themselves from other competing organizations by forming a clear picture of the organization and its divisions in the minds of customers.

(Hill & Jones, 2008) indicates that it is all related to product characteristics such as shape, parameters, performance, durability, reliability, style and design. The product has a superior quality when the customer realizes that the properties of this product give a high benefit more than the competitors' products characteristics. When the customer evaluates the quality of the product, he usually measures two types of characteristics: quality as excellence and quality as reliability. Where the concept of quality can be linked to excellence in production, which refers to the customer's feeling that the product he obtains is distinguished by being that it satisfies him, satisfies his needs and desires, and exceeds his expectations.

Therefore, some organizations strive to produce high quality products that the competing organizations cannot match. The concept of quality is the degree of appropriateness of the design characteristics of the product or service to the function and use, as well as the conformity of the product or service to the specifications of the design, where the customer desires a value greater than what he plans to spend, which is reflected in the search for the best quality besides the price. The profitability of the organization and that it does not lead to an increase in the market share when the cost of achieving it is less than the price increases due to it. (Dilwarth, 1992) The quality has three dimensions, which are:

- Quality of design: introducing the organization to the customers about the characteristics of the product according to their needs.
- Quality of Conformity: Matching with design without defects.
- Quality of service: compatibility with customers' expectations and desires.

3. **Creativity:**

Creativity in today's world is the basis for the success and excellence of organizations, as it cares about the satisfaction of their customers and enables them to meet their needs and achieve their expectations for new and useful ones, as those needs and expectations change as a result of changing customer tastes and constantly.

It is worth noting that some of the benefits that creative organizations gain are due to the method and strategy of innovation and innovation that they pursue, including creativity in their marketing strategies and programs, as thanks to it, they can achieve good results in market transactions and traditional competition and are considered the best organizations that are the best of those organizations. Creativity is a feature of successful and distinguished organizations in developed countries, such as Japan, Germany, America, and some countries in Asia.

Creativity refers to any commodity or idea that is perceived and understood by any person as useful and new (Kotler, 2000). He defined it (Daft, 2001) as adopting a new idea or behavior for the organization's industry, market, or general environment. Creativity must be a new idea that aims to create a new style for a product or service that was not known before, or to look at current matters with new eyes. Creativity includes two points: (Al Douri, 2006):

- Putting forth a new idea that did not exist before.
- Creating a new job for an existing thing.

There are two basic types of creativity which are product innovation and process innovation (Hill & Jones, 2008).

1. Product innovation: is the process of developing products or developing superior characteristics of existing products. Product innovation creates value through creating new products or improving the work of existing products that the customer realizes will provide more benefit and thus increase the price options for the organization.
2. Process innovation: is the development of a new process for producing products and delivering them to customers. Creativity of the process allows the organization to increase value through lower production costs and in the long run.

Among the most important advantages enjoyed by creative organizations are the following: (Al-Sern, 2000)

- Dissatisfaction with the current state of work issues and issues, and the emphasis on continuous improvement.
- Adopting appropriate organizational structures and operational procedures.
- Imaginative management and openness to creative ideas.
- Selection, integration and acceptance of business.
- Develop individual and team skills in relation to problem solving.
- Emphasis on experimentation, discovery and continuous learning in training and executive development.
- Emphasis on alternative products to solve problems and alternative models for decision-making.

4. **Respond to customers:**

To reach a superior customer response, the organization must be able to accomplish the tasks in a manner that satisfies its customers more than the competitors. An important component of responding to customers is the need for statistics in goods and services. One of the requirements for responding to customers is response time, meaning the time that the commodity takes Until it is delivered to the customer or the service until it is completed. Response is a set of values related to speed, flexibility and reliability: Heizer & (Render, 2008)

- Response speed is an essential element in achieving customer satisfaction because it shortens the time consumed from. Kiss

- As for the flexible response, it means the ability to match the changes in the market where design innovations and volumes fluctuate greatly. The ability to change products and sizes to respond to dramatic changes in cost and product design is the advantage of sustainable competitiveness.
- As for reliability, it means the ability to rely on the product to achieve the value that a customer expects, and this supports the sustainability of the competitive advantage.

The organizations that seek to achieve competitive advantage by meeting the needs of customers in every small market, either on the basis of low cost or on the basis of differentiation.

He (Al-Sayed, 2000) explained that the heart of the marketing concept is to work on satisfying the needs of customers. Therefore, the organization must work to define these needs, and then try to satisfy them, which requires the existence of mutual relations.

And because the creation of value has become largely confined to achieving customer satisfaction and rapid response to its requirements in service-providing organizations, so the important trend for organizations has become to move towards cooperation with customers and responding to them, thus achieving a continuous competitive advantage. Through this, it is evident that achieving high quality and creativity complemented by superior customer response and efficiency.

3.3.2 Reasons why organizations fail to achieve a sustainable competitive advantage

There are organizations that are prone to failure, when the organization loses its competitive advantage, its profitability decreases, and the failure of the organization means that its profitability decreases more than the competitors and the loss of its ability to attract and generate resources. Therefore, its profit will decrease rapidly. A to Z

Hill & Jones explained that an organization loses its competitive advantage when its competitive position deteriorates from time to time. There are three important reasons for failing to achieve a sustainable competitive advantage (Hill & Jones, 2008):

1. **Inactivity:** means that the organization finds it difficult to change strategies and structures to adapt to changing competitive conditions, especially in environments dominated by the nature of rapid change, as relying on previous experience in these environments may push officials in the organization to keep things as they are. He ignores the need for change and the difficulty of adapting to the new environmental conditions and organizational capabilities, which means the method of making decisions and managing processes that can be a source of sustainable competitive advantage. It is difficult to change capabilities because the distribution of power and authority hinders decision-making and the management of operations in the company. Whoever has power and power today will resist any change because it harms his position.
2. **Previous strategic commitments:** This process not only limits the organization's ability to imitate competitors, but may cause a loss of sustainable competitive advantage as well.
3. **Decreasing Wykares:** (Icars is a Greek myth) Icars represents a Greek mythological character, who used two wings that his father made for him to escape from the island in which he was placed as a prisoner. It flew subtly, flying up and up, until it came close to the sun, as the sun's heat melted the wax that tied and held its wings together, and Icarus plunged into the Aegean Sea, where he died. This decrease applies to many organizations that were once successful. Many organizations have become so impressed with their success that they make more efforts of the same kind to reach future success.

As a result, it has become very specialized and has an internal orientation that has lost its realism in the market and lost the basic requirements for achieving sustainable competitive advantage and how to maintain it, and this will lead to failure sooner or later.

In Hill & Jones (2008), several tactics can be used to avoid failure, namely:

- **Focusing on building barriers to competitive advantage:** Maintaining competitive advantage requires the organization continues to focus on four barriers: efficiency, quality, creativity and responsiveness to customers. And to develop distinctive capabilities that contribute to outperformance in these four areas. The organization must be balanced in its focus on these barriers. It is wrong to focus on quality and sacrifice everything.

- **Improvements and continuous learning:** The only constant in the universe is change. What is considered a source of competitive advantage today can be quickly imitated by competitors or become obsolete due to competitors' innovations. In some dynamic environments, the method the only thing for an organization to maintain its competitive advantage is through continuous improvements in efficiency, quality, creativity, and customer response. Continuous improvements are endless processes of improvement that cover people, equipment, processors, raw materials and procedures. The basis of the continuous improvement philosophy is that each area of operations can be improved. The focus on the internal activities and operations of the organization is often due to continuous improvement, as the basic principle of the JIT system is the possibility of achieving what is always better, regardless of the adequacy of the production system. Some individuals describe this principle by saying that the aims of JIT is to eliminate all forms of waste, especially activities that do not add value to the organization's products. This principle is called continuous improvement, and in Japan it is called Kaizen, and it is an integral part of the JIT production system. He also indicated that continuous improvements lead to the achievement of distinguished performance, and the way to do this is in the perception of learning within the organization, and successful organizations must continue to improve their operations and steadily improve the value of their distinctive capabilities or create new capabilities. This means that companies are constantly analyzing their processes that form the basis of efficiency, quality, creativity and customer response. The aim is to learn from past mistakes and look for new ways to improve their operations over time. It is evident through this that everything within the organization is subject to continuous improvement, and the best continuous improvement systems are those that encourage workers to improve the means of production themselves, and that the organization must always bring something better or new, as new and better are symbols of excellence and survival in the world of competition.
- **Finding the best industrial applications:** One of the ways to develop

distinct competencies, which contribute to achieving superior efficiency, superior quality, superior creativity, and superior customer response, is to identify and adopt the best industrial practices. Only in this way, the company can be able to build the resources and capabilities that support and enhance excellence in terms of efficiency, quality, creativity and responsiveness to customers. The organization will then be able to build and maintain resources and capacity. On this basis, the organization's resources must be valuable, scarce, and fully interchangeable, and not simulated to provide the organization with a sustainable competitive advantage. In addition, the organization must possess the ability to exploit the potential of its resources in an efficient and effective manner to develop competitive advantages and any possible sustainability.

- **Overcoming inactivity:** it means overcoming the internal forces that act as barriers to change within the organization, which is one of the most important requirements to maintain a sustainable competitive advantage.

3.4 Entrances to the Sustainable Competitive Advantage

The organization can follow several stages to analyze and count the internal and external strategic factors in order to achieve a sustainable competitive advantage. These approaches are:

- Resource based portal
- The approach based on value chain analysis
- Industry structure-based approach
- The portal based on strategic analysis
- Knowledge based portal.

3.4.1 The introduction of the document to the resources

First, the concept of resources

Examining and analyzing the external environment for opportunities and threats is not sufficient to give a sustainable competitive advantage to the organization. The analysis must include within the organization itself to know the strengths and weaknesses expressed in the language of the resources, capabilities and core capabilities of the organization, and the basic criterion in looking at the organization’s resources, susceptibility and ability as a strength in its performance is represented in the organization's ability to create value for the customers it deals with.

Resources can be viewed in a very broad framework as "containing all systems, skills, information and knowledge, the organization’s structure and culture, in addition to its assets that are published within different departments such as operations, marketing, finance, research and development, information systems and others, which give the organization the ability to effectively implement for strategic options.

Second, the types of resources

The organization's resources are:

1. Tangible resources: They include raw materials, production equipment, and financial resources. The importance of tangible resources in the manner in which they are acquired, as well as the manner in which they are used, and the combination between them in a way that allows the good performance of activities, as these resources are exploited in most activities.
2. Intangible resources: These include organizational culture, reputation, brand, technological knowledge, quality, how to work, and information.
3. Human resources: It includes: the experience of the employees in the organization and their level of training, knowledge and skills, interaction and communication, impulse, strong teams, good management.

Third, the characteristics of the resource:

The organization gives great attention to the basic resources that constitute a sustainable competitive advantage, and the resource is essential for the organization and leads to sustainable competitive advantage if it has a set of characteristics, which were identified by Lynch (2003) in the following figure:

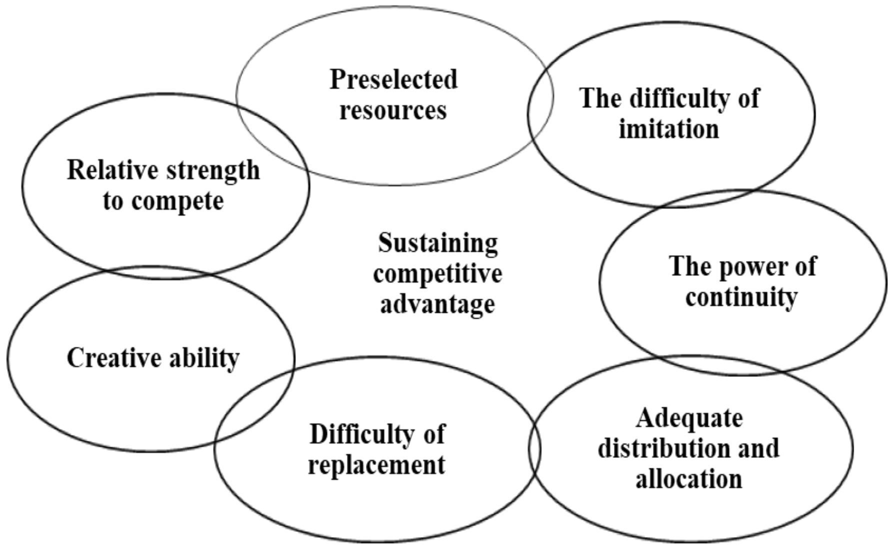

Figure 3.1: Organization resource specification

Source: David, F.R(2001)

From the above figure it is clear:

1. The materials must be pre-selected, that is, they have been identified and selected by the organization in advance so that they can sustain the competitive advantage.
2. Relative strength: It is the strength of competitors represented in their intrinsic capabilities.
3. The organization must have innovative capabilities that achieve valuable competitive advantages that make it difficult for others to imitate them.
4. Difficulty of substitution.
5. Appropriate distribution and specialization, ie the distribution of the results of competitive advantage and their allocation by stakeholders.
6. The strength of continuity, ie, the continuity of the availability of resources, which makes the sustainability of the feature remain for the longest possible period.
7. The difficulty of imitation.

