



Review & Prioritization of Effective Factors on Exporter Corporations Competitiveness in Khuzestan Customs using MCDM1 Techniques

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ABSTRACT

Today, the global industry is deeply linked to exporting and success or failure of many companies is because of their presentation in global markets. The competitive capability of exporting companies is reflected with regard to the exporting importance in promotion and development of countries economy. The purpose of this research is to prioritize the competitive capability of exporting companies in Khuzestan province customs. It should be noted that ultimately, statistics of 10 experts who had working experience in most of the province customs were selected as the sample. The results showed that first accessibility to financial sources and then the supply which leads to a backward integration are in priority and the lowest effect is attributed to the factor and suppliers faced with small cost changes. To obtain data and information, a questionnaire was used that was designed according to the Michel Porter's competitive model.

Key terms: Competitive capability, competition views, exporting companies, factorial analysis, competition model

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INTRODUCTION

In recent years, competition concepts have been considered as the most important issues and many of great organizations have changed it to a part of the organizational culture. Competition has become one of the permanent issues of the present era and has ever been considered in companies' agenda. Over the time, competition in every industry leads to the increase of value for the customer through the quality improvement and cost reduction [1].

Competition strategy that means presentation of a wide formula is developed in order to explain competition in a business, to determine objectives and required policies to achieve the objectives [2].

Strength is achieved in the world-wide and globalization increasingly destroys supporting walls of countries industries one after another. In such an atmosphere countries and companies will be able to use the global market opportunities in order to be able to create and develop the competition advantage and strategic success factors.

STATEMENT OF THE PROBLEM

In recent years, international business and companies' tendency to the global market have been developed more than ever. Active companies in different countries export their products to other countries because the internal market is fully satiated or due to the attractiveness of foreign markets. Researchers have emphasized on components of human abilities and capabilities of technology, innovation and creativity in order to achieve the organizational competitive capability. However, it should be considered that these components, in addition to other components such as communicational capabilities, financial capabilities and etc., can present a comprehensive model to obtain an organizational competitive capability in the organization which is actually the vulnerable part of this study.

Hence, evaluating the current factors to improve the business in these areas and removing obstacles will enhance capabilities of non-oil commodity exporters and national competitiveness.

REVIEW OF LITERATURE

Salzar *et al* [3] evaluated the effect of competitive capability on the performance quality. Following the analysis of collected data from 210 stores offering advanced call services, they realized that competitive capability of an organization will lead to performance improvement of the organization.

Danesh fard and Zakery [4] conducted a study titled as the effect of knowledge management on the reinforcement of competitive capability of consultant engineering companies. Findings showed that the knowledge management has the strongest relationship with subscale of human source management system of the competitiveness advantage and the weakest relationship with the organizational performance.

METHODOLOGY

This is an analytical - survey research. A combination of laboratory and field research methods is used to collect data. The importance of scales will be prioritized by the use of hierarchy series analysis questionnaire (as the paired comparison). SPSS, AHP, Excel software are the most important tools to analyze the data, used for prioritizing.

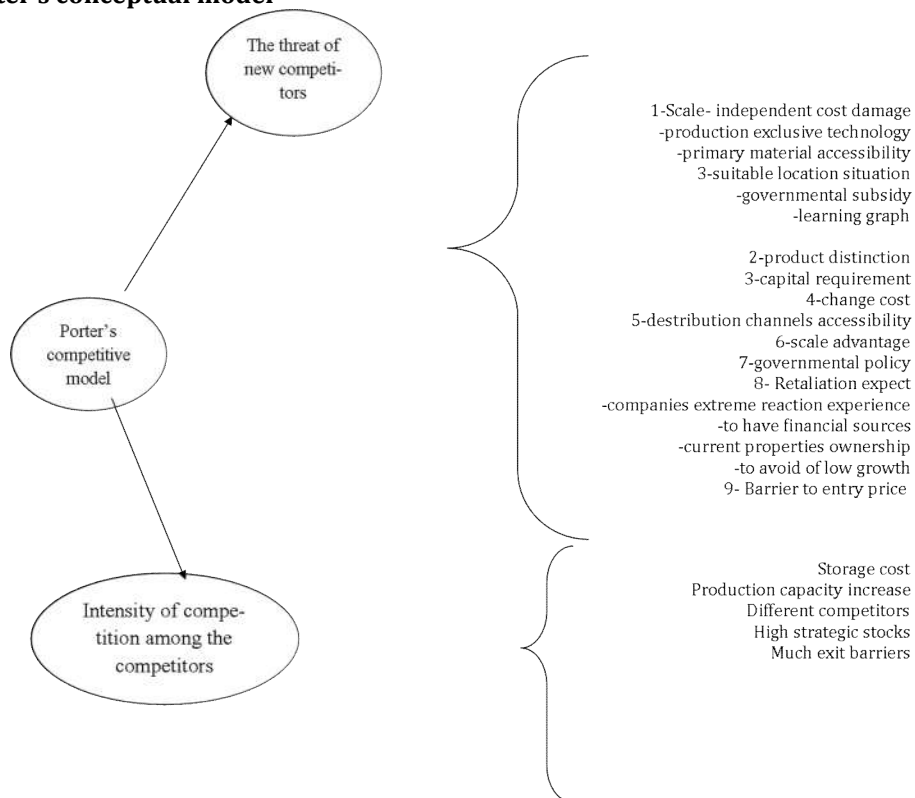
Data collecting instruments and method:

This study will be performed in laboratory section to evaluate indexes and in the field section to confirm and prioritize indexes. Questionnaire is the most important tool of this research.

