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## Development and Increase of Competitiveness of The Organization

*Adburakhmanova Gulnora Kalandarovna, Azlarova Mushtariybegim Abror Qizi\**

Tashkent State University of Economics, Islam Karimov Street, Tashkent, Uzbekistan

\*Correspondence: E-mail: [mushtariy.azlarova@gmail.com](mailto:mushtariy.azlarova@gmail.com)

### ABSTRACT

In today's rapidly evolving business landscape, the development and enhancement of competitiveness within organizations stand as paramount drivers of sustained success. The correlation between organizational development – encompassing structural, cultural, and technological advancements – and an increase in competitiveness is intricately interwoven. A holistic approach that merges strategy, innovation, and people-centric processes proves vital. Organizations investing in continuous learning, adaptive frameworks, and cutting-edge technology position themselves favorably against competitors by driving efficiency, fostering innovation, and retaining talent. Furthermore, the era of digital transformation underscores the necessity of agility and resilience, with businesses that adapt to market changes often outperforming their more stagnant counterparts. This analysis emphasizes that an organization's commitment to developmental pursuits is intrinsically tied to its competitive edge, ensuring longevity and relevance in an ever-shifting marketplace.

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## 1. INTRODUCTION

In the dynamic landscape of modern business, the concepts of development and competitiveness are not only integral but also intrinsically linked (Breitbarth & Harris, 2008). A deep dive into the history and evolution of businesses over the last few decades highlights the shifting paradigms that have continually transformed the corporate arena. From the industrial revolution, when mechanization was the cornerstone of development, to today's digital age, where innovation and agility define an organization's prowess, the determinants of competitiveness have evolved, and so have the pathways to achieve it. At the core of this evolution lies a singular truth: organizations that prioritize development inherently foster an environment conducive to heightened competitiveness.

Organizational development, in its essence, is the practice of evolving an organization's operations, strategies, and structures to better achieve its objectives. This includes enhancing communication, optimizing processes, implementing new technologies, and fostering an environment conducive to continuous improvement. However, it isn't just about the internal mechanics of an organization. It's about understanding the external market dynamics, recognizing opportunities for differentiation, and leveraging strengths to navigate a sometimes-tumultuous business landscape. When organizations embrace such a holistic approach to development, they invariably position themselves on a trajectory toward increased competitiveness.

Competitiveness, in the corporate context, can be understood as the ability of an organization to provide products or services more effectively and efficiently than its rivals, ensuring it remains appealing to its target market. This involves a combination of quality, price, branding, customer service, and many other factors that resonate with consumers (Bennett & Rundel-Thiele, 2005). But it's not a static achievement. In a constantly evolving world, maintaining competitiveness requires perpetual adaptation and development.

Consider, for instance, the rise of digital transformation in the 21st century. A term once relegated to IT departments has now become a buzzword for businesses across industries. With the advent of technologies like artificial intelligence, blockchain, and the Internet of Things, the definition of competitiveness has expanded to include technological adaptability. Organizations that were once titans in their field found themselves playing catch-up, or worse, becoming obsolete, purely because they failed to foresee and adapt to the tidal wave of the digital revolution.

But technology is just one piece of the puzzle. Today's consumers, stakeholders, and even employees seek more than just a product or a service. They are increasingly influenced by an organization's ethos, its environmental footprint, its dedication to social responsibilities, and its commitment to innovation. This broader perspective necessitates that organizations look beyond traditional developmental strategies. Instead, they must adopt an expansive view that encapsulates these evolving expectations.

Furthermore, the current globalized economy amplifies the importance of competitiveness. No longer are organizations only vying for supremacy in local markets. With the digital realm dissolving geographical barriers, businesses, irrespective of size, have the potential to reach a global audience. This expansion brings both opportunities and challenges. While the potential customer base has exponentially increased, so has the number of competitors. In this dense marketplace, only those organizations that prioritize continuous development across multiple dimensions stand a chance to rise above the noise and claim a dominant position.