Fourth: Resource structuring:

(Chaharbaghir, Lynch, 1999) indicates that resources are formed into four levels as shown in the following figure:

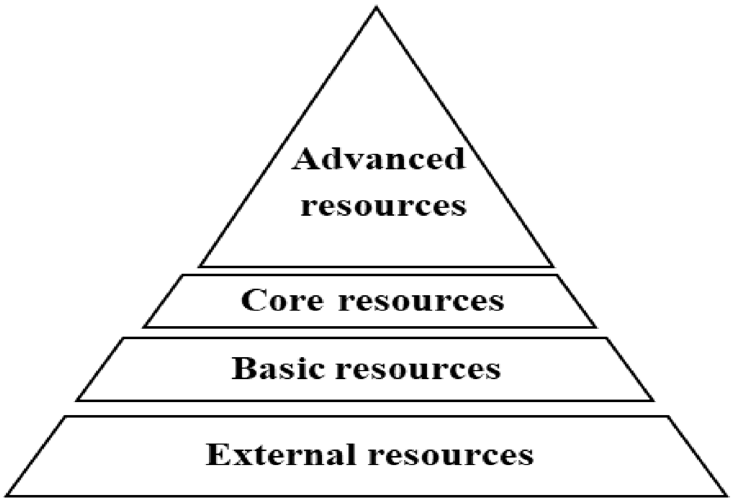

Figure 3.2: Resource structuring

Source: chaharbaghir lynch, decition,1999, P 250.

The above figure shows the following:

1. Advanced resources: These are the resources that lead to a strategic move and transition in the industry in which the business organization operates.
2. Core resources: Adopting the unique characteristics of the business organization and the basics of sustainable competitive advantage.
3. Basic Resources: These are the common and existing resources in all organizations, but they restrict the survival of the organization.
4. External resources: These are the ones that business organizations buy most often and give a sustainable competitive advantage.

It is clear from the above that structuring resources helps the organization to identify strengths to exploit and weaknesses to avoid them, and to develop and exploit resources that help the organization build and sustain competitive advantage.

The resources of the organization, whatever their kind, are not individually productive, but rather they must be integrated with each other in order for the organization to gain organizational ability, which represents a complex composition and an intertwined network of procedures and processes that determine the effectiveness and efficiency of the organization in transforming its inputs (resources) into outputs (products, services). In order for the organization's management to be effective and distinct, it must attempt to frame a distinct set of capabilities to be unique to it, and to form a sustainable competitive advantage for it.

Through the foregoing, it is clear to us that organizations that seek to maintain their survival and continuity require them to possess substantial resources and capabilities (capabilities) and capabilities, and then they can achieve sustainable competitive advantages.

3.4.2 The approach based on value chain analysis

First, the concept of value chain

The value chain analysis model presented by (Porter, 1985) in his famous book "Competitive Advantage", is one of the modern methods in strategic management to analyze the internal factors of the organization, and that the main analysis tool for the least cost strategy is the definition of the value chain of activities, functions and business processes that enable the organization From its performance in design, production and distribution, to classifying the value of its products or services, and identifying the strengths and weaknesses of these activities to determine its ability to contribute to creating sustainable competitive advantages (at the lowest cost, product excellence and focus), and the value chain can be defined as: "a series of activities aimed at to convert inputs into outputs, This process includes basic and auxiliary activities, and each of these activities adds value to the product."

The relationship between the value chain and sustainable competitive advantage is evident through the importance and roles that the value chain aspires to achieve, which are as follows:

- It allows knowing the strengths and weaknesses of the organization and thus knowing the sources of sustainable competitive advantage.
- Determine the degree of integration and internal coordination between activities.
- Identify the links that explain the effect of the performance of one activity on the cost of another activity.
- Reaching improvement and development of conditions and consistency by changing the relationships and patterns between activities within the organization.

Accordingly, the value chain works in coordination with its activities in order to support and develop the competitive advantage of the organization and maintain it, and thus outperform competitors, increase its market share and profits, and maintain customer loyalty to its products.

Second: the components of the value chain

The value chain consists of a number of main activities that create value for customers and a number of related supporting activities, and the value chain can be represented in the following form:

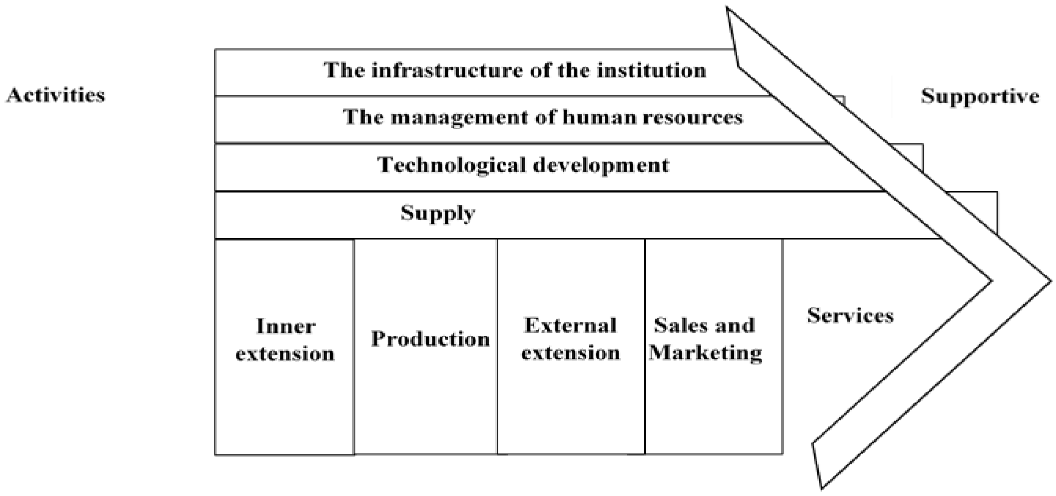

Figure 3.3: Components of the Value Chain

Source: Zakaria Mutlaq Al-Douri, previous reference, pg. 137

This series describes two types of activities:

1. Main Activities: These are the activities that contribute directly to the production and sale of products. They include:

- Internal supply: includes activities responsible for receiving and storing raw materials, arranging and controlling them
- Production: In this function, inputs are converted into outputs directed to the customer, which include: machinery, maintenance, assembly, packaging, quality control and so on.
- External supply: It is represented in the output of the products and it is related to storing the final product, delivery, order processing, and so on.
- Sales and Marketing: It is represented in the marketing activities through which it is possible to bring in the largest possible number of customers to acquire the product, and it includes choosing outlets to distribute advertising, promotion, etc.

- Services: These are activities related to providing the product to enhance customer value and include installation, repair, spare parts supply and configuration.

2. Supportive activities: The previous activities help in improving their activities and competencies, meaning that they do not directly contribute to creating value and include:

- Operational activities: include administrative activities that are related to the activity of the organization, public administration activities, planning, finance, accounting, external relations, quality management and so on.
- Management of human resources: concerned with activities that affect employment, training, wages and so on.
- Technological development: is concerned with technologies directly related to products or methods and production mechanisms.
- Supply: It contains ways to obtain the necessary means to carry out basic activities and support activities, that is, it serves the entire value chain.

We conclude from the foregoing that the value chain means a series of activities to transform inputs into outputs that create a service for customers and lead to a set of functions that have a role in reducing costs and increasing the perceived benefit of products through differentiation.

3.4.3 The entrance based on the industry structure

First: the concept of industry

The analysis has moved from a focus on general environmental analysis to competitive industrial analysis and the aims of analyzing the industry environment is to determine the degree of attractiveness of an industry to current and prospective producers, as well as for the purpose of identifying the main success factors in this industry. Defining the industry as: "the group of organizations that provide identical products or services that can be substituted between them" and the industry environment is "the totality of changes and elements that affect and are directly affected by the operations of the organization. Competitors. "

Second: Analyzing the forces of competition in the industry environment

(Porter) identified the forces of competition in five basic forces represented in the threats of new entrants, the bargaining power of customers, the bargaining power of suppliers, threats of alternative products, the intensity of competition between sector organizations, and the following figure shows that:

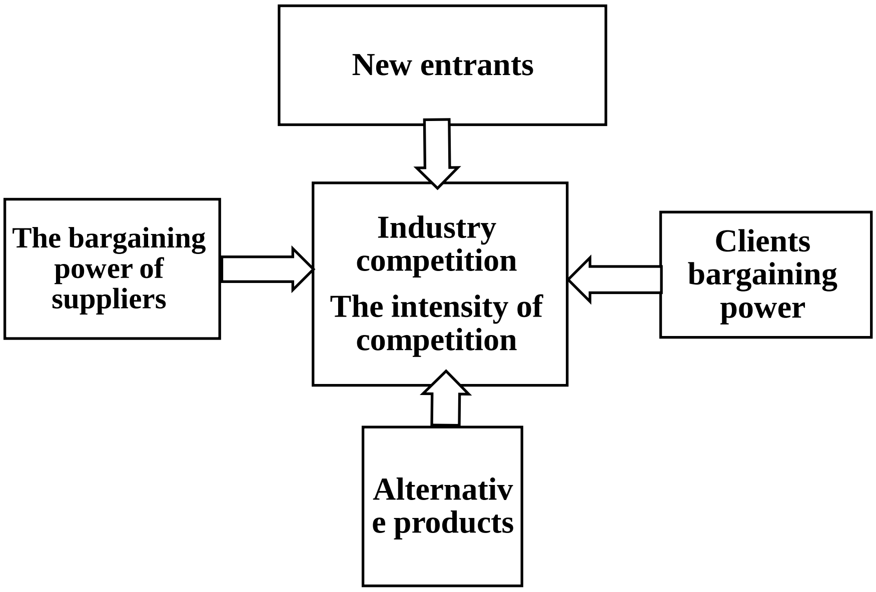

Figure 3.4: The potter model for the five competitive forces in the industrial environment

Source: Jelassi Enders,2008, p54.

The Porter's Five Forces Model in industry analysis includes:

1. Threat of new entrants: new entrants to the sector carry new capabilities, such as: the desire to break into market shares, and change the conditions of existing competition depending on the organizational, financial and technological capabilities that they possess, thus affecting the return on the attractiveness of the sector by achieving supply prices, or the high costs of existing organizations. In advance in the sector, the degree of risk of new entrants is determined by the type of barriers imposed by the sector of activity, so that the seriousness of their entry depends primarily on the obstacles in the environment, and on the expectations of the new participant about the reactions of other competitors with regard to the entry of new competitors.
2. Substitute products: the threat of alternative products depends on the ability

of competitors' products to meet the needs of customers to the same degree as the organization’s distinct products. These products affect the pricing policy of the organization and the profits achieved by the sector as a whole, and it increases when it is close to the customer in terms of Satisfying his needs with a price advantage compared to the original products.

