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Ranking The Competitive Factor According To Their Importance By Using Michael Porters Five Forces Model

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Abstract

In developing ages there is relatively large gap between the identifying the importance of competitive factors and its impact on companies success, that is one of the crucial importance in every countries market. In this regard the aim of this study is to categorize the competitive factor due to their importance for present an effective strategies by considering Michael Porters five forces model which is one of the well known theories in Management, to do so, we distribute 127 questionnaires out of 200 statistic by using Morgan Table to top manager and assistant of Hamedan Food industries. In addition In First stage the Alpha and, Kolmogorov_Smimov test were been used, following the T_Test and Friedman_Test were been used for analyzing the hypothesis and classifying the competitive factors, and in the final stages our result of main alternatives reveal that treat of new entrance have the highest rating in Friedman and it's the most important organization treat between those five factors with highest amount of Friedman test.

Keywords: Porter Five Forces Model, competitive factors, Friedman_Test, Kolmogorov_Smimov

Introduction

In the past twenty years competitive importance gain a vital place in International Market (Verbeke and Kano 2016), by world trade expansion (Monferrer et all 2015), rapidly changing consumer demand, and increase the number of local and international component. In current decade most of companies have an amend change to satisfied their unlimited demand of consumer because they undergo a dramatic change in globalization and information technology (Miyamoto, 2014,. Scherbaum and Goldstein, 2015) For adapting to this giant change, every company need a modern open to change system (Clampit et all, 2015), in which they have to had an analyzing ability to measure external factor (Bonache et all, 2016), when ever they need to eliminate some useless mechanism and performance to compete and overcome their component. (Eryeşil et al., 2013). In other hand for creating competitive environment every market meet a lots of challenge in front (Knight and Liesch, 2016) which need to get how they can Simultaneously continue to their activity in such a dynamic environment without failing.(Řehoř et al., 2014). Due to this demand Sharbati and Fuqaha (2014) stated that for dominance the rival, every system needs a strong strategic management to plan worthy program for their company. However Hernández-Trasobares and Galve-Górriz (2015) believe that the most important factor for companies plan and success is under the family control which is the most important element. Competitiveness can define as increase the economic ability of a country to arise the citizenship standard life by company, and in global economy (Harvey and Miriam, 2016) the different part of word's ability to gain the suitable occasion and issue among policy market's of different level means competitiveness (Shurchuluu, 2002). In the other hand it is clear that long term stability in investment is not easy to reach due to this fierce competitiveness and a lot of financial corruption occur since then the role of government arise and it increase the control on the investment more and manager try to persuade them with preserving job (Danilovich and Groucher, 2015). Further more One of the models used to analyze the competitive environment in an industry with the aim of formulating strategies, is Porter's five forces model, and This strategy is based on competition basis. Thus for Trying to gain more market share, the competition is not only manifested in the actions of competitors. But competition in an industry is rooted in the principles of economic and competitive forces that are beyond the competitors, Customers, suppliers of raw materials and substitutions hand. Competitive factors are all possible depending on the type of industrial fields, they are more or less prominent and active. Then in Bolorian and Rahmani, (2014) results reveal that, test hypotheses conclude that the rate of sales and market share of each of Porter's forces dairy company and a significant direct relationship exists. Since the bargaining power of buyers, Porter's forces won more ranking corporate strategists should focus on the customer, so the top end of their work.

Porter's Five Forces of Competitive Position Analysis were developed in 1979 by Michael Porter of Harvard Business School as a simple framework for assessing and evaluating the competitive strength and position of a business organization. This theory is based on the concept that there are five forces that determine the competitive intensity and attractiveness of a market. Porter's five forces help to identify where power lies in a business situation. This is useful both in understanding the strength of an organization's current competitive position, and the strength of a position that an organization may look to move into (Porter 1980) . Azimi Sani (2011) used Porter's framework, strategy in his study to follow from an analysis of the determinants of the nature and intensity of competition: the firm's/SBU's bargaining over its consumers and suppliers, threats from new entrants and substitute products (barriers to entry and exit), and the intensity of rivalry in product markets, To generate a sustainable competitive advantage. Five Forces Analysis assumes that there are five important forces that determine competitive power in a business situation. These 5 competitive alternatives are:

- Supplier Power

- Buyer Power
- Competitive Rivalry
- Threat of New Entry
- Threat of Substitution (porter 1998).