Statistical population, sampling method and the sample size:

The statistical population includes all managers and experts of active companies of Khuzestan province customs. Since the population size is definite and countable, to determine the sample size at first a preliminary questionnaire should be distributed.

Michel Porter's conceptual model



Research methodology

At first, research methodology and its implementation will be described. In this section, the mentioned variables are evaluated and measured in the form of descriptive and deductive statistics and KMO and Batletts test is conducted and then the factorial analysis, geometric average and the factors prioritization are discussed in detail.

KMO and Batletts test

First a preliminary questionnaire was designed according to the Porter's model and distributed among 170 exporting experts. After collecting the data, it was analyzed via SPPS software.

First, the KMO and Batletts test was conducted. The results are provided in below table.

Table 4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.603
Bartlett's Test of Sphericity Approx. Chi-Square	1248.179
Df	703
Sig.	.000

Bartlett test was used to evaluate the importance and significance of correlation matrix. It was also used to check whether data correlation matrix was not zero in the population. The identified rate in this table is equal to 1248.179 and the quality index is equal to 0.603. Thus, in addition to sampling sufficiency, doing a factorial analysis on the basis of the studied correlation matrix can be justified.

Communalities^a

	Initial	Extraction
x1	.467	.459
x2	.454	.314
x3	.583	.436
X4	.587	.599
x5	.609	.555
x6	.513	.560
x7	.452	.290
x8	.566	.657
x9	.514	.725
x10	.410	.269
x11	.536	.675
x12	.693	.999
x13	.543	.999
x14	.532	.999
x15	.511	.344
x16	.633	.832
x17	.553	.655
x18	.526	.355
x19	.564	.897
x20	.423	.368
x21	.657	.607
x22	.418	.475
x23	.732	.998
x24	.765	1.000
x25	.469	.323
x26	.455	.345
x27	.619	.385
x28	.500	.428
x29	.559	.769
x30	.636	.498
x31	.624	.722
x32	.492	.523
x33	.661	.478
x34	.611	.708
x35	.570	.349
x36	.569	.519
x37	.611	.693
x38	.383	.309

Extraction Method: Maximum Likelihood.

According to extraction table, some factors which were greater than 0.5 were selected as the effective factors as the following:

The threat of new competitors, competition intensity between the competitors, changes cost, financial sources accessibility, the barriers to entry price, the same level competitors, the storage cost, different competitors and threat of retroaction and buyers face small cost changes.

Geometrical average:

In the next phase, a secondary questionnaire was designed which included only the factors derived from the factorial analysis. It was distributed among 10 sophisticated experts in exporting who had working experience in most of Khuzestan customs and the geometric average was obtained from these experts' ideas via Excel.

	1.2138464	1.1366591	1.6331775
0.8238274		0.6123033	0.8175115
0.8797712	1.6331775		1.2045129
0.6123033	1.2232244	0.8302111	

For the first concept (table6)

Buyers bargaining capability	Alternative products	competitors competition intensity	New competitors threat
		1.2138	1.1367
	0.8238		0.6123
	0.8798	1.6332	

Second concept (table 7)

	1.2138	1.1367
0.8238		0.6123
0.8798	1.6332	

Third concept (table8)

Paired comparison phase (expert choice)

In this stage, we rank factors obtained from the geometric average phase using expert choice software

First concept:

It is related to all general factors of Porter competitive capability model and its output is presented in the graph of new competitors' threat.

the threat of new competitors	0.302
the intensity of competition between existing competitors	0.197
bargaining power buyers	0.283
bargaining power of supplied	0.218

According to the graph, the competitive capability in the main factors is associated with the factor of new competitors' threats.

Second concept

The below graph displays factors of new competitors' threat suggesting that accessibility to financial factors shows the highest competitive capability.

price change	0.223
Finances	0.66
price excludes	0.117

Third concept:

Shows ranking of the competition intensity factors among the competitors suggesting that different competitors' factor is preferred.

level competitors	0.365
storage cost	0.263
different competitors	0.372

Fourth concept

It includes two sub factors of backward integration and buyers facing with small changes cost. The factor of integration threat is preferred.

Action threat backward	0.544
the buyer is faced with changes little cost	0.456

Fifth concept:

It includes sub factors of distinction and variation of the product as well as the provider which leads to the forward integration. The distinction and variation of the product variation is preferred .

Differentiation and product diversity	0.45
supply leads to backward integration	0.55

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