

Internal Technological Competitiveness Analysis

Classification of Technology in a Product

Distinctive Technology

- Technologies that give the company distinctive advantage.

Basic Technologies

- Necessary for operation but does not distinguish the company from competitors.

External Technologies

- Complimentary technologies required to fulfill the service, not related to the core business, do not distinguish the company from competitors and do not have a distinctive competitive advantage.

Core Competency

- What it knows how to do best.
- What it can do that no other company can do better.
- A company that knows its core competence, knows that it is capable of achieving “best in the world” status in that area.

Strategic Issues for Industries

Competitiveness

- Companies must choose areas in which to build core competence in technology.
- Must possess state of the art technology in these areas.
- Must be able to recognize the impact new technology will have on its business.
- Must modify its business strategy according to this knowledge

Strategic Issues for Industries

Competitiveness

- Technology may be acquired through
 - Internal venture teams
 - External venture
 - Tactical and strategic alliances
 - Acquisition by other means (as discussed later).

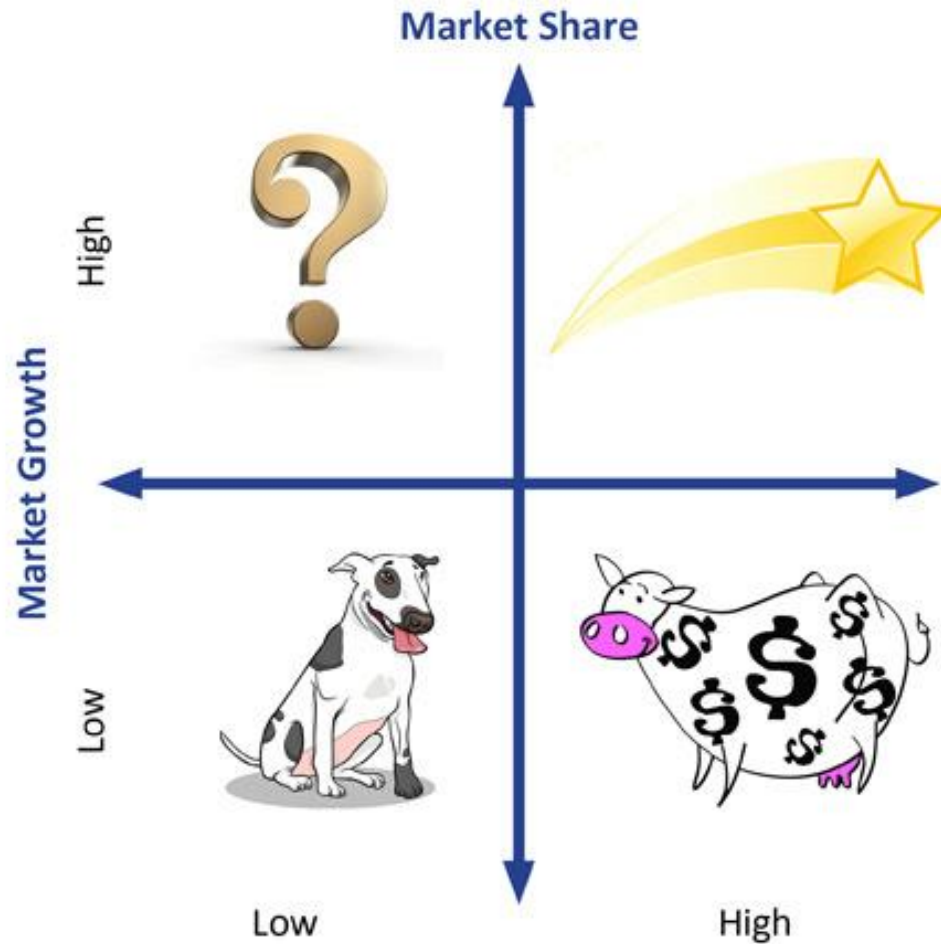
Test to Identify Core Competence

- A core competence provides potential access to a wide variety of markets.
- It should make significant contribution to the perceived customer benefits of the end product.
- It should be difficult for competitors to initiate.

What to Do With Your Competencies

- Develop these core capabilities.
- Surround competencies with barriers.
- Deploy as widely as possible.
- Realign all remaining activities.

Company Portfolio Analysis



Technology Acquisition Strategy

