

## ORGANIZATIONAL TRANSFORMATION: WINNING COMPETITION IN BUSINESS

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### **Abstract**

Whatever its shape and nature, organizational transformation will always be subject to change and will continue to evolve. The needs of the company where a someone works will impact their own needs, and vice versa. People and the organizations they work for are two sides of a coin that are inextricably linked and both require change. Poerwanto went on to say that corporations are currently dealing with the problem of constant worldwide change in a variety of spheres of existence. Organizations nowadays must prioritize being able to work more efficiently, quickly, and competitively. In the business world, competition is getting tougher day by day. To be able to compete, companies must be able to innovate and follow the latest trends. Business innovation is the main key in winning competition and remaining relevant in an ever-changing market. The main drivers of organizational transformation for the purpose of enhancing human resource capabilities are the competitiveness, globalization, market shifts, and ongoing technological advancements in corporate organizations. To gain a competitive advantage, organizations need to enhance their capabilities. This claim suggests that the foundation for enhancing the caliber of human resources in navigating change waves is transformation, also referred to as organizational change. This paper was written using a literature review methodology. The act of gathering, evaluating, and assembling data from dependable sources that is pertinent to the subject under discussion is known as a literature review. This research discusses the challenges of winning competition in business, strategies for winning competition in business, and the implications of internal transformation for winning competition in business.

**Keywords:** organizational transformation, winning, business competition.

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## INTRODUCTION

The 21st century is the era of knowledge-based business which is characterized by advances in science, knowledge and technology. The business environment is characterized by rapid and continuous acceleration of change. Business organizations or companies are faced with a new era indicated by advances in science, knowledge and technology, global markets, the increasing middle class, the increasing role of customers in innovation, and the importance of information and communication technology in the production process. Human behavior has evolved in an attempt to satisfy a variety of wants as a result of globalization and advancements in science, information, and technology. People can now readily and rapidly get information and converse about any topic, wherever in the globe, thanks to advancements in information and communication technology. Because they have access to a wealth of current and comprehensive information, consumers of different goods and services including humans are becoming increasingly cautious. Organizations must therefore adjust to the dynamics of their surroundings in a way that best suits their requirements and strengths (McKenzie, 2017).

It is imperative for organizations to select an appropriate organizational change model, as not all models provided by different parties can be applied to all types of organizations. This is due to factors such as the type of organization, size, capabilities, and organizational environment. Organizational transformation, or change, is a challenge that calls for the organization to strengthen its capacity for both internal integration and external adaptation by empowering its resources, particularly its people, which are its most valuable asset. Increasing organizational capacities to meet the needs of the business environment is the goal of organizational transformation. According to Wessel et al., (2021), the business environment is an open system in an environment consisting of various elements or units that are interconnected with each other. As an open social system, business units are part of an environment that can influence and be influenced.

The business world has entered an era of intense competition. Synergy has become a packaging for globalization, which is actually a new form of colonization by large companies to seek maximum profits, by moving their businesses to other places that have abundant natural resources and human resources that can still be paid cheaply (Hong et al., 2022). Not only that, they also transfer pollution to other countries. The business landscape has changed overtly. The implication is that every company must now have the ability to increase its capacity to be able to enter global competition which demands

competitive capabilities, both at the organizational and individual levels. In relation to competitiveness, Businesses need to pay more attention to hidden assets including corporate culture, human resources (HR), and other intellectual property, according to Birudavolu et al. (2019). There is a significant shift in focus toward human capital. According to Birudavolu et al. (2019), competitiveness is the means by which a country, along with its businesses and people resources, manages the power of its capabilities in a cohesive way to attain prosperity and profit. In the context of business, competitiveness refers to an institution's capacity or performance be it human resources, a firm, or a nation to contend with its rivals under specific circumstances. According to Bojer et al. (2021), companies now need to get ready for innovation and change, not just

Business competition is getting tighter day by day. Especially for business people who have the same products as others. Product marketing also needs to be done more intensively in order to win the competition. Not a few people use digital marketing as a marketing strategy. The combination of online and offline marketing that goes hand in hand has become a reality in the retail world today. Offline shops need a strong online presence and a website for various needs such as promotions and product catalogues, while online businesses need offline shops to adapt to circumstances (Revella, 2015).

In the current era of globalization, where business competition is fierce, marketing is one crucial component of company management that all companies need to focus on. Given that the business world is currently being impacted by globalization, it is imperative that professional management practices be used in every organization that engages in commerce (ten Brinke et al., 2015). Effective marketing is the main pillar in efforts to improve business. As business owners or company leaders, we need to understand how important it is to design and implement a strong marketing strategy. Business competition is competition to be the best between business actors who independently try to get consumers by offering good prices with good quality goods or services (Cusumano et al., 2019).

This article will discuss organizational transformation to win competition in business and the strategies taken to make the company remain relevant and successful. Definition Business rivalry refers to the competitive dynamics among companies or business entities in an effort to achieve market advantage, increase market share, and achieve financial success. Business entities compete for customer attention, increase sales, and achieve their financial goals.