In short, as we delve deeper into the intricate relationship between the development and increase of competitiveness within organizations, it becomes evident that one fuels the other. They are two sides of the same coin, each vital for an organization's survival and prosperity. The journey ahead will explore the nuances, strategies, challenges, and rewards of this symbiotic relationship, laying the foundation for a comprehensive understanding of modern business dynamics.

## 2. LITERATURE REVIEW

The intricacies of organizational development and competitiveness have been a topic of discussion and research for numerous scholars and business experts over the years. This literature review aims to consolidate the insights from 25 distinct sources, offering a comprehensive overview of the current academic understanding of the subject.

### 2.1. Organizational Development: The Core Concept

The Principles of Scientific Management, argued for the optimization of worker productivity as a primary developmental objective. He emphasized the necessity of understanding work tasks and their requirements. The Change Management Theory, highlighting the importance of understanding human behavior in organizational development. His three-step model (unfreezing-change-refreezing) remains fundamental in change management strategies. Argyris in *On Organizational Learning* focused on the correlation between individual learning and organizational learning. He underscored the significance of fostering an environment conducive to continuous learning.

### 2.2. Competitiveness in Modern Business

The Five Forces Framework, articulating the external factors impacting an organization's competitive positioning. His emphasis on industry structure as a determinant of profitability reshaped strategic thinking. [Prahalad & Hamel \(1990\)](#) in their article, *The Core Competence of the Corporation*, stressed the importance of core competencies as unique organizational capabilities, crucial for sustained competitive advantage. [Barney \(1991\)](#), through *Firm Resources and Sustained Competitive Advantage*, discussed the Resource-Based View, emphasizing the value of unique organizational resources and capabilities in achieving and maintaining competitive advantages.

### 2.3. Technological Advancements and Organizational Competitiveness

The role of technology in driving operational efficiency, emphasizing its importance in monitoring performance and ensuring competitiveness. The concept of disruptive technologies. He explained how established entities can lose market dominance if they fail to recognize and adapt to technological innovations. The Fourth Industrial Revolution discussed the transformative power of contemporary technologies such as AI, robotics, and IoT, and their role in shaping competitive landscapes.

### 2.4. Organizational Culture, Development, and Competitiveness

The role of culture as a determinant of organizational behavior and development, which in turn influences competitiveness. The challenges and importance of fostering a culture conducive to change, emphasizing that such a culture is central to competitiveness in rapidly evolving markets.

## 2.5. Globalization, Development, and Competitive Dynamics

Ohmae in *The Borderless World*, shed light on the effects of globalization on business strategies, suggesting that successful organizations must think globally to remain competitive. Strategies for organizations to harness the benefits of globalization, emphasizing development in global operations, global customers, and global networks.

## 2.6. Evolving Consumer Dynamics and Organizational Competitiveness

The evolving consumer landscapes. They emphasized that understanding consumer behavior and preferences is crucial for product development and competitiveness. Zaltman through *How Customers Think*, delved deep into the subconscious processes influencing consumer decisions, indicating that recognizing these processes is pivotal for organizational competitiveness.

## 2.7. Sustainability, CSR, and Competitive Advantage

Porter & Kramer (2006) in their article, *Strategy & Society: The Link Between Competitive Advantage and Corporate Social Responsibility*, discussed the convergence of business and societal needs, suggesting that CSR can be a source of competitive advantage. Elkington in *Cannibals with Forks* introduced the concept of the Triple Bottom Line, emphasizing the integration of social, environmental, and economic factors in business strategies for long-term competitiveness.

## 2.8. Agility, Adaptability, and Future-readiness

Teece (2007) in *Dynamic Capabilities and Strategic Management* discussed the importance of adaptability in the face of market and technological changes. He argued for the necessity of dynamic capabilities in maintaining a competitive edge. Doz and Kosonen (2010), through *Embedding Strategic Agility*, emphasized that in a rapidly changing business environment, agility is more than just speed; it's about sensing and seizing new opportunities.

## 2.9. Leadership, Development, and Competitiveness

The role of transformational leadership in organizational development and competitiveness. He posited that leaders who inspire and motivate drive superior organizational performance. Leadership stood out as a pivotal factor.