Supplier power: here you assess how easy it is for suppliers to drive up prices. This is driven by the number of supplier of each key input, the uniqueness of their product or service, their strength and control over you, the cost of switching from one to another, and so on.

Buyer power: here you ask yourself how easy it is for buyers to drive the prices down, again this is driven by the number of buyers, the importance of each individual buyer to your business, the cost to them to switching from your product and services to those of some one else and so on. If you deal with few, powerful buyers (Jimenez_Guerrer et all, 2014), then they are often able to dictate term to you.

Competitive Rivalry: what is important here is the number and capability of your competitors, if you have many competitors, and they offer equally attractive product and services, then you will have likely little power in situation, because suppliers and buyers will go else ever if they don get a good deal from you. On the other hand, if no one else can do what you do, then you can often have tremendous strength.

Threat of Substitution: This affected by the ability of your customers to find a different way of doing what you do_ for instance; if you supply a unique software product that automates an important process, people may substitute by doing the process manually or by outsourcing. If substitution is easy and suitable is viable, then this weakens your power.

Threat of New Entry: power is also affected by the ability of people to enter your market, if it cost little in time or money to enter your market and compete effectively, If there are few economic or scale in place, or if you have little protection for your key technologies, then new competitors can quickly enter your market and weaken your position. If you have strong and durable barriers to entry, then you can preserve a favorable position and take fair advantage of it. (Porter 2003).

Every study had technical weaknesses and on the other hand, they needed special infrastructures and appropriate conditions. This study has been developed, presented method research and evaluated the competitive elements for several firms. Regarding to the existence of the newer key success factors for strategic ranking competitive factors, and it increase in the maturity of the organization by order the competitive alternative, then new development on Iranian and international trade evolutions, and widely discussed this, thus the aim of this study is to, initially review the literature about competitive factor then high light the image of those which are more important by using Michael Porter Five Forces Model, and the following step is to study about different method and application for ranking competitive element and we establish some hypothesis about identifying and ranking factor which is empirically tested in Hamedans Food industries, in the last section of this paper ranking of 5 main competitive factors of Porter Model and some sub element, that effect the success of the organizations, which is vital requirement for the survival of todays enterprises, on their institutionalization level. Then in the following the aim and hypothesis of the study is presented;

Identify the competitive factor in food industries by using porter five forces model.

Determine the importance of each element and sub element of competitiveness.

Ranking the competitive factors by Friedman test due to their importance.

Present a politic recommendation for improving the competitive places.

Hypothesis

Bargaining power of buyers has a significant relation on the food industries competitiveness.

Bargaining power of supplier has a significant relation on the food industries competitiveness.

Treat of new entrant has a significant relation on the food industries competitiveness.

Competitiveness between rivalries has a significant relation on the food industries competitiveness.

Treat of substitution has a significant relation on the food industries competitiveness.

Study literatures

The concept of competitiveness has a strong background but the definition of competitiveness science date back to the technologies era. The root of competitiveness origin from competitor, that means overtaking opponent in business market, and this is used for measuring the economic power of agencies in return to their competitors. In this regard there are some experts with valuable theories such as Michael Porters. From an economic perspective, competitiveness is equivalent with the way that a companies or organization used their HR and Natural resources. The concept of competitiveness is best understood at the firm level. In the simplest terms, an unprofitable firm is uncompetitive. In the textbook model of perfect competition, an uncompetitive firm is one with an average cost that exceeds the market price of its product offering. A firm may be unprofitable because its average cost is higher than the average costs of its competitors. Its average cost may be higher than its competitors because its productivity is lower; it pays more for its inputs, or both. Tilton (1992, 2000 and 2003) suggests two schools of thought concerning national and company mineral competitiveness. These are “the traditional view” and the “alternative view”. The traditional view states that competitiveness and wealth creation in mining is largely a transitory gift of nature. Companies and countries with the best deposits are the most competitive and generate the most wealth. Once their deposits are exhausted, however, competitiveness will shift to those companies and countries with the next best set of deposits. In this view, resource endowment is the overriding determinant of competitiveness in mining. (Alrawashdeh, 2013)
Porter five forces of competitive position analysis were developed in 1979 by Michael Porter of Harvard business school as a simple framework for assessing and evaluating the competitive strength and position of a business organization. This theory is based on the concept that there are five forces that determine the competitive intensity and attractiveness of a market. Porters five forces help to identify where power lies in a business situation. This is useful both in understanding the strength of an organization current position, and the strength of position that an organization may look to move into(Porter 1979). Description of Porter Five Forces are as follows:

Bargaining Power of Suppliers

The term 'suppliers' comprises all sources for inputs that are needed in order to provide goods or services.
Supplier bargaining power is likely to be high when:

- The market is dominated by a few large suppliers rather than a fragmented source of supply,
- There are no substitutes for the particular input,
- The supplier customers are fragmented, so their bargaining power is low,
- The switching costs from one supplier to another are high,

There is the possibility of the supplier integrating forwards in order to obtain higher prices and margins. This threat is especially high when;

- The buying industry has a higher profitability than the supplying industry,
- Forward integration provides economies of scale for the supplier,
- The buying industry hinders the supplying industry in their development (e.g. reluctance to accept new releases of products),
- The buying industry has low barriers to entry.

In such situations, the buying industry often faces a high pressure on margins from their suppliers. The relationship to powerful suppliers can potentially reduce strategic options for the organization.

Bargaining Power of buyer (customer)

Similarly, the bargaining power of customers determines how much customers can impose pressure on margins and volumes (Fierro, et all, 2014). Customers bargaining power is likely to be high when;

- They buy large volume there is a concentration of buyers.
- The supplying industry comprises a large number of small operators.

- The supplying industry operates with high fixed costs.
- The product is undifferentiated and can be replaces by substitutes.
- Switching to an alternative product is relatively simple and is not related to high costs.
- Customers have low margins and are price-sensitive.
- Customers could produce the product themselves.
- The product is not of strategic importance for the customer.
- The customer knows about the production costs of the product.
- There is the possibility for the customer integrating backwards.

Threat of New Entrants

The competition in an industry will be the higher, the easier is for other companies to enter this industry. In such a situation, new entrants could change major determinants of the market environment (e.g. market shares, prices, customer loyalty) at any time. There is always a latent pressure for reaction and adjustment for existing players in this industry. The threat of new entries will depend on the extent to which there are barriers to entry. These are typically

- Economies of scale (minimum size requirements for profitable operations).
- High initial investments and fixed costs.
- Cost advantages of existing players due to experience curve effects of operation with fully depreciated assets.
- Brand loyalty of customers
- Protected intellectual property like patents, licenses etc..
- Scarcity of important resources, e.g. qualified expert staff.
- Access to raw materials is controlled by existing players.
- Distribution channels are controlled by existing players.
- Existing players have close customer relations, e.g. from long-term service contracts.
- High switching costs for customers.
- Legislation and government action

Threat of Substitutes

A threat from substitutes exists if there are alternative products with lower prices of better performance parameters for the same purpose. They could potentially attract a significant proportion of market volume and hence reduce the potential sales volume for existing players. This category also relates to complementary products.

Similarly to the threat of new entrants, the treat of substitutes is determined by factors like

- Close customer relationships
- Brand loyalty of customers.
- Switching costs for customers.
- The relative price for performance of substitutes.
- Current trends.

Competitive Rivalry between Existing Players

This force describes the intensity of competition between existing players (companies) in an industry. High competitive pressure results in pressure on prices, margins, and hence, on profitability for every single company in the industry.

Competition between existing players is likely to be high when

- There are many players of about the same size.
- Players have similar strategies.
- There is not much differentiation between players and their products, hence, there is much price competition.
- Low market growth rates (growth of a particular company is possible only at the expense of a competitor).

➢ Barriers for exit are high (e.g. expensive and highly specialized equipment).
(Competitive Advantage 1980)

Influencing the Power of Five Forces

After the analysis of current and potential future state of the five competitive forces, managers can search for options to influence these forces in their organization's interest. Although industry-specific business models will limit options, the own strategy can change the impact of competitive forces on the organization. The objective is to reduce the power of competitive forces.

