

Perspective of Sustainable Competitive Advantage in Production Units at Vocational High School in Indonesia

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Abstract: *This research is important to do because there is a problem faced by entrepreneurs and small industrial businesses in Indonesia until now is access to control of small businesses to the market. A market economy has emerged in Indonesia in the last five years in tandem with the government's efforts to make policy changes in response to dramatic changes. Reducing the role of government in "everything" has become a macro change agenda. The government's role in many respects tends to be reinvented towards regulatory and supervisory roles. The conditions as above cannot change immediately, but are still marked by various "interventions" even though on a small scale, all of which describe a transition period towards a "free market". With a combined qualitative and quantitative method (mixed methods) Sugiono 2015, the results of this study relate to the perspective of sustainable competitive advantage in the Production Unit in Vocational High Schools. the location of the Production Unit is very influential on the sustainability of the activities of the Production Unit. The Production Unit has sufficient capital by the school and investment partners in carrying out operational activities. Students are involved in the operational activities of the production unit and its developments. The production unit is well acquainted with the direction of market development and the consumers who are the sales targets and who are its competitors. The production unit knows very well the advantages possessed by the product of the production unit. Raw materials and labor are obtained at a fairly affordable cost and not too difficult.*

Keywords: competitive, advantage, sustainable, vocational

1. Introduction

This gap in competition arises not only on the background of a lack of control over resources (capital, human resources, technology, and so on), but also due to the lack of readiness of small businesses to enter the market. These small businesses generally enter the market without a sufficient understanding of the position of the products produced and the marketing strategies used. On the other hand, government policies in facilitating tend to concentrate on skills enrichment (reskilling) and institutional strengthening (strengthening) of small businesses.

The above statement encourages the Indonesian government to seek flexible policies, which on the one hand accelerate economic development and on the other hand equalize income distribution and narrow the gap between regions and groups. several things can be considered in order to get a flexible competition policy. First, the entrance to an industry is open, the concentration in the industry will decrease by itself due to the passage of time. Second, to avoid the difficulties of uncontrolled portfolio growth urge entrepreneurs to concentrate on their core business. Third, set contract rules for international businesses that are free from competition such as franchising, licensing, and distribution.

2. Literature Review

the use of new technologies has increased the expectations of both stakeholders (Ellerup Nielsen & Thomsen, 2018) as well as managerial complexity across industries worldwide (Rey-Martí & Ribeiro-Soriano, 2015). The role of universities goes far beyond teaching and research. In each country, these institutions have important social and economic impacts (Schlesinger et al., 2015), provide knowledge transfer to business and create opportunities for entrepreneurship (Cattaneo et al., 2016). New challenges in the business world are related to the decline in public funding, increasing national and international competitiveness, increasing stakeholder expectations, and increasing demands for transparency and accountability (Agrey & Lampadan, 2014; Broekemier & Seshadri, 2000; El Nemar et al., 2018; Germeijs et al., 2012; Wu & Naidoo, 2016). In recent years there has been increasing internationalization, labor markets, and a growing demand for renewable innovations. (Hemsley-Brown et al., 2016; Plewa et al., 2016; Verčič, A. T., Verčič, D., & Žnidar, 2015)

The introduction of digital technology was initially seen as a method to increase the efficiency of existing business models and business processes, for example by reducing costs, increasing product quality, increasing convenience, and reducing delivery times (Haseeb et al., 2019). The increase in digitalization can fundamentally change the market structure, for example by changing the height of entry and mobility barriers, changing the main competitive parameters in the market, and opening the way for the creation of new competitors and new substitutes (Ferreira et al., 2019). Furthermore, digitalization allows the creation of a more environmental (digital) ecosystem (Weill & Woerner, 2015). In such an ecosystem, value is created by mixing some heterogeneous and overlapping digital technologies belonging to different industries (as well as other types of actors). This source of energy and expertise linked to digital technology is a determining factor for the position that industry takes in such an ecosystem (Jacobides et al., 2018; Nylund et al., 2021), ranging from key industries to easy accessories. exchanged. The position that industries take and the position they play in such emerging market structures and ecosystems is largely determined by how increasing digitization affects the competitive value of energy resources and expertise. The increase in digitalization makes some sources of energy and expertise less meaningful, while it increases other competitive capabilities (Sousa & Rocha, 2019).

While it is clear that the increasing speed of digitization is affecting the dynamics of competition and the outcome of the competition, it is still unclear how the trick will work. One thought is that increasing digitization means hypercompetition will become the new norm, and competitive advantage will be much more difficult to maintain over time (Baškarada & Koronios, 2018; Huang et al., 2015; Li & Liu, 2014). Increased access to cheaper, standardized and modulated digital technology (often offered as a service) will reduce barriers to entry in various markets, leading to intense price competition and the creation of new substitute markets for existing products and products. service. This technological shift can also cause previously valuable industry-specific energy sources and skills to decrease in value (or become worthless), as more universal, cheaper, and universally available energy sources for all take place at the core of leading business models (Sousa & Rocha, 2019). Another very different thought is that competitive advantage becomes more prolonged as digitalization continues to intensify. The gist of this thinking is that the rise in digitalization is generating a “winner takes all” dynamic in which tech giants use the advantages of supply and demand side scale to establish an undeniable position in their own markets and beyond (Agrawal, 2013; Lee et al., 2021; Zhao et al., 2020)

Since examples supporting these two ideas exist widely, the question is not which of the two scenarios is correct, as both scenarios unfold simultaneously for different industries in a given market and/or ecosystem. Instead, we examine when and for which industries increasing digitization makes competitive outcomes more or less sustainable. To shed light on this issue, we need to take a closer look at the main characteristics of competing industries in the digital economy.

3. Methodology

This research approach by Sugiono in 2015 combined (Mixed Methods)., Combined research method is a research method that combines or combines quantitative methods and qualitative methods to be used together in a research activity, in order to obtain more comprehensive, valid data. , reliable and objective¹ . The combination research method used in this research is a combination research method or sequential explanatory design (sequence of discovery). Combination research method model or sequential explanatory design is a combination research method that combines quantitative and qualitative research methods sequentially, where in the first stage the research is carried out with quantitative methods and in the second stage is carried out with qualitative methods. Qualitative methods play a role in obtaining measurable quantitative data that can be descriptive, comparative and associative, while quantitative methods play a role in proving, deepening, expanding, weakening and invalidating the quantitative data that have been obtained.

4. Conclusion

From the research conducted, several conclusions were obtained regarding the perspective of sustainable competitive advantage in the Production Unit in Vocational High Schools. Some of these conclusions, among others, the location of the Production Unit is very influential on the sustainability of the activities of the Production Unit. The Production Unit has sufficient capital by the school and investment partners in carrying out operational activities. Students are involved in the operational activities of the production unit and its developments. The production unit is well acquainted with the direction of market development and the consumers who are the target of selling and who are its competitors. The production unit knows very well the advantages possessed by the products of the production unit. Raw materials and labor are obtained at a fairly affordable cost and not too difficult. In the process, it integrates management elements (planning, organizing, actuating, and controlling) which are applied in Vocational High Schools with a sustainable competitive advantage perspective on production units in Vocational High Schools. So that it can empower the community and reduce negative effects in the face of an increasingly competitive global world.

Suggestions for follow-up to build a network of cooperation with production units in various Vocational High Schools by involving the government and developing learning concepts that are in accordance with the development of science and technology, as well as improving product quality from production units to be able to compete in the wider market

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