3. The negotiating power of clients: As the subordination of the organization to a limited number of clients doubles their ability to negotiate with them and vice versa if the degree of excellence in the products is high, as it must focus on the factors that will raise their ability to negotiate with the customer through the creation of more distinctive and special products.
4. The bargaining power of suppliers: Suppliers can influence the industry through their ability to raise prices or reduce the quality of goods or services purchased from them, so it is necessary to study the elements of distinction and strength they have, in terms of their numbers and geographical distribution, their points of distinction and the extent of their contribution to achieving Quality and bearing the burdens and costs whenever the resource is weak, the stronger the position of the organization, offering low prices and demanding at the same time higher quality.
5. The intensity of competition: competition among competitors active in the sector takes forms of maneuvers to acquire a privileged position in the market by relying on plans based on competition through prices, advertising, launching a new product, improving services and angel guarantees for the customer, and the existence of competition is due to the fact that there are a number Of the competitors they feel motivated to improve their position where they see the possibility of this, and the processes adopted by organizations against competition have important implications for competitors, as they push them to make efforts to respond to these processes.

Third: Analysis of the key success factors of the industry and the strength of competition

The process of analyzing the key success factors of the industry and the forces of competition is necessary because it represents one of the foundations for building the strategy of a business organization, whether at the level of the organization as a whole or at the level of the unit of activity, so strategic managers need to know the industry environment, the forces of competition and the key success factors of the industry in order to determine what is more. Importance to compete to achieve a competitive advantage with other competitors in the industry, the main success factors are: technology, manufacturing, distribution, marketing, skills, and organizational ability.

3.4.4 The approach based on strategic analysis

First: the concept of strategic analysis

Strategic analysis is defined as: "The process by which strategists monitor the environment sector to identify opportunities and threats facing the organization.

This means that the strategic environment analysis is based on analyzing the internal and external environment components of the organization to reach the strengths and weaknesses towards its internal environment and to discover opportunities and threats in its external environment.

Secondly: Strategic analysis of the internal environment

The internal environment gives the organization competitive capabilities and advantages that make it a unique organization in its methods and methods of work and thus in its performance and achieving its strategic aims. The internal environment can be defined as: "a set of factors and components, and the physical, cognitive, and organizational variables closely related to the internal limits of the organization."

The importance of analyzing the internal environment of the organization is represented in:

- An accurate understanding of the internal environment and the elements of strength and weakness in its components gives the possibility to senior management to make its strategic choices realistic.
- The organization can achieve competitive advantages for it by focusing on the driving force that may be elements of strength in some factors of the internal environment, such as organizational culture, the implicit cognitive skills of human resources, and so on.

- A good understanding of the internal environment in the organization allows knowledge of the nature of business.
- The sectors and industries in which these organizations are able to present and achieve high performance and success in this business.
- Understanding and analyzing the internal environment of the organization contributes to knowing the development of the organization's resources in an organized, systematic way. Thus, senior management focuses on the basic resources of the organization.

From the above it is clear that analyzing the internal environment helps in identifying the strengths and weaknesses of the organization, and thus enhancing the ability to achieve its strategic aims, because knowing the competitors' weaknesses will enable the organization to exploit its strengths by focusing on those points, and knowing the strengths in competitors, it helps the organization avoid or mitigate against it

Third: strategic analysis of the external environment

The external environment is defined as: "The entirety of the components, dimensions, and elements that business organizations fall under its influence through direct and indirect interaction, and through this interaction, complex causal relationships that give different connotations and results. This means that the analysis of the external environment represents the results of external factors that can clearly affect the organization in a positive or negative way in the future. If they are positive, then they represent opportunities that the organization should seek to seize, and if they are negative, then they represent threats that the organization must avoid or limit their impact. The importance of studying and evaluating the external environment is highlighted through:

- Determining the objectives to be pursued, and the scope of these objectives, whether at the level of strategic objectives or operational objectives;
- Explain the available resources, how to benefit from them, and how the organization can achieve that benefit;
- Determining the scope of the prospective market and the fields of transactions available to it, whether related to (goods and services, methods and outlets of distribution, methods and terms of payment, characteristics of permitted

products, restrictions imposed by the organization, whether legislative or legal ... Etc.);

- Demonstrate the influence and influence relationships with the different organizations, whether these organizations represent an extension of them, independent of their products, or their cooperation in their operations and activities;
- The organizations are exposed, to varying degrees, to the effects of the external factors of the overall environment on production factors, identifying opportunities and threats, as well as affecting their strategic objectives. This effect is an indirect effect on the organization and it cannot control it, but can adapt to it to seize environmental opportunities and reduce the risks of threats it faces.

From the above, it is clear that strength reflects the presence of resources or core competencies that give the organization a positive advantage, while weakness reflects a decrease in resources or the degree of competence compared to competitors, while opportunities are related to positive conditions in the environment of the organization, and threats reflect the presence of obstacles in front of the organization, and in view of the continuous change in the environment Organization It is imperative to sustain the process of identifying opportunities and diagnosing threats.

3.4.5 An approach based on knowledge management

First: the concept of knowledge management

Knowledge business organizations are the organizations that consider knowledge a basic resource and a major asset of the organization. It also depends on knowledge to achieve the advantage of competitiveness and in order to achieve this, these organizations must have a strategic vision for knowledge, whether in creating knowledge through its internal sources or attracting it and obtaining These organizations are concerned with developing the competitive advantage by relying on knowledge that represents a basic source in their distinction over their competitors and in creating value for their customers in a way that outperforms others.

The knowledge is based on the accumulated and generated information, which led to the clear crystallization of the importance and role of human resources that possess the information in supporting and activating the activities of organizations. Organizations. Knowledge management is defined as:

- It is a process "intended to create, disseminate, use and explore knowledge";
- are the processes "that enable an organization to manage its intellectual assets through its management of organizational information and learning";
- It is "the process of defining, collecting, storing, retrieving, and applying intellectual capital for the better benefit of individuals, the market, and society";
- They are the practices and technologies that facilitate the efficient generation and exchange of knowledge at the organization level.

We conclude from these definitions that knowledge management is the process that aims to attract knowledge from its internal and external sources, and work to create new knowledge, publish it or distribute it and sustain it through several factors represented in creativity, continuous organizational learning, intellectual capital and information technology to achieve added value and gain a sustainable competitive advantage.

The primary factor associated with achieving a sustainable competitive advantage is the ability of the organization to manage the pool of capabilities and resources to build a competitive advantage, while exploiting the organization's specific internal and external capabilities to face changing environments.

The knowledge management system, along with other organization's resources and other core capabilities, is an essential factor for its development and maintenance

Second: The role of knowledge management in developing sustainable competitive advantage

- Ensuring the flow of its core operations and increasing their effectiveness through doing the best possible way, taking appropriate decisions, increasing their efficiency, and increasing their degree of innovation by doing them in a new creative way;
- Upgrading the level of human capital, by encouraging him to learn and develop his skills at work, assisting him in solving his problems therein, and

increasing his ability to adapt to developments and changes in it;

- The knowledge management helps in achieving sustainable competitive advantage by collecting new ideas and solutions, and the possibility of transferring these ideas to productive work services and effective solutions, and disseminating information and sharing it among all workers in the organization;
- Encouraging meaningful organizational change and business re-engineering in order to achieve the organization's aims and help it to excel and compete in a rapidly changing environment;
- Investment of intellectual capital that leads to increased growth and market share.

The competitive advantage based on knowledge is usually sustainable because it is valuable and scarce and is not subject to imitation, transfer or substitution, and this view is a strategic shift in the approaches to the analysis of sustainable competitive advantage, and this conceptual shift reflects the decline of tangible resources and capabilities in front of the resources and intangible capabilities, and in order to achieve competitive business organizations And sustainability must raise its cognitive capabilities related to the creation and formation of new strategic knowledge that enables it to strategically position.

3.5 Sources of Competitive Advantage

Competitive advantage stems mainly from within the organization, being that which creates or innovates competitive advantage.

An organization is a system consisting of inputs, processes and outputs. Since the organization as a system operates in an external environment that affects and is affected by it, therefore, any of the parts of this system as well as the external environment can be a source of competitive advantage (Al-Rousan, 1997, 43). As the ultimate aims of the organization is for its outputs to be of greater value to the customer than the output of competitors. Accordingly, the inputs and processes will support product differentiation if the organization makes good use of its resources in addition to the advantages that the factors of the external environment may give. Accordingly, the sources of competitive advantage will be as follows:

1. **Inputs:**

Inputs represent the resources that nourish the organization's system in order to keep it running. Resources that include all capital, financial, and human assets that represent knowledge, skills, and organizational assets. The organization controls and manages these resources in a way that improves and supports its ability to create value for its target market (Wit & Meye, 1998,384). Building competitive advantage is based mainly on the strengths of those resources that qualify the organization to gain a competitive advantage through its ability to create value better than competitors. Which means that the organization can achieve higher than average returns, achieve competitive advantage and maintain it (Thompson Arthur, & Strickland 1999,108). This means that the organization can achieve higher returns than the average and achieve competitive advantage and maintain it (Oliver, 1997,97)> and that this is achieved through selection and rational use of resources. It is not sufficient for the organization to have resources possessing the mentioned characteristics and characteristics. And the use of those resources in its activities or its business units.

It is not sufficient for the resources to be able to make the organization compete with others, but rather to make it superior to them so that it can be considered as materials capable of achieving and sustaining the competitive advantage (Lynch, 2000, 28).

2. **Operations:**

Operations may be the source of the main competitive advantage, as they represent the activities or procedures by which raw materials are transformed into final products (Pitts & Lie, 1996,64) that is, in other words, outputs appropriate to the target market. It may be an activity and more than the organization carries out in a particular way of its own is the source of its distinction. After the Porter classification of activities within the value chain is in fact a determination of the strengths of the organization in comparison with competitors, in order for the organization to determine through it whether it has the necessary strengths that provide value Characteristic of the target market (Pitts & Lie, 1996, 64) and then identifying the activities that are related to the competitive advantage through the extent to which the value is achieved to the customer. Accordingly, the value chain analysis looks for activities and processes that achieve excellence for the organization for the purpose of supporting and developing it. All activities, as well as practice, experience, and management practices, including processes for strategic management or strategic planning processes, are among the processes that one or more of them may lead to competitive advantage.

A group of these activities or capabilities may interact to form a distinct ability in a specific aspect that represents a source of competitive advantage (Hamel & Heene, 1994,12). Accordingly, the competitive advantage is achieved when the organization is able to accomplish its activities at a lower cost or with better efficiency than the competitors through good use of resources. Or to use its ingenuity and experience in carrying out its activities in a manner that achieves greater value for the customer relative to the competitors.

Some studies have indicated that the external environment may constitute a source of competitive advantages. Certain conditions within the external environment may serve to distinguish or excel an organization in a certain field (Mc Gahan, 1994,115). Some government legislation may deny opportunities for a particular organization to excel in certain aspects.

The researcher believes that the sources of competitive advantage are limited to resources and processes only. The external environment does not represent a source of competitive advantage as mentioned in some studies.

Accordingly, when the external environment (macro or competitive) provides a specific circumstance that constitutes opportunities for a particular organization, the advantage is generated only when that organization is able to deal with these conditions and invest those opportunities through its capacity, processes and resources only. Thus, competitive advantage is achieved through resources and capabilities.

4. THE METHODOLOGY AND ANALYSIS

4.1 Study Variables

To achieve and maintain competitive advantage, business organizations may use many strategic factors, which are difficult to define in a certain era. Strategic factors may differ from one industry to another, or from one organization to another, as the researcher indicated in the theoretical background, as each organization has its own resources which are not necessarily That the resources are similar to other organizations in the same industry, for example, an organized competitive advantage is not achieved by providing the consumer product in a faster way than competitors, providing a higher quality product, or reducing costs, and competitive advantage can be achieved by investing more in the field Research and development to ensure the continuity of introducing new products and continuous improvement in production methods to improve efficiency

Therefore, it is difficult to capture all the strategic factors that can be enjoyed by animal feed production companies, so four main variables have been identified that can be relied upon in testing each of the first major study hypotheses. It is worth noting here that these strategic factors are among the most important factors that are used in building the competitive advantage of organizations in the industrial sectors (Al-Ali, 2000: 41 Al-Rusan, 1997: 191)

As for the second main hypothesis, it is tested by adopting the Competitive Strategies Porter Model (1990, Porter) at the level of the business unit as independent variables. Therefore, the study variables can be classified as follows:

1. Strategic Factors:
- Price.
- The quality.
- Flexibility.
- Time.
2. Competitive Strategies:

- Cost leadership strategy.
- Differentiation strategy.
- Direct focus strategy.
- Cost Concentration Strategy.