The following figure provides some examples. They are of general nature. Hence, they have to be adjusted to each organization's specific situation. The options of an organization are determined not only by the external market environment, but also by its own internal resources, competences and objectives.

Reducing the Bargaining Power of Suppliers

- ✓ Partnering
- ✓ Supply chain management
- ✓ Supply chain training
- ✓ Increase dependency
- ✓ Build knowledge of supplier costs and methods
- ✓ Take over a supplier

Reducing the Bargaining Power of buyer (Customers)

- ✓ Partnering
- ✓ Supply chain management
- ✓ Increase loyalty
- ✓ Increase incentives and value added
- ✓ Move purchase decision away from price
- ✓ Cut put powerful intermediaries (go directly to customer

Reducing the Treat of New Entrants

- ✓ Increase minimum efficient scales of operations
- ✓ Create a marketing / brand image (loyalty as a barrier)
- ✓ Patents, protection of intellectual property
- ✓ Alliances with linked products / services
- ✓ Tie up with suppliers
- ✓ Tie up with distributors
- ✓ Retaliation tactics

Reducing the Threat of Substitutes

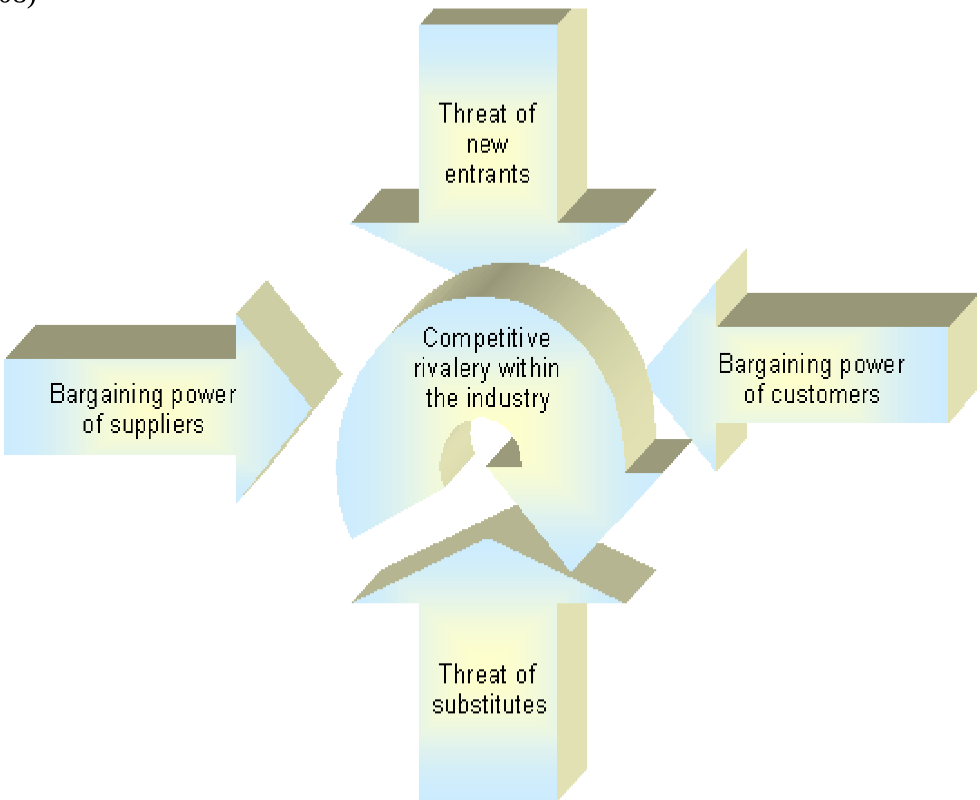
- ✓ Legal actions
- ✓ Increase switching costs
- ✓ Alliances
- ✓ Customer surveys to learn about their preferences
- ✓ Enter substitute market and influence from within
- ✓ Accentuate differences (real or perceived)

Reducing the Competitive Rivalry between Existing Players

- ✓ Avoid price competition
- ✓ Differentiate your product

- ✓ Buy out competition
- ✓ Reduce industry over-capacity
- ✓ Focus on different segments
- ✓ Communicate with competitors

(Porter 2008)



Porter (1998)

