

Investigating the Relationship between Competitive Strategies and Knowledge Management (Case study: South Hormozgan Steel Company)

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Abstract: The aim of this study was to investigate the relationship between competitive strategies and manage knowledge. This applied research is correlational. The population consisted of 360 employees of South Hormozgan Steel Company. According to Morgan table, 182 subjects were selected. Cronbach alpha coefficient of reliability for competitive strategies 0.83 and for knowledge management questionnaires 0.85 was confirmed and validity of the questionnaire was obtained by confirmatory factor analysis to test the model of structural equation modeling by AMOS software was used. The results showed that competitive strategies on knowledge management of South Hormozgan Steel Company are effective.

Keywords: competitive strategies, knowledge, knowledge management

INTRODUCTION

Now the current situation of the global economy in a way most countries seek to achieve competitive position internationally. Traditionally the competition a static element in its success or failure depends as production. But in the modern world, competition is a dynamic and innovative technologies, new products, new market boundaries is new manufacturing processes and new management concepts, leading to the formation, change or even destroy the competitive advantage (Amini and Khbaz, 2009). Experiences of countries such as China and Japan shows only successful because of these countries, their ability to stay ahead of the concept of comparative advantage are static. These countries through scientific and technological innovation, production and development of large-scale foreign trade could overcome the limits of their resources (Porter, 2012). These countries were to gain an understanding of comparative advantage can be achieved through the skills, capital and labor to be created and the structure can be modified to create an environment that goes toward economic development. Today, the competitive strategy and its key branches of industry analysis, competitor analysis and strategic positioning as part of the management activities are accepted. Competitive strategy provides a rich framework to identify the underlying factors of competition in the industry. We are now in an era that is the most important feature of uncertainty, complexity, globalization and technological change is increasing. Organizational success under these circumstances, changes in the organization's activities and in particular the leadership and management of organizations necessitates the third millennium. Today, the most important concern for most organizations, develop and implement strategies that success and their survival in a changing and complex environment, guarantee. (Rastegar and Jafarian, 2013)

Knowledge and strategies for the development of two powerful business performance of a company or organization in a competitive world is effective. It is important to note that the company is a high-performance strategy and knowledge management to create the best business performance (Lashkari et al., 2014). Business performance as evaluated efforts to realize business goals can be used. The question arises: which items should be measured. In a competitive world where non-measurable variables that may some of them are to be controlled or uncontrolled, measure business performance will be a critical issue in this case. Strategies used in the organization, has a great effect on their performance, as some believe that the choice and the implementation of a better strategy would be to achieve better performance for organizations so in this sensitive and variable steel production, the necessity of conducting an investigation to identify the strategies used by firms steel production and determine appropriate strategies that lead to better performance characteristics industries are steel companies, more than ever. The aim of this paper is to analyze and measure how South Hormozgan Steel Company use competitive strategies can boost your knowledge management.

Literature review

Competitive strategy: The aim of competitive strategy to create competitive advantage in the industry. Company strategies can achieve the decisions of the general competitive differentiation strategies, focused and defined cost difference between the company's business and competitive strategy in relation to the management of knowledge. Grant believes that working knowledge of the organization and individual knowledge is converging. Knowledge is a fundamental factor in creating the competitive advantage of an

organization's performance by the application of information technology in knowledge management and competitive strategy of the organization increases competitive strategy effectively used as a unique source of knowledge. It establishes a connection between knowledge and strategy (Lashkari et al., 2014). Davenport and Prusak believe knowledge should be combined with internal competitive advantage and business strategy. As a result of competitive strategy will enable knowledge management activities as knowledge management strategy to support the goals and missions to ensure the competitiveness of the companies to be applied. Strategy key factor in the performance of business organizations is to create value. The strategy includes a variety of activities that the long-term objectives and prospects for the company to do it. General competitive strategy is a well-known strategy that consists of three factors:

1. Cost leadership is the company cut costs in its industry. 2 unique distinctions is different target company in the market of its own. 3 The focus now tries to buyers, product line or market focus (Lashkari et al., 2014).

Knowledge management: Knowledge diagnosed concept of information. The data consists of a stream of events, facts, observation, or perceived by an organization. Collection of data is effectively used. Converting knowledge and includes beliefs, concepts, and methodologies is perceived. The highest level since mid-level hierarchy of knowledge, information and data placed in the lowest level (Atefi Boroujeni, 2013). Organization with knowledge management developed unique capabilities will depend on the ability of firms to manage advanced knowledge of management knowledge. Knowledge management can simultaneously increase the quality and quantity of knowledge creation. Speke knowledge management in the organization, including the development of innovation, distribution and use of knowledge required to record and store for future knowledge and integration of knowledge throughout the organization states.

Gould defines effective knowledge management as an essential feature for the organization and its capabilities in all spheres. The areas include infrastructure, including technology, culture and structure and process are learning, retention, use and change. Knowledge management related to the four main components of functionality, including the ability to learn, retain functionality, usability and functionality gets changed the acquisition of knowledge and information organization. Ability to maintain as knowledge and knowledge of the organization is focusing on the recovery process. The applicability of the ability use knowledge of the organization. Its ability is change or converts their knowledge to other people (Bagherinejad and Qahary, 2007).

RESEARCH METHOD

The First of all library resources and related articles in the field, was developed theoretical foundations. The model was presented as a model. 2 standard questionnaires with multiple-choice questions were used to gather information. The questionnaire contains 22 questions, competitive strategies, this research is correlational. The population consisted of 360 employees of South Hormozgan Steel Company. According to Morgan table, 182 subjects were selected. Cronbach alpha coefficient of reliability for competitive strategies 0.83 and for knowledge management questionnaires 0.85 was confirmed and validity of the questionnaire was obtained by confirmatory factor analysis to test the model of structural equation modeling by AMOS software was used.