3. The competitive advantage of animal feed production companies can be measured by their level of performance over the past years, based on sales volume, market share, and profits. See the following figure Research Methodology

4.2 The Study Sample

The study population consisted of 80 employees of Ghadeer Babil Factory for Animal Feed Production. The study sample consisted of management members in the laboratory. 75 questionnaires were distributed manually by the researcher to the study sample members, and the researcher was able to retrieve 63 questionnaires at an average of 84%.

Ghadeer Babil plant was selected as a sample because this plant is considered one of the leading companies in the feed industry and is also one of the trademarks registered in the Iraqi Ministry of Agriculture. This plant works daily 8-16 hours with a production capacity of 20 tons per hour and has about 60 workers and mechanics, with the area of the plant is about 5,000 square meters. The plant contains four large warehouses, each with a capacity of 1,000 tons of raw materials. The work is located in a strategic geographic area near the government lines and railways

4.3 Study Design

The analytical descriptive approach was relied upon in conducting the study, because it is characterized by providing data and facts about the problem in question, in addition to its interpretation and standing on its implications. Also, this method was associated with human phenomena such as the study of organized administrative and financial kings (Al-Rifai, 122:1998).

4.3.1 Sources of obtaining information

First: the main sources

It was relied on a response designed by the researcher who developed it based on a number of questionnaires from previous studies, and the questionnaire was judged by a number of specialists in this field for the purpose of obtaining the necessary information to choose academic hypotheses.

Second: Secondary Sources

1. The researcher used books, periodicals and magazines that dealt with the subject under study in order to form a clear idea about the theoretical and field concepts and data to determine the complete theoretical background of the study.
2. Bulletins and statistics issued by official authorities, federations and unions, and related to the feed industry sector in Iraq.
3. To take up all that is new in the field of feed industries, organizer researcher World Wide Web of Internet information to obtain the necessary information to conduct the study.

4.3.2 Stages of developing the questionnaire

The first stage: In developing the questionnaire, the researcher relied on a number of previous studies related to the subject of the study and the method of measurement, which are (Al-Rawson, 1197, Tosh, 2000, Al-Tarawneh, 2001, Ali, 2002)، where the paragraphs of the questionnaire were formulated in accordance with the questions and hypotheses of the study in order to reach the aims.

The second stage: The questionnaire was presented to a number of specialized professors at the University of Babylon, numbering (5)، to ensure that the paragraphs of the questionnaire are related to the dimensions of the study.

Through the previous two phases, some paragraphs were reformulated so that they became understandable to the respondents, and some paragraphs were deleted to become in their final form as follows, see Appendix No. 1):

Table 4.1: Cronbach's alpha internal consistency coefficients for the fields of study

Number	Fields	Number of paragraphs	Value
1	The price	4	0.70
2	Quality	5	0.57
3	Flexibility	6	0.81
4	Time	4	0.77
5	Cost reduction strategy	4	0.77
6	Cost reduction concentration strategy	3	0.71
7	Differentiation strategy	4	0.74
8	Differentiation focus strategy	3	0.94
9	Competitive advantage	4	0.85
	Total	4	0.92

1. The first part included the personal and job information of the study sample (gender, age, educational attainment, length of service in the current job position).
2. The second part included the organizational characteristics of the study community (establishment date, registered capital, number of employees in the company, number of products produced by the company, number of markets served by the company).
3. The third part of the questionnaire included the elements of the independent variables for the study, which are represented first in the strategic factors (price, quality, flexibility, time), where the extent to which each factor was used was measured through questions (1-4, 9-13, 18-23, 28-31) respectively, and secondly the competitive strategies (cost reduction strategy, cost reduction focus strategy, differentiation strategy, differentiation focus strategy, where the extent to which each strategy was used was measured through questions (36-39, 44-46, 50-53, 58-60) respectively, and it should be noted here that the researcher used alternative names for competitive strategies in the questionnaire to become understandable to the respondents and according to the recommendations of the arbitrators, where the cost leadership strategy (cost reduction strategy) was replaced, and the differentiation strategy (differentiation strategy from competitors) was

replaced The phrase (while covering the entire market) was used and added to the strategy section to indicate that the strategy was not focused on a specific part of the total market, and the phrase (while covering a specific part of the market) was used and added to the strategy name to denote the focus The strategy is on the market segment.

4. The fourth part of the questionnaire contains the paragraphs that measure the relationship between the independent variables and the dependent variable (competitive advantage through examples (5-8, 14-17, 24-27, 32-35, 40-43, 47-49, 54-57, 61-63).
5. For the purpose of answering the questionnaire items, a four-way scale was used to measure the responses of the study sample members, and the responses were translated as follows:

- I totally agree. I give it (1) marks.
- I agree. I give her (2) marks.
- I do not agree. I give her (3) marks.
- Strongly disagree, I give her (4) marks.

4.3.3 Measurement tool tests (Accuracy)

First: the validity of the tool

The validity of the tool means that it includes paragraphs related to the variables of the study and works to measure them accurately and clearly. The researcher did not conduct an exploratory study of the questionnaire because it was based on questionnaires from previous studies conducted on the same sector and in approximately the same time period.

Second: the stability of the tool

The statistical package for the social sciences was used to extract the internal consistency coefficient Cronbach-alpha, and thus process the decision items to ensure the stability of the measurement tool, and then reach the general stability coefficient of the decision, as this confirms that the measurement tool does not obtain wrong data in the case of repeating the same study.

4.3.4 Procedures for distributing the questionnaire

After completing the Spanish language and confirming the validity and reliability of the tool, the questionnaire was distributed in the study population to all senior management managers and workers in Ghadeer Bibel Model Laboratory, where 75 questionnaires were distributed to all laboratory workers. ambiguity in it, and the researcher was able to retrieve 63 questionnaires, 85% of the total number of questionnaires distributed.

4.3.5 Statistical methods used

After the data were tabulated and entered into the computer, the descriptive statistics method was used in the statistical analyzes, where the SPSS program was used to analyze the questionnaire data and obtain outputs represented in frequencies, seminal ratios, arithmetic averages, and standard deviations on all paragraphs of the questionnaire to determine the extent The consent of the study sample members on the different items of the questionnaire. The Spearman Correlation Test was also used to find the strength of the correlation between two or more variables to reach the correlation coefficients between the independent and dependent variables.

4.3.6 Determinants of the study

1. The study tested its hypotheses based on information provided by senior management managers in feed production companies, and therefore the hypothesis testing depended primarily on their personal opinions, and based on their field experience, and accordingly the results depend on the credibility of the sample members in answering the paragraphs of the questionnaire.
2. The lack of administrative studies conducted on the feed industry sector in Iraq on the one hand, and the focus of most of the previous administrative studies that dealt with the study of competitive advantage in this sector on studying it in terms of marketing only, and neglecting the strategic aspect of the subject.
3. The difficulty of obtaining the financial statements of animal feed production companies and the lack of cooperation of companies in this regard.

4. The difficulty of obtaining approval from the senior management in the companies of the study community to distribute the questionnaire within their companies to answer it.

4.3.7 Description of the characteristics of the study sample

In order to explore some facts related to the study sample members, a set of personal and functional variables were tested, and these variables included (gender, age, educational attainment, length of service in the current job position), and table No. (0000) shows the characteristics of the sample members.

Table 4.2: Personal and functional characteristics of the study sample members

Personal and occupational variables		Repetition	Percentage
Gender	Male	**59**	**93.7**%
	Female	**4**	**6.3**%
Age	Less than 30 years old	**4**	**6.3**%
	From (30-4) years old	**15**	**23.8**%
	From (40-50) years old	**20**	**31.7**%
	More than 50 years	**24**	**38.1**%
Qualification	High school	**0**	**0**%
	Diploma	**1**	**1.6**%
	Bachelor	**57**	**90.5**%
	Postgraduate	**5**	**7.9**%
Length of service in the current job position	1-5 years	**25**	%**40**
	5-1-years	**24**	%**38**
	More than 10 years	**14**	%**32**

1. Gender: According to the results that appear in the previous table, the study sample members consisted of (59) males and constitute what we call (93.7%) of the total sample, while for females it was significantly low as it reached (4) females Only by (63%) of the total sample, which is a very low percentage, and it can be inferred from these results that the Iraqi women's participation in the senior administrative platform is low.
2. Age: The results in the previous table indicated that the number of respondents under the age of 20 was only (1), at a rate of (1.3%), while the number of respondents aged between (30 - less than 40) (10) case at a rate of

(23.8%) of the total sample, and the number of study sample members whose age is within the age group (40 years - less than 50 years)

3. Educational attainment: Through the results indicated in the previous table, it is clear that the majority of the sample members of the principals hold at least a first university degree in their field of specialization, as there is no principal who holds a high school diploma only, while the number of community college diploma holders is of the sample members only one case and (10%) of the total sample, while the number of those holding a bachelor's degree

It reached (57) at a rate of (90%) of the total sample. Finally, the number of graduate studies holders reached (5) at a rate of (7.9%). Feed industries, as the feed industry is a very sensitive industry, as it is related to the life of animal nutrition and investment of livestock, and it requires high levels of education and skill.

4. Duration of service in the current job position: - The results in the previous table indicated that the number of sample members whose years of experience fall within the category (one year less than 5 years) reached (20) and (40%) of the total sample. The number of years of their experience falls within the category (5 years-10 years), it reached (24) at a rate of (38%), and finally, the number of managers whose years of experience exceeded (10) years amounted to (14) and at a rate of (24). Results It is clear that most of the sample members have less than (10) years of experience, which means that the lifespan of many feed production companies in Iraq is short.

4.3.8 Answering the study questions

The first question: What are the most important strategic factors (price, quality, flexibility, time) that will build the competitive advantage of local feed production companies at the local and global levels from the point of view of managers?

To answer this question, the researcher will use the percentages and frequencies, as well as the arithmetic averages and standard deviations obtained by the strategic factors in question, to describe the answers of the study sample more accurately. In order to deal with each factor separately, we will discuss in the analysis the paragraphs that measured those factors as follows:

1. **Price factor**

Price is one of the strategic factors that business organizations use in building their competitive advantage, and it can also strike a special balance between the company's ability to generate satisfactory profits and control costs by resorting to setting a pricing that preserves the organization's ability to achieve the desired balance, and accordingly the researcher worked To measure the opinions of the study sample members with regard to price through designed paragraphs shown in the following table.

Table 4.3: Frequencies, percentages, arithmetic averages and standard deviations of the strategic price factor

No	Items	Repetition		Percentage		SMA	Standard deviation
		Agree	Disagree	Agree	Disagree		
1	Price is the most important strategic factor used by our .company	53	10	84.1	15.9	2.17	0.3826
2	Pricing is the most sensitive element .for management	47	16	74.6	25.4	2.26	0.4474
3	Our company uses the price factor to beat the competition in the .market	48	16	76.2	23.8	2.25	0.4387
4	When pricing our products, our company takes into account the consumer's .sensitivity to price	48	25	76.2	23.8	2.25	0.4387
	Overall average					7.26	1.3785

It is clear from the results of the previous table that paragraph No. (1) has obtained an arithmetic average of (2.17) and this indicates a high degree of approval that reflects the importance of price as a strategic factor that feed production companies, despite this, the study sample members saw that the pricing process They have the most protective elements, through what was indicated by the average of paragraph No. (2), which amounted to (2.26), and also the sample members saw that the price factor cannot necessarily be used to overcome competition in the market because local companies do not have any authority to set a price for their products. Where the third paragraph obtained average approval through what is reflected in its arithmetic average, which amounted to (2.25), and this result can be attributed to the control of the Ministry of Agriculture, as well as economic security that monitors the pricing of products - as it was mentioned in the theoretical side of the study and at a time when the administration considers that Pricing is one of the most sensitive elements, this is a reason why it takes into account the sensitivity of the consumer towards price, and this was reflected in the opinions of the study sample, which obtained a medium degree of approval.

2. **Quality factor**

Recent decades have witnessed competition between companies, whether they are service companies or producers, in their relentless pursuit to satisfy the consumer through the products or services they provide, believing that the consumer is the ultimate end and aims, and therefore quality is a strategic weapon. For the twenty-first organizations, and from here, the Century Researcher worked to identify the extent to which Iraqi companies working in the feed sector are interested in quality as a strategic factor during the periods presented in the following table.