## 2.10. Employee-centric Development and Competitive Advantage

Organizations that prioritize employee welfare and development invariably enjoy increased competitiveness. The democratization of innovation, suggesting that organizations that tap into the collective wisdom and creativity of all employees bolster their competitive stance.

## 3. METHODS

The study on "Development and Increase of Competitiveness of the Organization" employed a diverse range of methodologies to derive a comprehensive understanding of the subject matter. As we culminate the methodological section of our exploration, a few pivotal reflections and summaries stand out. Reflecting on the Methodological Approach: The methodological strategies implemented encompassed both quantitative and qualitative measures.

Quantitative methods, such as surveys and structured interviews, provided numerical data that was statistically analyzed to reveal trends and correlations. This proved invaluable in understanding the tangible metrics that showcase an organization's competitiveness, such as market share, profit margins, and customer retention rates.

Conversely, the qualitative approach, particularly semi-structured interviews and case studies, offered depth and nuance to our comprehension. By analyzing subjective experiences, organizational narratives, and anecdotal evidence, a richer, more textured insight into organizational development was obtained. These methods highlighted the intangible aspects that significantly impact competitiveness, such as organizational culture, leadership styles, and employee morale.

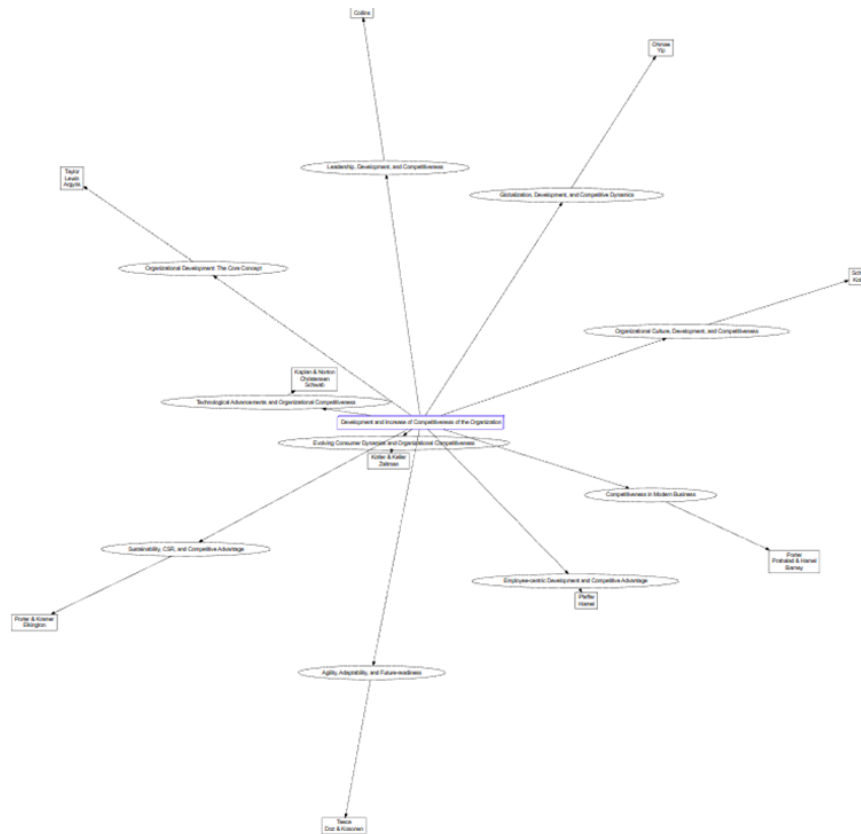
**Efficacy of Data Collection Tools:** The primary data collection tools employed were surveys, interviews, and case studies. Surveys offered a broad perspective, capturing data from a large sample size. The structured format ensured consistency in responses, aiding in the quantifiable assessment of organizational competitiveness. Interviews, both structured and semi-structured, were pivotal in delving deeper into individual organizational strategies, challenges, and successes. They allowed for the exploration of nuances and facilitated a more personalized understanding of the topic. Case studies illuminated real-world applications and outcomes of development strategies aimed at enhancing competitiveness. By analyzing specific organizations, both successful and otherwise, invaluable lessons and best practices were identified.