RESULTS

The validity of questionnaire confirmatory factor analysis

In this study, the validity of using factor analysis, Amos software is used. Before performing factor analysis, test sampling quality is used. The test to determine the suitability of data for factor analysis is performed using KMO and Bartlett. Its value has fluctuated between 0 and 1 if the KMO is less than 0.5 the data will not be suitable for factor analysis if it is between 0.69 and 0.5 to average the data, and if the value of the index is greater than 0.7 correlations in the data will be suitable for factor analysis. Based on the results, KMO test value for the variable competitive strategies from 0.784 to 0.651 variables is the knowledge management this indicates sufficient sample for factor analysis and other variables. In Table 1 the number of indicators and concept models and allowable amount is mentioned.

Table 1: Indicators fitting factor analysis

Structures index	χ^2/df	P	RMSEA	CFI	CMIN	RMR	GFI
acceptable value	3<	0.05<	0.07<	0.9>	---	0.05<	0.9>
knowledge management	2.081	0.000	00.48	0.931	2311.22	0.011	0.922
Competitive Strategy	2.26	0.000	0.021	0.905	2185.36	0.025	0.956

In order to analyze the internal structure of the questionnaire and discover the constituent elements of any structure or latent variable, the tool is used confirmatory factor analysis. Also in this section measured

using confirmatory factor analysis equations related to any structures latent variable extracted and interpreted. According to Table 3 and Charts 1 and 2 can be said about the validity of sales strategy and guerrilla marketing is confirmed.

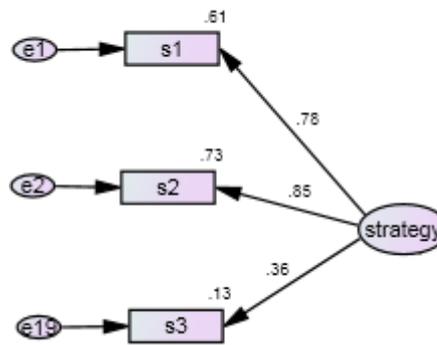


Figure 1: Factor analysis strategy

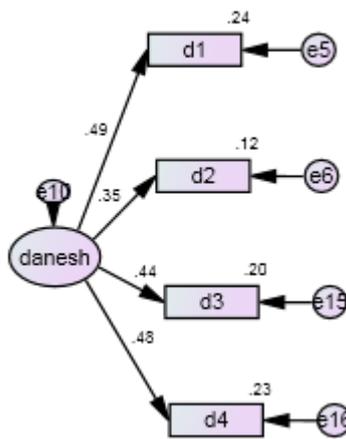


Figure 2: factor analysis model for knowledge management

To evaluate the hypothesis of structural equation modeling was used. For this purpose, the model of the relationship between the development version and continue using the application, the model has been designed, tested. The final model of structural equations of the model in Figure 1 is shown, which represents a high impact on the relationship between variables.

The factor loadings for each of the components of the tested variables in Figure 1 are shown.

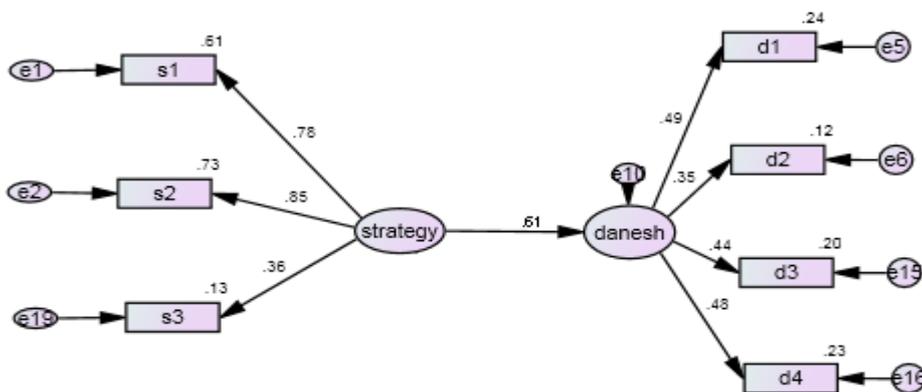


Figure 2: standardized coefficients

Table 2: Fitness indicators of hypothesis structural equation model

Structures index	χ^2/df	P	RMSEA	CFI	CMIN	RMR	GFI
acceptable value	3<	0.05<	0.07<	0.9>	---	0.05<	0.9>
model	2.095	0.000	0.045	0.955	2335.67	0.026	0.945

According to Table 2 overall indicators measuring fitting model indicates that the measurement pattern is a good fit.

Table 3. The coefficients than the critical significance level of the hypothesis of research

standard error	Critical value	Significant Level	Standard Factor	Hypothesis
0.263	7.42	0.000	0.61	Competitive strategy and knowledge management

The results show a significant level of research hypothesis is smaller than 0.05 and the impact of competitive strategy on knowledge management theory with 0.95 reliability is confirmed. This means that the regression coefficient 6.10, the competitive strategies of knowledge management is effective.

DISCUSSION AND CONCLUSION

One of the important aspects of business performance uses competitive strategies and knowledge management capabilities. The effect of competitive strategies on knowledge management is studied. For this purpose, the conceptual model was used. To collect the required data from two questionnaires were used. The results showed that the impact of competitive strategy on knowledge management. The results of this study - various previous researches in this area are approved.

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