Through the results of the following table, all the paragraphs obtained a degree of approval by the response of the study sample, and this was indicated by all the arithmetic averages, whose terms ranged between (2.22-2) and this is evidence that the Iraqi feed companies take into account consumer satisfaction through what they offer In addition to its compliance with international specifications and standards, in addition to the use of high-quality materials in the manufacturing process, it selects its suppliers on the basis of that, and therefore its vision of quality is a major factor in facing competition in the market. The study sample turned to this result, through what was indicated by the standard deviations, which ranged between (0.4190-0).

Table 4.4: Frequencies, percentages, arithmetic averages and standard deviations of the quality factor

No	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	Agree	Disagree		
1	Our company is interested in adding certain characteristics to the product to meet the desires of consumers	50	13	79.4	20.6	2.22	**0.4190**
2	Our company, when producing its goods, takes into account international specifications and standards	63	0	100	0	2	**0**
3	Our company uses high quality raw materials, no matter how high their prices	61	2	96.8	3.2	2.04	**0.2146**
4	Our company selects its suppliers on the basis of the quality of the materials they provide	61	2	96.8	3.2	2.04	**0.2146**
5	Quality is a key factor for our company in the process of facing competition	58	5	92.1	7.9	2.09	**0.2959**
	overall average					8.73	**0.9075**

1. **Flexibility factor**

The business environment in the last two decades has been characterized by rapid change and volatility in all fields, in addition to the change in the continuous desires and requirements of the consumer. This change in needs and desires imposed on companies operating in the feed industry sector or in any other sector to adapt to the new conditions in their external environment through their ability to increase their flexibility in their internal environment, so the researcher tried to identify the level of flexibility of these organizations through the periods presented in the following table

It is evident from the following table that the local pharmaceutical production companies have medium product flexibility. This is indicated by the first and third paragraphs, as they obtained an arithmetic average of (2.17). It was also shown by the table that these companies depend on the factor of flexibility in the face of competition in the market to a medium degree, and this What was indicated by the arithmetic average of the second paragraph, which amounted to (2.17), which states, "The ability to face any changes in the market is one of the factors that two companies rely on in the face of competition, and given the multiplicity of consumer needs in the feed industry market, local companies produce a wide variety of Products, and this was confirmed by the responses of the study sample members to the fourth paragraph, where the degree of approval was high and with an average of (2.11), and it is clear from the measurement of the fifth paragraph that the local feed production companies have high operational flexibility, as this paragraph obtained an arithmetic average of (2.11), and with regard to organizational flexibility, it also enjoys it to a high degree, through the arithmetic mean obtained by the paragraph, which amounted to (2.14).The sample members agreed on this result, as this is indicated by the standard deviations. The answers of the sample members whose values ranged between (0.3826-0.4853).

Table 4.5: Frequencies, percentages, arithmetic averages and standard deviations of the elasticity factor

No	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	agree	Disagree		
1	Our company can easily adapt to any change in product design, specifications, or required production volume	53	10	84.1	15.9	2.17	0.3826
2	The ability to face any changes in the market is one of the factors on which our company depends in facing the competition	53	10	84.1	15.9	2.17	0.3826

Table 4.5: (Cont.)

No	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	agree	Disagree		
3	Our company has the ability to quickly and effectively develop new products to meet new changes in consumer requirements	24	19	69.8	30.2	2.63	0.4853
4	Our company has the technical capabilities to move from one product to another easily	57	6	90.5	9.5	2.11	0.3167
5	Our company has the ability to produce a wide range of products	57	6	90.5	90.5	2.11	0.3167
6	Our company has the ability to adapt itself and its organizational structure according to any change that necessitates it to do so	55	8	87.3	12.7	2.14	0.3527
	Overall average					11.56	1.9430

2. Time factor

In the last decade of the last century, the rules of competition changed. After attention was focused on achieving the lowest cost in the sixties and seventies, and on quality in the eighties, attention is now focused on the time factor in competing in the market, or what is known as time-dependent competition.

The extent to which the time factor is taken into account as a strategic factor for local pharmaceutical companies will be identified through the following table, as follows:

Table 4.6: Frequencies, percentages, arithmetic averages and standard deviations of the time factor

No	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	Agree	Disagree		
1	Our company is interested in responding quickly to consumers' requirements.	58	5	92.1	7.9	2.09	0.2959
2	Our company works to reduce the time needed to develop products in order to be able to offer a larger variety of products and cover more markets.	43	20	68.3	31.7	2.25	0.4387
3	Our company chooses distribution channels based on their speed in delivering the product to consumers.	54	9	85.7	14.3	2.15	0.3683
4	Our company works to make every task in your production process as short and efficient as possible.	53	10	84.1	15.9	2.17	0.3826
	overall average					7.05	1.1987

Through the previous table, it is clear that the interest of feed companies in the speed of responding to consumer requirements is high, as the arithmetic average of the responses of the sample members to the paragraph that measured it was (2.09)، and this result corresponds to the first paragraph of the paragraphs of measuring the quality factor, as it also focused on the extent of interest in meeting the quality factor. Consumers’ desires, this was the response of the sample members to the second paragraph of the table within the medium approval, where the arithmetic average of the paragraph was (2.25), which is a logical result, especially that reducing the time required to develop products requires the use of advanced technology and this requires a large investment in capital, which It is not sufficiently available to local companies according to the results shown in the description of the study complex previously, and there are other factors that control reducing the time needed to develop feed products, including the length of the trial period for feed and obtaining approval for it by the competent authorities, which may cause a prolonged delay and the introduction of new products to the market as stated in the results of a study. It was found from the results of the answer to the third paragraph that the companies producing feed choose the arts of distribution on the basis of their speed of delivery Products for consumers, where the degree of approval was high, through the results of calculating the arithmetic average, which amounted to (2.15), as for the fourth paragraph, which states: "Make each task within the production processes as short as possible and more efficient. The approval of the sample was high, as it reached Its arithmetic average is (2.17) and this paragraph differs from the rest of the paragraphs as it can be controlled by the administration because it is responsible for designing tasks within the operations and therefore it is not. Therefore, it is not affected by many external factors and facilitates its control. Therefore, it was approved to a large extent, and it ranged the standard deviations ranged between (0.4387-0.3683) and this indicates the agreement of the study sample on the items of this factor.

When reviewing the arithmetic averages of the strategic factors, it appears from the previous table that the strategic factor represented by the price has obtained an arithmetic average of (2.25)، and this reflects that the price as a strategic factor has obtained average approval by the sample members despite its importance in obtaining market share and ability on facing competition in the market (Abu Qahf 2000: 434).

Through the foregoing, you can say that the feed production companies see that the most important strategic factors that they use in quality are flexibility, time, and price, respectively, and these results are spent with the results of the study of Al-Rousan, 1997: 191)، where the results reached by the researcher indicated that the companies produced for feed use Price, quality, flexibility and time are strategic factors, but they did not measure their impact on competitive advantage.

Table 4.7: Arithmetic averages and architectural corridors Strategic factors

No	Strategic factor	SMA	Standard deviation
1	Price	7.26	1.3785
2	the quality	8.73	0.9075
3	Flexibility	11.56	1.9430
4	Time	7.05	1.1987

The second question: What are the most important competitive strategies that can be followed by feed production companies at the level of business units to gain a long-term competitive advantage from the point of view of managers?

That can be followed by feed production companies at the level of business units to gain a long-term competitive advantage from the point of view of managers?

To answer this question, the researcher will use percentages and frequencies as well as arithmetic averages and standard deviations obtained by the paragraphs that represent the competitive strategies in question, and the following is the detailed analysis for each period separately:

1. **Strategy Cost Reduction/Cost Leadership**

This strategy aims primarily to achieve cost reduction through the application of certain policies such as benefiting from economies of scale, working to reduce distribution and promotion costs, exercising control over expenditure, and others, in order to reach a certain competitive position.

The extent to which this strategy is used will be identified by measuring the items shown in the following table, as follows:

The results of the table show that the feed production companies use the strategy of reducing costs significantly by taking advantage of economies of scale and high energy utilization, reducing distribution and promotion costs, exercising strict financial control over spending and focusing research and development in order to reduce costs, and this is what was indicated by The high arithmetic averages obtained by all the paragraphs, which ranged between (2.09-2.22), and this reflects the high approval of the study sample members with no dispersion in their opinions about it, as is evident from the standard deviations that ranged between (0.2959-0.4190), and these agree The result, on the one hand, with the results of a study, which indicated that feed production companies tend to use cost leadership variables as a basis for competition.

Table 4.8: Frequencies, percentages, arithmetic averages and standard deviations of the cost reduction strategy

N	Items	Repetition		Percentage		SMA	standard deviation
		agree	Disagree	agree	Disagree		
1	Our company seeks to benefit from economies of scale and high energy utilization	58	5	92.1	7.9	2.09	0.2959
2	Our company works to reduce distribution and promotion as much as possible	59	4	93.7	6.3	2.07	0.2724
3	Our company exercises strict financial control over spending in general	55	8	87.3	12.7	2.14	0.3527
4	Our company strives to focus research and development in order to reduce costs	50	13	79.4	20.6	2.22	0.4190
	overall average					7.05	1.1987

2. **Cost Reduction Concentration Strategy**

Concentration of cost leadership Through the strategy of concentration of cost reduction, business organizations follow the approach of cost reduction in general, but they direct their activities to serve a specific segment of the market that they choose by relying on

The extent of the attractiveness of this market in terms of profits or to enable it to stay away from competition in this part of the market, and the researcher will identify the extent to which this strategy is used by measuring the paragraphs shown in the following table as follows:

Table 4.9: Frequencies, percentages, arithmetic averages and standard deviations of the cost reduction concentration strategy

N	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	Agree	Disagree		
1	Our company chooses a specific part of the market in order to meet its requirements at the lowest possible costs	16	47	25.4	74.6	2.76	0.4293
2	Our company is working on developing new products for a specific market segment due to the research and development of such huge product costs	17	46	27	73	2.74	0.4387
3	Our company is interested in a specific geographical area due to the high costs of distribution and promotion	9	54	14.3	85.7	2.87	0.3356
						6.46	0.9799

Through the results shown in the previous table, it is clear that the feed production companies do not tend to use the cost-reduction focus strategy as a competitive strategy, as is evident from the arithmetic averages of the paragraphs (1, 2, 3), which ranged between (2.74-2.87) and reflect the disapproval of the study sample members This can be attributed to the fact that the companies adopt a cost-reduction strategy directed at serving the entire market as a competitive strategy, since if the Iraqi market is considered to be part of the total fodder market, the profits that can be achieved within it are not tempting for these companies, not to mention that the establishment of companies Focusing on the local market does not necessarily mean that it has avoided competition with international companies, and therefore it is far from focusing on a specific part of the market.

3. Differentiation strategy

Through what we have gone through with the theoretical background, the use of the differentiation strategy is characterized by the organization's ability to create distinct and unique goods and services from those of competitors. Prices of the organization's goods compared to those of similar goods produced by competitors at lower prices

And to identify the extent to which this strategy is used by companies, the researcher will comment on the results obtained by the paragraphs of the following table, as follows:

Table 4.10: Frequencies, percentages, arithmetic averages and standard deviations of the strategy of excellence

N	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	Agree	Disagree		
1	Our company offers its products with different advantages and specifications than all competitors in the market	52	11	82.5	17.5	2.19	0.3958
2	Our company has fast and efficient distribution channels in delivering goods to consumers	55	8	87.3	12.7	2.14	0.3527
3	Our company uses strict inspection, control and control systems for its products	63	0	100	0	2	0
4	The techniques used in production by two companies can be explained as very advanced	58	5	92.1	7.9	2.09	0.2959
	average flag					7.05	1.1987

It is clear from the results obtained from the paragraphs of the previous table that the feed production companies rely on a strategy of differentiation significantly as a purification strategy by providing a commodity with different advantages from the two competitors is the use of rapid distribution channels to deliver those commodities to consumers, as well as the use of the organization to check and control and severe control and use Advanced production controls The paragraphs that measure this have obtained high arithmetic averages, which indicates the severity of their approval, as the values of the arithmetic averages ranged between (2-2.19), and the sample members agreed on that, as evidenced by the results of the standard deviations that ranged between (0-0.3958).