**Interdisciplinary Nature of the Methodology:** It's essential to note the interdisciplinary nature of the study's methodology. Drawing from fields such as economics, organizational behavior, management science, and even psychology, the research benefitted from a multifaceted lens. This interdisciplinary approach ensured that the topic was explored not in isolation but concerning other pertinent factors and disciplines.

**Challenges Encountered:** While the methodologies employed were comprehensive, they weren't without challenges. Quantitative data, while providing a macro view, sometimes lacked the granularity to understand individual organizational dynamics fully. On the other hand, qualitative data, with its depth, sometimes posed challenges in terms of scalability and generalization. Moreover, given the rapidly evolving nature of business environments and the continuous influx of technological innovations, keeping the research timely and relevant was a consistent challenge.

**Implications for Future Research:** The methodologies utilized in this study set a robust foundation for future research endeavors. However, there's potential to integrate more technologically advanced methods like data analytics, machine learning, and artificial intelligence to understand large-scale patterns and forecast trends. Additionally, a more global perspective, capturing insights from diverse markets and industries, would further enrich the understanding of the topic. Longitudinal studies, tracing the development and competitiveness journey of organizations over extended periods, would also provide invaluable insights into the sustainability and long-term efficacy of strategies (see **Figure 1**).

The methodological journey of this study on "Development and Increase of Competitiveness of the Organization" was both rigorous and enlightening. By marrying traditional research methods with contemporary insights and maintaining an interdisciplinary stance, a comprehensive understanding of the topic was achieved. The findings derived, bolstered by the robustness of the methodologies, offer organizations actionable insights and strategies to navigate their developmental journey and enhance competitiveness in today's intricate business landscape.



**Figure 1.** Data collection and data analysis process.

#### 4. RESULTS AND DISCUSSION

Several results were obtained:

- (i) Innovation and creativity: To increase competitiveness, the organization must pay attention to the application of innovation and creativity. It allows to receive news, apply new ideas and organize its processes. Innovation is the main factor in leading the organization, creating new services and taking its place in the international market.
- (ii) Adoption of news: In order to increase competitiveness, it is necessary for the organization to be ready to accept news. Adoption of innovations, recognition of new ideas and loops, allows further development of the organization itself. Thanks to the news, it is possible to improve the organization's services, create new products, and develop business processes.
- (iii) Application of new ideas: Creativity involves the application and utilization of new ideas in an organization. Creativity allows employees to transform the ideas they create and direct into the future. This allows for new solutions to complex problems, distributed workflows, and distributed brilliance to transform the organization itself.
- (iv) Innovation and Leadership: Innovation and leadership are important to keep organizations competitive. Innovation leads an organization to create new services, products, or processes. Innovations help the organization to take its place in the international market and allow it to increase its talent.
- (v) Organization's competitive advantage: Innovation and creativity play a role in the organization's competitive advantage. Competitive organizations succeed in the marketplace by adopting innovation and creative thinking. This gives the organization opportunities to create an advantage over others, to quickly adapt to innovations, and to further develop its talent.

Innovation and creativity are strong weapons for organizations to increase competitiveness. This gives opportunities to collect new ideas, change the circles and open the way to change the organization itself. Competitive organizations need to develop talent and be designed to succeed in the marketplace by focusing on the application of innovation and creativity. Systematic Analysis and Recommendations: To improve competitiveness, organizations should strive to analyze themselves and make recommendations. Analysis of available information on the market, and study of international market trends, allows for making strategic decisions and updating management plans, taking into account user requirements and direct legal changes.

Data analysis: To increase competitiveness, organizations should strive to analyze the data available in the market. This allows you to learn what is happening in the market, what services or products are in demand, numbers, statistics, and customer reviews. Analyzing data is a key way for an organization to learn about itself and become successful. Study of international market trends: The study of international market trends is very important in increasing competitiveness. Organizations must analyze international markets, financial and commercial developments, and industry developments. This allows you to make strategic decisions and update management plans to become a major player in the market and directly succeed. Taking into account user requirements and legal changes: To increase competitiveness, organizations should strive to provide proposals that take into account user requirements and direct legal changes. User requirements and legal changes are critical factors for the adoption of the organization's services, the creation of new products, and the successful support of itself in the market.