Research Methodologies

The current study is practical from goals perspectives and its Survey-Descriptive from data collection perspective. For gathering information both the primary and secondary data were been collected, for secondary the libraries books and article were been used beside internet search, and for the primary the questionnaire and oral interview were been used, beside that our statistical society of this survey is 200 top manager and management assistant of Hamedans food industries, in which the 127 sample were been chosen accidentally by Morgan table to distribute the Likert questionnaire, then for surveying the competitive factors, an standard questionnaire which was divided into five main axis of Michael Porters and sub elements, that each axis separately: bargaining power of buyer (7 questionnaire), bargaining power of supplier (8 questionnaires), treat of substitution (5 questionnaire), treat of new entrance (12 questionnaire), and competitiveness of rivalry (8 questionnaire) were been designed. After considering validity and Kolmogorov_Smimov which was lower than 0/05, in the next step Alpha for 30 questionnaires separately reveals: bargaining power of buyers 0/578, bargaining power of supplier 0/598, treat of substitution 0/531, treat of new entrance 0/721, competitiveness between rivalries 0/660, separately and considering all option integrate, the stability was 0/769.

Data Analysis Method

Table 1: Descriptive Statistics

Gender	Men % 86/36		Woman % 13/63	
Education	Post graduated % 30	Bachelor % 44	College % 12	Diploma % 13
Job experience	All the sample job experiences were between 1 to 40 years			
Age	Average ages is 39 between 29 to 70 years old			

Effectiveness Of Porters Five Forces Alternative On Industries Competitiveness

It is visible in table (2) that all Porters Five Forces Model elements have an effect on competitiveness and industries improving based on the amount significant level.

Table 2: The Of Porter Five Forces Model on Competitiveness

	B	T	Significantly Level	Test-Result	Multiple Correlation Coefficient
Constant	_2.200	0.000	1.000		1.000
Bargaining Power Of Buyer	1.000	3.242	0.000	The variables has impact on the competitiveness	
Bargaining Power Of Supplier	1.000	4.400	0.000	The variables has impact on the competitiveness	
Treat Of Substitution	1.000	2.383	0.000	The variables has impact on the competitiveness	
Treat Of New Entrances	1.000	5.059	0.000	The variables has impact on the competitiveness	
Competitiveness Between Rivalry	1.000	4.426	0.000	The variables has impact on the competitiveness	

Ranking Porters Five Forces Factor By Friedman And The Correlation Coefficient

In the table (2) the amount of gaining for the correlation coefficient be twice, that were been computing accord to index importance. The amount of significant correlation which are less than 0.001 and 0.05 indicate that all the five forces factors in %99 and %95 level have a positive relation with competitiveness. Considering the positive correlation coefficient we can conclude that all of these five factors have a positive and direct effect on the industries competitiveness.

According to the average and Friedman_Test values for each of those factors and with considering the result of T_Test, the five main alternative were been ranked, from effectiveness importance amount on food industries based on table (3), then with %75.6 confidence we can conclude that, treat of new entrance with highest average amount % 41/640 and best ranked in Friedman 4.04 gain the leader place , and this is known as an industries vital treat, the following goes to competitive among rivalries with 3.60 Friedman test result, the next runner up of this survey is bargaining power of suppliers with 3.42 Friedman test, following the table we meet bargaining power of buyers with 2.42, and the bottom of the table is a room for bargaining power of substitution as Friedman test is ignorable amount of 2.01.

Table (3); ranking the five forces alternative for identifying competitive importance using Friedman test.

Row	The main variable	Friedman Test	X^2	Freedom degree	Significant level	Error Percentage
1	Bargaining power of buyers	2.42	303.01	4	0.000	With %99 the null hypothesis is rejected and confidence we can conclude that ranking competitive factor is reliable
2	Bargaining power of suppliers	3.42				
3	Treat of substitution	2.01				
4	Treat of new entrance	4.04				
5	Competitiveness between rivalry	3.60				

Friedman Test

There are some sub elements in porter five forces model, that in following step by Friedman Test on Table (4), there are been categorize according to their values, which were indicated in the text and questionnaire.