4. **Focus strategy of differentiation from competitors**

The differentiation focus strategy does not differ from the differentiation strategy except in terms of the target market.

In order to determine the extent to which this strategy is used by feed companies, the researcher will identify this by measuring the paragraphs of the following table, as follows:

Table 4.11: Frequencies, percentages, arithmetic averages and standard deviations of the Excellence Strategy

N	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	Agree	Disagree		
1	Our company offers its products with unique advantages to meet the specific needs of a particular market segment	26	37	41.3	58.7	2.60	0.4931
2	Our company meets the specific needs of a specific market segment faster than competitors	33	30	52.4	47.6	2.49	0.5039

Table 4.11: (Cont.)

N	Items	Repetition		Percentage		SMA	Standard Deviation
		Agree	Disagree	Agree	Disagree		
3	Our company uses fast distribution channels that cover a specific geographical area	32	31	50.8	49.2	2.50	0.5039
	Average flag					5.93	1.1651

The results shown in the previous table indicate that the feed production companies serve a specific part of the market to a medium degree through the use of the differentiation focus strategy, as the arithmetic averages obtained by the paragraphs that measure this range between (2.60-2.50) and they indicate that the degree of approval On these paragraphs, they were averaged by the sample members, but there was similarity in the answers of the sample members, and this was indicated by the standard deviations of the answers, which ranged between (0.4931-0.5039), which are percentages that indicate the presence of dispersion and lack of agreement to some extent among the sample members on those paragraphs.

When reviewing the arithmetic averages of the competitive strategies shown in the following table, we find that the cost-leading cost-reduction strategy has obtained an arithmetic average of (6.87), and this indicates that this strategy has obtained high approval by the sample members, and this is confirmed by the standard deviation of (1.0258) As for the cost-reduction focus strategy, the results indicated opposition to its use as a competitive strategy by the sample members, as the arithmetic mean of it reached (6.46), and this result confirmed the standard deviation, which amounted to (0.9799), and on the

contrary, the differentiation strategy obtained About competitors during complete market coverage, high approval was obtained by the sample members, where the arithmetic mean was (6.85), while the standard deviation indicated the agreement of the sample members to use the differentiation strategy, which amounted to (5.93), and the differentiation strategy obtained from competitors during coverage Part of the market received average approval by the sample members, where the arithmetic mean was (1.1651).

It is clear from these results that the feed production companies use a combination of the two strategies of leadership of the lowest total and differentiation, which results in an increase in the benefits achieved for consumers with the possibility of keeping the price low, and this combination is in the form of the mixed strategy path that many international companies use successfully.

Table 4.12: Arithmetic averages and architectural corridors of competitive strategies

No	Strategic factor	SMA	Standard deviation
1	Cost Reduction Strategy/Cost Leadership	6.87	1.0258
2	Cost Reduction Focus Strategy	6.46	0.9799
3	Differentiation strategy from competitors during full market coverage	6.85	0.8225
4	Differentiation strategy from competitors while covering part of the market	5.93	1.1651

The third question: What is the level of impact of the use of strategic factors on the criteria of competitive advantage for companies producing animal feed?

Several criteria have been developed to measure the impact of the use of strategic factors on achieving competitive advantage, which is to increase annual sales, increase market share, increase annual profits, and outperform competitors in the market)، and the following will discuss this effect using each of the arithmetic averages and standard deviations obtained all standard.

Table 4.13: Arithmetic averages and standard deviations of the impact of strategic factors on competitive advantage

Strategic factors / Feature Metrics	Price		The quality		Flexibility		Time	
	SMA	Standard deviation	SMA	Standard deviation	SMA	standard deviation	SMA	Standard deviation
Annual sales increase	2.87	0.63	3.46	0.71	3.21	0.65	3.30	0.75
Increase market share	3.13	0.81	3.48	0.65	3.24	0.67	3.19	0.76
Annual profit increase	3.06	0.76	3.35	0.68	3.13	0.77	3.21	0.83
Outperform competitors in the market	3.03	0.72	3.30	0.46	3.02	0.66	3.03	0.67

The results in the previous table indicate that the annual sales increase was affected by the use of the price factor as a strategic factor to a medium degree, as evidenced by the value of the arithmetic average, whose value reached (2.87), while it was affected by quality, flexibility and time to a high degree, as is clear from the arithmetic averages that ranged between (3.21-3.46) The sample members agreed on this according to what is indicated by the standard deviations, which ranged between (0.63-0.75)

The results indicate that the increase in market share, annual profits and superiority over competitors in the market has been affected by all strategic factors to a high degree, as the arithmetic averages, the impact of these factors on increasing the market share, ranged between (3.13-3.48)، and the arithmetic averages ranged from the impact of strategic factors on increasing percentage profits. Between (3.6-3.35), and finally, the arithmetic averages of the impact of strategic factors on the ability of the study community to outperform competitors in the market ranged between (3.02-3.30), and therefore these results indicate the impact of all strategic factors identified in the study on the competitive advantage of production companies' animal feed.

Fourth question: What is the level of impact of using competitive strategies on the competitive advantage of animal feed production companies?

Several criteria have been developed to measure the impact of the use of competitive strategies on achieving competitive advantage, where the criteria of increasing annual sales, increasing market share, increasing annual profits, and outperforming competitors in the market) were used to measure the impact of each of the cost reduction strategies, cost leadership and differentiation from competitors during Covering the entire market, while the criterion of increasing market share was excluded when measuring the impact of each of the two strategies of focusing cost reduction and focusing on differentiation, since these two strategies are directed to serve a small part of the total market, and therefore the criterion of increasing market share does not express the existence of a competitive advantage or not, as follows: This effect will be discussed using each of the arithmetic averages and standard deviations obtained by each criterion.

Table 4.14: Arithmetic averages and standard deviations of the impact of strategic factors on competitive advantage

Strategic factors / Feature Metrics	Cut costs		Cost Reduction Focus		Differentiation		Differentiation focus	
	SMA	**Stand. deviation**	**SMA**	**Stand. deviation**	**SMA**	**Stand. deviation**	**SMA**	**Stand. deviation**
Annual sales increase	3.19	0.84	2.10	0.95	3.38	0.68	2.48	0.98
Annual profit increase	3.32	0.76	2.21	0.95	3.27	0.85	2.44	0.98
Outperform competitors in the market	3.10	0.78	2.17	0.91	3.37	0.68	2.48	0.98
Increase market share	3.02	0.66	0	0	3.37	0.63	0	0
Overall average	3.15	0	2.16	0	3.35	0	2.47	0

The results in the previous table indicate that the criterion of increasing annual sales was affected by the use of cost reduction strategies, driving costs and differentiation to a high degree, and this is indicated by the arithmetic averages that reached (3.19-3.38), respectively, while the increase in annual sales was affected by each of the cost reduction concentration strategies The concentration of differentiation is moderate, with the arithmetic averages reaching a value of (2.10-2.48), respectively, and this result is confirmed by the standard deviations whose value ranged between (0.68-0.98) As is the case with the criterion of increasing annual sales, the criterion of increasing annual profits was also affected by the use of cost reduction strategies, cost leadership and differentiation to a high degree, and this is indicated by the arithmetic averages that reached (3.27-3.32), respectively, while the increase in annual profits was affected by each of my strategies. Concentration of cost reduction and concentration of differentiation to a medium degree, where the arithmetic averages reached their value (2.21-2.41), respectively, and this result is confirmed by the standard deviations whose value ranged between (0.76-0.98).

With regard to the criterion of superiority over competitors in the market, it was also affected by the use of cost reduction strategies, cost leadership and differentiation to a high degree, and this is indicated by the arithmetic averages, which amounted to (3.10-3.37)، respectively, while the community period was affected by the superiority over competitors with each of the two strategies of focus reduction. The costs and the concentration of differentiation are moderately, where the arithmetic averages amounted to (2.17-2.48), respectively, and this result is confirmed by the standard deviations whose value ranged between (0.68-0.98).

Finally, the criterion of increasing the market share was also affected by the use of the strategies of cost-bearing / cost leadership and differentiation during coverage of the entire market to a high degree, and this is indicated by the arithmetic averages, which amounted to (3.2-3.37), respectively, and this result confirms the standard deviations whose value ranged between (0.63 -0.66) This result is good because the success of using these two strategies depends primarily on increasing the market share of the organization.

It is evident from these results that the study sample members see in the strategies of cost leadership and differentiation, which are directed to the entire market, as having more impact in achieving competitive advantage than the strategies of cost concentration and differentiation focus.

This result may be attributed to the narrowness of the local market, and the intensity of local and global competition in it, in addition to the fact that it is possible that the local market does not constitute a sufficient source of profit for companies. The local market, where the average number of markets served by (18) markets, and this is evidence that dealing with one market is not limited, and this justifies this result.

4.4 Testing and Discussing the Hypotheses of the Study

In this part, the researcher will work to test the main and subsidiary hypotheses of the study, which were formed based on the problem and objectives of the study as follows:

The first main premise:

There is no statistically significant relationship at the level of significance ($0.05 \geq \alpha$) between the strategic factors and the competitive advantage represented in (increasing annual sales, increasing market share, increasing annual profits, superiority over competitors for animal feed production companies.

For the purpose of testing this hypothesis, it was divided into four sub-hypotheses, then the Sagerman correlation coefficient was used to find the relationship between strategic factors as independent variables, and criteria for measuring competitive advantage as dependent variables, as shown in the following table.

Table 4.15: Spearman’s correlation coefficients between strategic factors and competitive advantage

Competitive Advantage Criteria **Competitive Strategies**	**Annual Sales Increase**	**Increase Market Share**	**Annual Profit Increase**	**Outperform Competitors**
Correlation Coefficient	Correlation Coefficient	Correlation Coefficient	Correlation Coefficient	Correlation Coefficient
Price	0.6183	0.6968	0.5466	0.2107
The Quality	0.6894	0.6454	0.5437	0.1066
Flexibility	0.5933	0.6268	0.6563	0.4274
Time	0.6507	0.7312	0.6677	0.2529

Correlation is Significant at $\alpha \leq 0.01$

Correlation is Significant at $\alpha \leq 0.05$

The first sub-hypothesis: There is no statistically significant relationship at the significance level of (0.05≥α) between the strategic price factor and the competitive advantage of animal feed production companies.

Through the results shown in the previous table, it is clear that there is a strong positive correlation, whose value ranged between (0.21-0.69)، with statistical significance at a level of (0.05≥α) between the use of price as a strategic factor and the criteria for competitive advantage. Accordingly, we reject the null hypothesis and accept the alternative hypothesis which states:

There is a statistically significant relationship at the significance level (α≥0.05) between the strategic price factor and the competitive advantage of the animal feed production companies.

The second sub-hypothesis: There is no statistically significant relationship at the level of significance (α ≥ 0.05) between the strategic quality factor and the competitive advantage of animal feed production companies.

Through the results shown in the previous table, it was found that there is a strong positive correlation, whose value ranged between (0.11-0.69)، with statistical significance at the level ($\alpha \geq 0.05$) between the strategic quality factor and the criteria for competitive advantage. Accordingly, the null hypothesis is rejected and the alternative hypothesis is accepted, which states:

There is a statistically significant relationship at the level of significance ($\alpha \geq 0.05$) between the strategic quality factor and the competitive advantage of animal feed production companies.

The third sub-hypothesis: There is no statistically significant relationship at the significance level ($0.05 \geq \alpha$) of the strategic flexibility factor and the competitive advantage of animal feed production companies.

The results of the previous table show that there is a strong positive correlation, its value ranged between (0.43-0.66) with statistical significance at the level ($0.05 \geq \alpha$) between the strategic flexibility factor and the criteria of competitive advantage, and accordingly rejects the null hypothesis and accepts the alternative hypothesis which states:

There is a statistically significant relationship at the level of significance ($\alpha \geq 0.05$) between the strategic flexibility factor and the competitive advantage of animal feed production companies.

Fourth sub-hypothesis: There is no statistically significant relationship at the level of significance ($0.05 \geq \alpha$) for the strategic time factor and the competitive advantage of animal feed production companies.