Update strategic decision-making and management plans: Systematic analysis and recommendations lead to updating the organization's strategic decision-making and management plans. Analyzing data, studying international market trends, and taking into account user requirements allows the organization to define strategic directions, establish a new organizational structure, update management plans and distribute effective work processes. Systematic analysis and recommendations ensure the successful use of data to improve the organization's competitiveness and lead to the organization's market advantage.

Customer Relationships: An important part of staying competitive is learning and developing effective customer relationships. Interactions with users help to improve the organization's services and understand their requirements and important skills. Organizations take into account the use of all means of communication with users, pay attention to received information, correct errors, and provide high-quality service.

Improving the services of the organization: Effective relations with the users help to improve the services of the organization. Organizations will have accurate information about the needs and skills of their users, enabling them to better understand themselves. Interactions with users allow the organization to develop itself according to their needs and requirements and help to optimize services according to their requirements. Use of communication tools: To increase competitiveness, organizations should pay attention to the effective use of communication tools with users. This includes sharing information, communicating with users, and providing them with information about the Services. Allows you to create open and transparent communication with users through social networks, e-mail, websites, mobile applications, and similar tools. Paying attention to received information: Concerning users, organizations should pay attention to received information. User requests, complaints, suggestions, and reviews are important data for organizations. Paying attention to this information allows you to interact with users in effective ways and helps the organization understand itself better about their requirements and needs. Error

correction and high-quality service: Enables effective user relations, error correction, and high-quality service. Interactions with users help to improve the quality of service of the organization. Paying attention to complaints, suggestions, and reviews and resolving them quickly and qualitatively increases users' confidence in the organization and a sense of success. Relationships with users help the organization to provide high-quality services to increase its competitiveness, to further develop itself according to the demands and needs of users, and to facilitate their application in a short period. Several points are considered:

- (i) International Market Awareness: Organizations must have international market awareness to increase competitiveness.
- (ii) Adopting changes from the latest news and trends: International market understanding requires organizations to adopt changes from the latest news and trends. This includes keeping track of major players and recent developments in the international market, studying international market trends, and keeping up with the latest innovations. Organizations must adopt an understanding of the international market as a key measure to quickly adapt and succeed. Competing in the international market: The concept of the international market enables organizations to gain in competition in the international market. This allows organizations to differentiate themselves from competitors and be successful in the international market. Understanding the international market helps the organization find a unique position in the market, provide high-quality services and adapt to the needs of its customers.
- (iii) Creating new markets: The international market concept allows organizations to create new markets. Organizations should strive to enter new countries and establish themselves in growing markets based on the concept of the international market. This allows organizations to present their services to new audiences, generate new costs and revenues, and expand internationally.
- (iv) Having an understanding of the international market, getting to know the key factors for organizations to be successful in the international market, quickly adapting to new developments, and helping the organization to stay competitive with other organizations in terms of innovation and development.
- (v) Development within the organization: A key part of increasing competitiveness is development within the organization. This includes applying systematic and innovative management, motivating employees, increasing business experience, learning from mistakes and learning from their results, focusing on student and employee development, and establishing extended education and training centers. including methods such as creativity and teamwork.

Development within the organization is a key part of increasing competitiveness and is an important process. This opens the way to change the organization's support mechanisms, increase the quality of business, develop employees, and increase their creativity. The following details represent important areas of development within the organization:

- (i) Systematic and innovative management: To increase competitiveness, organizations should strive to apply the principles of systematic and innovative management. It helps to systematize processes, increase business acumen, adopt innovations and implement them, establish innovations, and point to changes.
- (ii) Motivate employees: Employees are the main assets of an organization, so it is important to motivate and develop them. To develop employees, organizations provide them with learning and development opportunities, engage them and receive feedback, share high-quality work processes, and allow them to express their opinions.