Table (4); Friedman Test For Each Sub Elements Which Were Included In The Questionnaire

Main variables	**The questions**	**Friedman Rank**	**X^2**	**Freedom degree**	**Significant level**	**rank**	**Error Percentage**
Bargaining power of buyers	cost of Changing buyers	3.58	45.061	6	0.000	7	With %99 the null hypothesis is rejected
	Buyers information about product method	4.13				3	
	Importance rate of product	3.80				4	
	Number of main buyers	3.48				6	
	Access tool to customers	3.62				5	
	Changing in buyers test	4.26				2	
	Buyers tend to various product	5.12				1	
Bargaining	Suppliers scatters	3.52				7	With %99

power of supplier **Bargaining power of supplier**	Supplier information about new technologies and its cost	4.81	97.256	7	0.000	4	the null hypothesis is rejected
	Advent of new network distribution	5.37				3	
	Advent of accordance tool with suppliers	4.61				5	
	Present various product	5.56				2	
	Present the different goods	4.11				6	
	Companies abilities to produce row material	2.08				8	
	The importance of suppliers	5.93				1	
Treat of substitution	Substitution price	3.58	30.63	4	0.000	1	With %99 the null hypothesis is rejected
	Number of substitution	2.73				3	
	Buyer inclination to substitute	2.06				2	
	Trade off of substitution	3.85				4	
	Substitution product absorption	2.03				5	
Treat of New entrance	Number of new entrance	7.13	62.83	11	0.000	3	With %99 the null hypothesis is rejected
	Changing market demand	5.80				10	
	Sells absorption and future profit	6.46				7	
	Government policies	6.50				6	
	Neighboring competitive environment	7.34				2	
	Rivalries action toward new entrances	7.04				4	
	Difficulties to enter because of expanding technologies	6.71				5	
	Learning curve or experiences	6.30				8	
	Effect of new entrance on buyers loyalty	5.16				12	
	Barrier for existence	5.85				9	
	Scale advantage	5.57				11	

	Difficulties to enter by rivalries increasing	8.15				1	
Competitive between rivalry	High barrier to exist	4.24				6	With %99 the null hypothesis is rejected
	Unique materials	4.88				4	
	Government protection	4.29				5	
	Strength human resource	5.01	85.572	7	0.000	2	
	Numerous rivalry or equal rivalry	3.93				7	
	Technology advantage	4.98				3	
	Strategic management	5.87				1	

Discussion

The rapid rise and fall of commodity price and its delayed effect on product price have raised concerns amongst stakeholders and policy makes about the performance and their supplier. The market monitoring exercise conducted over the past years that these concerns are justified. The lack of market transparency, inequalities in bargaining power of buyer, suppliers, and anti-competitive practices have led to market distortion with negative effect on the competitiveness of the organization as a whole. Similarly, price rigidities (Ruiez, et all, 2014) have negatively effect the adjustment capacity and innovativeness of all the industry. Prior studies focus on one aspect of competitiveness and measure effect of that on firms development, whereas, this study by using Porter five forces model, studying of five different aspect of external environment that can treat the company in different part, in the other hand if managers be aware of their external opportunities and treat they can overcome the weakness point and use their strength in order to be more successful and out weight their rival. Serra and Ferreira (2010) said that the most important area of research in the discipline of strategic management (Bird and Menden Hall, 2016) lies in the understanding of performance differentials between firms to use their rival strength and overcome in the competition with their competitors (Sharbati and Fuqaha, 2014). Abu Bakar, et. al. (2011) stated the importance of strategic management (Pughe Subramony, 2016), in a firm can be answered by analyzing relationship between strategic management and different part of organizational performance. Even though human capital (Fagan and Ployhart, 2015) has been identified as the most important assets of the firm (Ahmad & Schroeder, 2003). Overcoming these deficiencies, required firm to embrace and develop the value of their human resources practices in one hand and design a strategic plan to cover all five dimensions in order to be more competitive. Firms that belong to a wider corporate group are more active in executing R&D (Afcha and Lopez, 2014) outsourcing activities can be more successful because this part of organization has the ability to discover new organization treat and opportunities in the other hand. Thus the significant role of the organization is to polish available resources and available employees (Park and Ghauri, 2015) towards better employees' prospects. Thus the institutional and organizational development is productive to uplift progressive and innovative operations of the organizations (Inam and Ghayure, 2014). Organizations which need resources not only to produce goods and services but also to be able to survive in competitive business environment, use inputs such as raw materials, technology (Perez-Arostegui, 2015), knowledge, skills, labor, capital and also human capital, organizational culture(Kuck 2014). In the other hand Technology adoption would only take place if innovation is driven by farmers' need (Mannan and Nordin, 2014). According to Sunding & Zilberman (2001) agricultural innovation is considered as an important and necessary component in the development of agricultural activities.