Through the results shown in the previous table, it is clear that there is a strong positive correlation, whose value ranged between 0.25-0.73)، with statistical significance at the level ($0.05 \geq \alpha$) between the use of price as a strategic factor and the criteria for competitive advantage. Accordingly, we reject the null hypothesis and accept the alternative hypothesis which states:

There is a statistically significant relationship at the level of significance (α 0.05) between the strategic time factor and the competitive advantage of animal feed production companies.

The second main premise:

There is no statistically significant relationship at the level of significance (α 0.05 $\geq$) between competitive strategies and the competitive advantage of increasing

annual sales, increasing market share and increasing annual profits, outperforming competitors for animal feed production companies.

For the purpose of testing this hypothesis, it was divided into four sub-hypotheses, and the Sagerman correlation coefficient will be used to find the relationship between competitive strategies as independent variables, and the criteria for measuring competitive advantage as dependent variables, as shown in the following table.

Table 4.16: Spearman's correlation coefficients between competitive strategies and competitive advantage

Competitive advantage criteria **Competitive strategies**	**Annual Sales Increase**	**Increase Market Share**	**Annual Profit Increase**	**Outperform Competitors**
Correlation coefficient	Correlation Coefficient	Correlation Coefficient	Correlation Coefficient	Correlation Coefficient
Cost reduction strategy/cost leadership	0.6183	0.6968	0.5466	0.2107
Cost reduction focus strategy	0.6894	0.6454	0.5437	0.1066
Differentiation strategy from competitors while covering the entire market	0.5933	0.6268	0.6563	0.4274
Differentiation strategy from competitors while covering part of the market	0.6507	0.7312	0.6677	0.2529

Correlation is Significant at $\alpha \leq 0.01$

Correlation is Significant at $\alpha \leq 0.05$

The first sub-hypothesis: There is no statistically significant relationship at the level of significance between the strategy of cost reduction / cost leadership and the competitive advantage of animal feed production companies.

Through the results shown in the previous table, it is clear that there is a strong positive correlation, whose value ranged between (0.25-0.71)، with statistical significance at the level $0.05 \geq \alpha$ between the use of the cost reduction strategy, cost leadership, a competitive strategy and criteria for competitive advantage. null and accept the alternative hypothesis which states:

There is a statistically significant relationship at the level of significance $0.05 \geq \alpha$ between the cost reduction strategy, driving costs, and the competitive advantage of animal feed production companies.

The second sub-hypothesis: There is no statistically significant relationship at the level of significance between the cost-reduction concentration strategy and the competitive advantage of animal feed production companies.

Through the results shown in the previous table, it was found that there is a strong positive correlation, whose value ranged between (0.78-0.84)، with statistical significance at the level $0.05 \geq \alpha$ between the cost-reduction focus strategy as a competitive strategy and the criteria for competitive advantage. Accordingly, the null hypothesis is rejected and the alternative hypothesis is accepted, which states:

There is a statistically significant relationship at the level of significance $0.05 \geq \alpha$ between the cost-reduction focus strategy and the competitive advantage of animal feed production companies.

The third sub-hypothesis: There is no statistically significant relationship at the level of significance $0.05 \geq \alpha$ between the differentiation strategy from competitors during full market coverage and the competitive advantage of animal feed production companies.

The results of the previous table show that there is a strong positive correlation, whose value ranged between (0.65-0.69)، with statistical significance at the level $0.05 \geq \alpha$ between the use of the differentiation strategy from competitors while covering the entire market as a competitive strategy and criteria for competitive advantage, and accordingly the hypothesis is rejected. null and accepts the alternative hypothesis which states:

There is a statistically significant relationship at the level of significance $0.05 \geq \alpha$ between the differentiation strategy from competitors while covering the entire market and the competitive advantage of animal feed production companies.

Fourth sub-hypothesis: There is no statistically significant relationship at the level of significance $0.05 \geq \alpha$ between the differentiation strategy from competitors while covering part of the market and the competitive advantage of animal feed production companies.

Through the results shown in the previous table, it is clear that there is a strong positive correlation whose value ranged between (0.89-0.90) with statistical significance at the level $\mathbf{0.05} \geq \boldsymbol{\alpha}$ between the use of the differentiation strategy from competitors while covering part of the market as a competitive strategy and criteria for competitive advantage. Accordingly, the null hypothesis is rejected and the alternative hypothesis is accepted, which states:

There is a statistically significant relationship at the level of significance $\mathbf{0.05} \geq \boldsymbol{\alpha}$ between the differentiation strategy from competitors while covering part of the market and the competitive advantage of animal feed production companies.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1 General Conclusion

At the conclusion of this research work on strategic management and its role in achieving competitive advantage, through which we sought to shed light on the concept of enterprise strategy and its role in achieving competitive advantage, we can say that the enterprise that wants to maintain its survival and continuity in a market governed by intense competition must have the ability to The competition enables it to face its competitors in light of the rapid and successive developments of the environment, and the strategy is considered the most important means to achieve this and thus enhance the competitive advantage of the institution, for that it has become the endeavor of many institutions and has resorted to generalizing it to all its activities and operations.

Institutions today live in a different world than they did a few years ago. It is no longer possible for their leaders to think in isolation from what is happening in the world in light of the freedom of world trade and the globalization of competition, and to dwell on internal matters and focus on solving the problems of the world. Institutionally, without trying to link it to the market, the customer, and their needs is a kind of economic suicide.

Where it is no longer acceptable for the senior management manager to spend most of his time in amending the organizational structure, reconsidering job titles, arranging workplaces, forming committees and the like. These businesses, while important, are not strategic business and therefore should not occupy management time. The task of the latter in for-profit organizations, whether governmental or commercial, service or production, aiming for profit or not aiming at it, is primarily a strategic task to increase the competitive strength of the enterprise, achieve victory over competitors and increase its value from the point of view of those who deal with it. The task of management Senior is managing the organization strategically

Strategic management is a set of decisions that integrate the functions of the institution to achieve success in the industry to which it belongs. The success of institutions depends on the quality of strategic practices in them, which means developing good strategies commensurate with the threats and opportunities offered by the external environment, and maximizing the exploitation of internal capabilities, including the Creating the internal organizational climate, spreading strategic thinking throughout the organization, in a way that ensures the organization’s increased ability to compete in the external environment, and applying and evaluating strategies to ensure that the quality of the selected strategies is maintained.

The focus of strategic management is on building an integrative and comprehensive vision for the activities of institutions, and striving to achieve interdependence and interaction and moving away from the view of fragmented or unilateral activities and activities of institutions, so that the institution is one solid block, and to believe in the philosophy that the elements of strength in a particular activity are always to enhance the capabilities of other activities, as It is required to control and activate the organization's movement towards ensuring the strategic future in the field of business, as long-term success requires intellectual and strategic capabilities and competencies capable of studying, analyzing and reading the future, reducing uncertainties and the ability to simulate critical variables in the competitive environment, all for the sake of Ensuring a permanent strategic position based on the process of innovation and renewal and achieving the optimal competitive selection.

The future, by its nature, represents the preoccupation of institutions and the challenge planned by each distinguished person at any organizational level. The risks it carries that may threaten the institution in its gains or even its continuity, and the accompanying permanent changes and continuous surprises in both the good and the unpleasant directions, made it become the subject of ideas. Research and assessments that seek to find mechanisms, methods and techniques that would enable it to be transformed for the benefit of the institution and in favor of the strategies it adopts, especially since the history and events of the institutions confirm that the success of tomorrow is present today. Or trying to develop, represents the decisive factor in the success of the institution and ensuring permanent competitiveness, positioning in the future as an attempt to precede formations that may in fact be the most empowering factor for institutions against the times of fierce competition and aggressiveness that overcame the factors of the environment.

In order to face this environmental uncertainty, organizations face great challenges, the most important of which is how to build and enhance a competitive advantage that allows them to occupy, maintain and maximize a strong competitive position. Strategy is one of the most important tools that organizations adopt to reach this advantage.

The processes of formulating an organization's strategy include defining the organization's mission and main objectives in addition to analyzing both the external and internal environment of the organizations, and choosing the strategy that matches the strengths, weaknesses, opportunities and potential external threats, with the help of tools and techniques of strategic analysis with the aim of identifying a homogeneous combination of strategies to choose the most appropriate for its situation and objectives.

Finally, and based on the above, we try to summarize the most important results and recommendations that were reached through this research:

5.2 Results

5.2.1 Results from the theoretical background

1. The strategic dimension in management is one of the main factors that helped achieve a competitive advantage in light of the new global competitive environment, as research in the field of strategy was carefully directed in the nineties of the twentieth century. Looking at management and strategic interest, and for virtual organizations on this basis, the strategic vision of the organization is not translated through a vague future idea, but rather relates to the managerial ability of managers to mobilize resources and build future strategies for the organization, in addition to thinking about the future competitive environment.
2. Organizations need to quickly adapt to changing market conditions, unmet customer needs, buyers' desires for better products, developing technological alternatives, and new competitor initiatives, as the unsatisfactory late response often leads to placing the organization in an unstable position, if it is

forced to Catch up with competitors later, and while the pursuit of a coordinated or consistent strategy has some advantages, adjusting the strategy to accommodate changing conditions is natural and necessary.

3. The success of the organization’s strategy requires taking some successive steps and stages, starting with the organization defining its strategic direction, and carrying out a comprehensive survey of its external, competitive and internal environment supported by the use of strategic analysis techniques in order to reach the selection of a strategy that matches the aims of the institution.
4. Despite the importance of the advantages created by the strategic management of the institution, it often faces many challenges related to competition, such as increased rates of change, the complexity of the environment surrounding the institution, technological changes, the shortage and scarcity of available resources, and the instability of the market and economic conditions.
5. All strategies are subject to an evaluation process to see their suitability with the changes that occur in the internal and external environment, and to evaluate the accuracy of the predictions contained in the plans. The organization needs to collect data from the internal and external environment so that it can judge the success of the strategies in achieving their aims, and this allows taking corrective steps in the strategies or changing some systems and work structures that were the reason for not achieving the aims targeted by the strategies.
6. Having a competitive advantage over competitors is the only reliable contributor to increasing the profitability rate to above the average. As a general rule, the organization must carry out a violent strategic attack to create a competitive advantage in addition to a violent defense to protect it.
7. Achieving a competitive advantage at the present time is not considered an opportunity in itself as much as it is a threat, because the institution that achieves this distinction becomes the focus of the attention of all competitors to reach it and achieve this distinction or outperform it in all ways and methods, and therefore this institution needs to work on Continuous

improvement, renewal and development of its advantage, and the superior organization is the one who is able to discover, realize and appreciate the original and true source of competitive advantage.

8. The major global institutions devise good strategies that are commensurate with the nature of their capabilities, while we find that institutions weak in global competition resort to following the policy of being guided by one of these leading institutions in the industry in which they operate through the so-called benchmarking.
9. Organizations can avoid catastrophic strategies by adhering to the principles of good and sound strategy formulation and formation.
10. The real and basic reason for the failure of institutions is the inability of leaders to take appropriate strategic decisions due to their lack of experience or their unwillingness to take a reasonable amount of risk, as well as the presence of unstable internal and external environmental factors

5.2.2 Results from the field study

1. The study sample consisted of (13) managers. The number of males inspired (59) and constituted (93.7%) of the total sample, while the number of females was very low, amounting to (4) baths only and (63%) of the total the sample.
2. The number of those aged between (30-40 years) reached (10) individuals at a rate of (23.8%) of the total sample. As for the number of study sample members whose ages fall within the age group (40-50 years), it reached (20) and a percentage of (31.7%), and finally, the number of respondents whose age is over (50) years reached (24), or (38.1%).
3. The majority of managers in the sample have at least a first university degree in their field of specialization, as their number reached (57) or (90.5%) of the total sample, and the number of graduate studies holders was (2) individuals with a percentage of (79%).
4. The number of sample members whose years of experience fall within the period (1-5 years) reached (20)، at a rate of (40%) of the total sample. As for managers whose number of years of experience falls within the category (5-10 years), it reached (24). At a rate of (38%), and finally, the number of

managers whose years of experience exceeded (10) years has reached (14) with a percentage. (22%).