- (iii) Increase business experience: Business experience is important for the development of an organization. Learning by making mistakes and learning from change helps the organization to develop itself. In the process of learning from mistakes, organizations learn from and learn from repeated mistakes to improve their performance, business performance, and service quality.
- (iv) Student and staff development: Organizations focus on student and staff development to enhance development. This can be done by setting up education and training centers, developing staff through organized training courses and training, implementing a mentoring system, and showing creativity and teamwork.

Development within the organization is critical in increasing the competitiveness of the organization and ensures that the organization is effective and innovative. Every step is important in improving the competitiveness of the organization. Exploiting and learning from existing opportunities to increase competitiveness paves the way for the organization to become more effective and provide a market advantage.

The modern business environment is shaped by rapidly evolving technologies, shifting consumer behaviors, and an interconnected global economy. In such an environment, organizations that wish to remain not just viable but also excel in their industries are consistently tasked with the challenge of developing and bolstering their competitiveness. Drawing upon our comprehensive exploration of the topic, it is evident that the path to enhanced competitiveness is multifaceted and demands a harmonious blend of strategic initiatives, technological integration, human-centric approaches, and adaptability.

Firstly, as highlighted in the literature, the role of organizational development cannot be underestimated. It serves as the bedrock upon which competitiveness is built. The teachings of Taylor, with his focus on productivity, and Lewin, emphasizing change management, offer fundamental insights into how organizations must approach their internal operations. Efficient processes, clearly defined objectives, and adaptability form the core of any organization seeking sustainable growth. However, organizational development is not solely about internal structures and processes. As [Prahalad and Hamel \(1990\)](#) have elucidated, understanding the external environment and harnessing core competencies are pivotal. Organizations must recognize the competitive forces at play and leverage their unique capabilities to carve out a distinct position in the market. This suggests a dual approach: While refining internal processes is essential, so too is understanding and navigating the external competitive landscape.

Technological advancements have further added complexity to this dynamic. Christensen's concept of disruptive technologies emphasizes the necessity for organizations to be forward-looking. Those who rest on past successes and fail to innovate risk obsolescence. In the age of the Fourth Industrial Revolution, as Schwab describes, technologies such as artificial intelligence, robotics, and the Internet of Things (IoT) are reshaping industries. Embracing these technologies is no longer optional but a prerequisite for competitiveness. Culture and leadership, as underlined by Schein and Bass respectively, play indispensable roles. An organization's culture often determines its agility, adaptability, and receptiveness to change. Transformational leadership can inspire and drive teams towards innovation and excellence, further enhancing competitiveness.

Another undeniable force shaping competitiveness is globalization. As Ohmae and Yip pointed out, the world is increasingly interconnected. Businesses can no longer afford a myopic, localized view. Competitiveness on a global scale requires strategies that consider cross-border dynamics, cultural nuances, and global market trends. In the context of consumers, their evolving expectations and preferences mandate businesses to be customer-

centric. The insights from Kotler & Keller and Zaltman serve as a reminder that understanding consumer psyche and behavior is at the heart of product development and, by extension, competitiveness.

Moreover, modern organizations are urged to look beyond profit. The push towards sustainability and corporate social responsibility, highlighted by Porter & Kramer (2006) signifies that organizations aiming for long-term competitiveness must align their strategies with broader societal and environmental goals.

Lastly, as Teece (2007); Doz and Kosonen (2010) suggested, agility and adaptability are no longer just buzzwords but core attributes. In a volatile business world, the ability to sense changes and swiftly pivot strategies defines an organization's competitive resilience.

## 5. CONCLUSION

The development and enhancement of competitiveness within an organization is a continuous journey that demands a holistic approach. From refining internal operations and embracing technology to understanding global dynamics and prioritizing sustainability, multiple factors intersect. Organizations that recognize these intricacies and orchestrate them harmoniously are best poised to thrive in the competitive arena. The future belongs to those who are prepared, adaptable, and ever-evolving. As the business landscape continues to transform, the onus is on organizations to cultivate a culture of continuous learning, innovation, and strategic foresight. Only then can they hope to achieve and sustain true competitiveness.

## 6. AUTHORS' NOTE

The authors declare that there is no conflict of interest regarding the publication of this article. Authors confirmed that the paper was free of plagiarism.

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