Conclusion

In the current survey the researchers present a model for ranking the competitive factor according to their importance by using porter five forces model. As its been seen from analysis result, all the factors have positive and direct impact on industries competitiveness, thus the rate of companies competitiveness will change equally when each of those factors changed. The Friedman Test result indicated that treat of new entrances has the most important effects on the raising or falling power of food industries competitiveness.

How ever the competitiveness between rivalries with minor differences in Friedman test is the next runner up. Following this, the treat of supplier with 3.02 Friedman test, occupy the third places, and the forth places goes to bargaining power of buyers which gain 2.42 in Friedman test, and there is bargaining power of substitution in final places which occupies 2.01 in Friedman test, in the other hand each of those element contain some sub factors which were in questionnaire, and there were been categories in inter section, as for bargaining power of buyers the first places captured by increasing attention to create variety in product, the Friedman for this is 5.12, and the next places of this sub elements is diversities in buyers test (Gabriel et all, 2016; Holton and Burch, 2016), which shows when we undergone a time, it is clear that by entering new ages, buyers prefers and chooses will face a changes and they tend to buy some thing which is more suitable and more qualified, following the table there is substitution treat as it is been seen there, this factors contain four different sub elements, that substitution price is the most important one and immediately next one is inclination of buyers, which shows that buyers prefer play a vital role even more than other thing when some body decided to buy some thing but the price out weight this prefer. In addition bargaining power of suppliers have different stories and it has eight different sub elements, considering those, the importance of suppliers gain the leading places with 5.93, which is immediately next element is been seen with little different that is Present various product, if we look at this categories from management perspective we understand that this chart reveal the weakness point of Iranian organization to make some integration and buy suppliers companies in order to make this treat ineffective, further more for treat of substitution product prices is leader with 3.58 and the next places is Buyer inclination (Gabriel, et all, 2016) to substitute, the forth element which is visible in table (4), is the treat of new entrances which is the most important main elements and it included some different sub factors that, Difficulties to enter by rivalries increasing capture our eyes with 8.15 Friedman test result, and the next one is Neighboring competitive environment, and the last one is Effect of new entrance on buyers loyalty with 5.16 in Friedman result.

The second treat for market is competitiveness between rivalries which contain seven sub elements in questionnaire, in this areas strategic management captures the top places with 5.87 rank in Friedman test, it is clear that by looking back to some literatures (Cascio and Bpudreau, 2016; Paket et all, 2015; Esteban-Lioret et all, 2014). the companies managers play a vital role in makes success (Scott-Kennel and Giroud, 2015), and they are the managers who can run the business and lead the company to reach the glass of ceiling in one hand and they can lead the organization to drop to bankrupt by planning the wrong strategies thus these are the human who have the rational ability and the most important companies assets (Reeve el att, 2015; Bowen, 2016), how ever there are the government (Boddewyn, 2016) which can put some strict policies to limits the human resource access and behaviors. The notable points which are shown in table (3) is the ignorable amount of substitution treat on companies competitiveness may because of the buyers loyalties to companies brand or the lack of suitable substitution. However some factors like customer orientation and profitability have a crucial importance in steering the business, but having durable power and stabilities against outside changes are of notable importance. It is clear that if an organization has an customer orientation (Sanchez-Gohzalez and Herrera, 2014) and some other success factor but if they have the lack of ability to adapt external changes against each of those five competitive factors, they would be unstable in near future and, not only they couldn't enter the competitive markets but also they will face some crucial problem for running their companies and surviving in this savage environments. In the other hand companies manager who key elements in every era, should be aware of every detail of external environments (Meyer and Su, 2015) and they should adapt their strategies with success factor, because suitable decision making prevent the creation of disorder and instabilities in companies past, and always be ready to paving the way for producer changes along with changing demand of the market.

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