5. Sixty-four percent of the drama community companies have registered capital ranging between (1-15) million dollars, and the arithmetic mean of the capital was (14) million dollars
6. That percentage (50%) of the companies of the study community market their products in markets ranging in number between (1-10)، and the percentage of companies that market their products in the market is not much less than (10-30)، where the percentage reached (43%)، with an average of (18) markets.

5.2.3 Results derived from answering study questions

1. It was found from the answer to the study questions that the most important strategic factors used by Ghadeer Babel Company for the production of fodder are price, quality, and flexibility, where the arithmetic average of them reached (11.56-8.73-7.26), respectively, which falls within high approval, the highest was the percentage obtained by the flexibility factor , while the time factor obtained average approval and is the least used strategic factor from the point of view of the Ghadeer Babel factory employees
2. The results also indicated that the most important strategies used from the employees' point of view are the cost reduction/cost leadership strategy and the differentiation strategy from competitors while covering the entire market and it is within high approval where the cost/cost is reduced. The leadership strategy obtained the highest average, where the calculation reached (6.87), and then the strategy of differentiation from competitors with an average coverage of the entire market (6.85), and the strategy of focusing on cost reduction obtained medium approval, as the arithmetic mean was (6.46), as the results showed Also, the study sample does not use the strategy of differentiation from competitors while covering a part of the market, as its mean was (5.93).
3. The results indicate with regard to the effect of using strategic factors on the criteria of competitive advantage that the increase in annual sales is affected by each of the strategic factors, quality, time flexibility in a high degree, where the arithmetic average of it reached (3.46-3.30-3.21), and the increase

in annual sales is affected by the use of the price factor with a medium score and an arithmetic mean of (2.87) The results also indicate that increasing the market share, annual profits and outperforming competitors in the market have been affected by all strategic factors to a high degree.

4. The results show that the criterion of increasing annual sales was affected by the use of the cost reduction strategy, driving costs, and differentiation to a high degree, while the annual sales increase was affected by each of the two strategies of cost reduction focus and differentiation focus to a medium degree. As is the case with the annual sales increase criterion, the annual profits increase criterion was also affected by the use of cost reduction strategies, cost leadership and differentiation to a high degree, while the annual profit increase was affected by both the cost reduction and differentiation concentration strategies to a medium degree, and regarding the criterion of superiority over competitors in the market It was also affected by the use of cost reduction strategies, cost leadership and differentiation to a high degree, while the society's ability to outperform competitors was affected by both strategies of cost reduction and differentiation to a medium degree. Finally, the criterion of increasing market share was also affected by the use of cost reduction strategies, cost leadership and differentiation while covering the entire market to a high degree.

5.3 Recommendations

Based on the findings that we reached within this problematic theoretical analytical study, the impact of different strategies on the competitive advantage of the economic institution, we present within this paragraph recommendations that can be used, whether in scientific studies or at the level of formulating and applying the strategies of the economic institution, especially the Iraqi one, which needs a strategic shift in its management:

1. The necessity of adhering to the concepts and methods of strategic management by forming a future vision, defining the institution’s mission and strategic aims, selecting markets and areas of activity that achieve those aims, activating the continuous and evolving strategic planning process with the variables and working to confirm the role of strategic thought at all levels.

2. Giving the highest priority to formulating strategic moves that enhance the institution's competitive position in the long term, so that the long competitive position achieves comfortable results year after year, but the success of achieving financial performance aims for only one quarter or year usually diminishes rapidly
3. The best way to protect the long-term profitability of the organization is to use a strategy that strengthens the long-term competitive spirit of the organization.
4. Adopting modern management tools and approaches that consider competitive analysis as a necessity and a system that can reduce competitive pressures, and pay attention to strategic analysis in order to maximize profits and competitive position as one of the concepts that help prepare sound strategies.
5. The need for the management of the institution to choose the optimal strategy for it to obtain the competitive advantage by differentiating between the various strategies.
6. Realizing the importance of studying the possibilities and possibilities of alliance with other institutions to support the competitiveness of the institution, and evaluating opportunities for cooperation and integration to achieve higher cultural advantages for the institution.
7. Realizing the importance of working within the global market and reconfiguring the institution to deal in global conditions and to comply with international competitiveness standards.
8. The need for institutions to prepare their text to deal with global competition by developing expansion strategies to break into some markets and by developing defensive strategies to confront the strategies of foreign institutions that are expected to operate in the local market, which may be tempting for many institutions.
9. The necessity of drawing upon international expertise in the field of strategic management and encouraging the establishment of joint projects with giant institutions to learn and benefit from their strategic expertise.

10. The need for institutions to learn from the world's leading institutions in their industries meaning that each institution should identify an institution that it considers a role model and gradually borrow from its strategic ideas, provided that information on the strategy of these leading institutions is collected in a permanent manner and that the responsibility for collecting and analyzing this information is determined in a way formal.

If we touched on the topic of our memo in the previous way, we discovered the possibility of continuing research on this topic from various other aspects, and the possibility of raising new issues that could serve as future research:

- Strategic management in Iraqi institutions.
- Competitive analysis and its role in preparing the organization's strategic options.
- The importance of benchmarking in preparing the organization's strategy.
- Strategic management and competitiveness of small and medium enterprises.

In the end, we do not claim perfection in our work, nor do we deny the shortcomings of our efforts, but we hope that we have succeeded in choosing the topic, the methodology of its analysis, and that the conclusion of this research will be the starting point for another future research.

5.4 The study range

If we touched on the subject of our memorandum and in the previous way, we discovered the possibility of continuing the research on this subject from various other aspects, and the possibility of raising new issues that could serve as future research:

- Strategic management in Iraqi institutions.
- Competitive analysis and its role in preparing the organization's strategic options.
- The importance of benchmarking in preparing the organization's strategy.
- Strategic management and competitiveness of small and medium enterprises.

In the end, we do not claim perfection in our work, nor do we deny shortcomings in our efforts, but we hope that we have succeeded in choosing the topic, and the methodology of its analysis, and that the conclusion of this research will be the starting point for another future research.

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Mahdi Salah Al-Din Jamil Othman "The impact of strategic factors, competition strategies, and enhancing the competitive advantage

APPENDICES

Appendix No. 1: Questionnaire

The role of strategic management in enhancing competitive advantage

Ghadeer Babel Factory for Animal Feed Production

the master .... Respected

Greetings and respect and after

This study is part of the requirements for obtaining a master’s degree in business administration and aims to find the role of strategic management to achieve the competitive advantage of your company, in order to be able to reach some results that may contribute to improving the competitive position of companies producing animal feed in front of foreign companies in the local and global market.

Please kindly answer the paragraphs of the questionnaire through the reality that your company lives in and from your experience in this field, as the accuracy of your answer to the paragraphs of the questionnaire has a great impact on the credibility and success of the study. The information you will provide and that it will be used for scientific research purposes only

With great appreciation and respect

Researcher

Master student

Jaafar Sadiq Al-Mamoori

First: personal information

Please put an (X) in the box next to the correct answer

1. Gender: -

male female

2. Age: -

Less than 30 years old 30-40 years old

40-50 years old More than 50 years

3. Educational attainment

High school college diploma

Bachelor Postgraduate

4. Length of service in the current job position

1-5 years 5-10 years

More than 10 years

Second: General information about the company:

Please include data related to the following paragraphs:

1. The date of incorporation of the company ………………………………
2. Registered capital…………………………………
3. Number of employees in the company..............................
4. The number of products produced by the company ....
5. The number of local and international markets served by the company.............
6. The number of new products that the company introduces annually..................

Second: The following is a set of paragraphs related to strategic management, competitive advantage and competitive strategies. Please put an (X) in the appropriate place, which reflects the reality of the institution in which you work (Ghadir Babel Factory for Animal Feed Production as a model:

No	**Paragraph**	**I Totally Agree**	**I Agree**	**I Do Not Agree**	**Strongly Disagree**
The Following Are Paragraphs Related To The Price Factor					
1	Price is one of the most important strategic factors used by our company				
2	Pricing is one of the most sensitive elements for management				
3	Our company uses the price factor to beat the competition in the market				
4	Our company, when pricing its products, takes into account the sensitivity of the consumer towards price				
The Use Of Price As A Strategic Factor For Our Company Has Led To					
5	increase annual sales				
6	Increase market share				
7	increase annual profits				
8	Outperform competitors in the market				
The Following Are Paragraphs Related To The Quality Factor:					
9	Our company is interested in adding certain characteristics to the product to meet the desires of consumers				
10	Our company, when producing its goods, takes into account the conformity of international specifications and standards				
11	Our company uses high-quality raw materials, no matter how high their prices are				
12	Our company selects its suppliers on the basis of the quality of the materials they provide				

13	Our company selects its suppliers on the basis of the quality of the materials they provide				
The Use Of Quality As A Strategic Factor For Our Company Has Led To:					
14	increase in annual sales				
15	Increase market share				
16	increase annual profits				
17	Outperform competitors in the market				
The Following Are Paragraphs Related To The Elasticity Factor:					
18	Our company can easily adapt to any change in product design, specifications, or required production volume				
19	The ability to face any changes in the market is one of the factors that depend Our company has to face the competition				
20	Our company's ability to rapidly and effectively develop new products to meet new changes in consumer requirements				
21	Our company has the ability to produce a wide variety of products				
22	Two companies can easily move from one product to another within the product assortment				
23	Our company has the ability to adapt itself and its organizational structure according to any change that compels it to do so				
The Use Of Flexibility As A Strategic Factor For Our Company Has Led To					
24	increase in annual sales				
25	Increase market share				
26	annual profit increase				
27	Outperform competitors in the market				

The Following Are Paragraphs Related To The Time Factor					
28	Our company is interested in responding quickly to consumers' requirements				
29	Our company is working to reduce the time needed to develop products in order to be able to offer a larger variety of products and cover more markets				
30	Our company selects distribution channels based on their speed in delivering the product to consumers				
31	Our company works to make every task within the production processes that Its short and as efficient as possible				
The Use Of Time As A Strategic Factor For Our Company					
32	increase in annual sales				
33	Increase market share				
34	annual profit increase				
35	Outperform competitors in the market				
The Following Are Paragraphs Related To The Cost Reduction Strategy					
36	Our company seeks to benefit from economies of scale and high energy use				
37	Our company works to reduce distribution and promotion costs as much as possible				
38	Our company exercises strict financial control over spending in general				
39	39 Our company seeks to focus research and development in order to reduce costs				
Realize The Use Of Cost Reduction Strategy While Covering The Entire Market Of Our Company					
40	increase annual sales				
41	Increase market share				
42	annual profit increase				
43	Outperform competitors in the market				

Outperform Competitors In The Market					
44	Our company chooses a specific part of the market in order to meet its requirements at the lowest costs				
45	Our company develops new products for a specific segment or segment of the market because of the huge research and development costs for those products				
46	Our company is interested in a specific geographical area due to the high costs of distribution and promotion				
Achieve The Use Of Cost Reduction Strategy While Covering A Specific Market Segment For Our Company					
47	increase in annual sales				
48	annual profit increase				
49	Outperform competitors in the market				
The Following Are Paragraphs Related To The Strategy Of Differentiation From Competitors					
50	Our company offers its products with different advantages and specifications than all competitors in the market				
51	Our company has fast and efficient distribution channels in delivering goods to consumers				
52	Our company employs strict inspection, control and control systems for its products				
53	Describe the technologies used in our company's production				
Using A Differentiation Strategy From Competitors While Covering The Entire Market For Our Company					
54	increase in annual sales				
55	Increase market share				
56	increase annual profit				
57	Outperform competitors in the market				

The Following Paragraphs Relate To The Strategy Of Focusing Differentiation From Competitors					
58	Our company offers its products with unique advantages to meet the specific needs of a particular market segment				
59	Our company meets the specific needs of a specific market segment faster than competitors				
60	Our company uses fast distribution channels to cover a specific geographical area				
Achieve Differentiation Focus Strategy While Covering A Specific Market Segment For Our Company					
61	increase in annual sales				
62	Increase market share				
63	increase annual profit				

RESUME

EDUCATION:

Degree	Institution	Year Of Graduation
M.Sc.	Istanbul Gedik University, Business Administration	2021
B.Sc.	Al-Mustaqbal University College	2018
High School	Canadian high school	2014

SPOKEN LANGUAGES:

Native Arabic, English