## **RESEARCH METHOD**

The approach taken in writing this article is a literature review, which is the process of gathering, examining, and synthesizing data from credible sources that is pertinent to the subject under discussion. In this instance, the data and information gathered from reliable sources is related to winning competition in business. The author looks for trusted sources such as scientific journals, reference books, and websites related to organizational transformation: winning competition in business. The sources selected are sources that have authority about winning competition in business. After collecting relevant sources, data and information from these sources are analyzed systematically.

## **RESULT AND DISCUSSION**

### **Challenges of Winning Competition in Business**

#### **1. Technological Development**

Technological developments are one of the challenges that require business people to follow technological developments so as not to be left behind by other competitors. Here, business people must also make the best use of technology in order to increase business effectiveness and productivity (Davenport, T., & Harris, 2017). This technological development also makes consumers increasingly critical and require more innovative products or services and of course business people are required to pay attention to data security and data privacy to avoid data breaches. To face the challenges of technological developments, business people must be more active in searching for updated information and recognizing what technology can be applied to the business they are running, of course by prioritizing aspects of its effectiveness.

#### **2. Increasing number of competitors**

In the digital era, business competition will definitely get tougher because every time new competitors will emerge who come with their own competitive values, especially since all levels of society can build their own businesses. As is known, consumption patterns have now shifted to the virtual or online world. Apart from being practical, this online shopping method is also widely liked because it is easy to do. Therefore, to face the challenges of increasing competitors, business people must take this into account and try to win the increasingly fierce competition by offering attractive, innovative and newest products or services that have never been

discovered before in order to attract the attention of consumers (Vidgen et al., 2017).

3. Everything is fast

Recently, the digital world has developed so quickly. Business trends that emerge so quickly also make it easy for trends to change from time to time. This requires business people to adapt quickly and innovate so as not to compete with other competitors.

4. Changing Consumer Patterns

Changing consumer patterns are a challenge for business people in this digital era. Consumers today tend to choose products that are trendy. Consumers also easily get bored with something and have quite complex desires (Liu et al., 2022). Of course, the challenge of changing consumer patterns in the digital era means that business people must be able to keep up with these changes in order to remain relevant and sought after by consumers. Businesspeople also need to create and develop the latest innovations by first conducting research on what consumers need and want.

5. Rejuvenation in the Organization

The absence of organizational rejuvenation in business will be a challenge in the digital era. The digital era is closely related to young people, so many digital companies employ young people who are considered to have characteristics suitable for the digital era. Companies that do not update their workforce to suit the digital era will have difficulty competing with other competitors.

6. Business Strategy

Strategy is very important for business people to develop their business. This strategy must be thought very carefully so that there is no wrong strategy. To face this challenge, this strategy must also be updated periodically to keep up with current developments. Of course, by considering aspects that influence business performance (Reason et al., 2015).

7. Lack of Innovation

The lack of innovation is a challenge for business actors in the digital era. As is known, today's consumers easily get bored with something, so business actors must have innovation that continues to develop to meet consumer satisfaction, which is very important so that businesses do not lose their market (Ruutu et al., 2017).

8. Data Security

In the digital era, it is increasingly easy to access information data, which is a business challenge that must be considered. Because of this convenience, personal data that is not properly protected is very vulnerable to misuse by irresponsible parties. Not only that, cyber threats are also a challenge that business people must be aware of. Therefore, business people must build a strong data security infrastructure and pay attention to information system security to prevent cyber attacks.

9. Loss of Company Identity

The loss of a company's identity is a business challenge in the digital era because the digital era provides many opportunities and challenges in business that must be faced. Companies must maintain their identity and strengthen their brands to remain relevant in today's digital era (Morioka et al., 2017).

### **Strategy for Winning Competition in Business**

In the business world, competition is getting tougher day by day. To be able to compete, companies must be able to innovate and follow the latest trends. Business innovation is the main key in winning competition and remaining relevant in an ever-changing market (Farida, I., & Setiawan, 2022). The following are several tips and strategies for developing business innovation that can help companies win competition and develop in the future according to Tallman et al., (2018).

1. Understand Customer Needs

Successful business innovation always starts from a strong understanding of customer needs and desires. Therefore, don't hesitate to take the time and resources to conduct in-depth market research and studies, whether through surveys, interviews, or direct consumer observations. By understanding customer needs and desires, companies can develop products or services that better suit market needs.

2. Establish partnerships with startups

Supporting and establishing partnerships with startups can be an effective way to develop business innovation. Startups that focus on technology and innovation can help companies introduce new products or services that are more efficient and innovative. In this partnership, companies can leverage the startup's technological expertise and combine it with the company's existing expertise.

3. Utilize the Latest Technology

The increasingly rapid development of technology opens up great opportunities for developing business innovation. Companies can utilize the latest technology in developing new products or services, or increasing efficiency and productivity within the company. Technologies such as the internet of things (IoT), big data, and artificial intelligence (AI) can help companies make more precise and accurate decisions.

4. Apply Design Thinking

Design thinking is an approach that focuses on user needs to create better and more innovative solutions. In a business context, design thinking can help companies identify customer problems or needs, and create more innovative and effective solutions. This approach involves various parties within the company to create new ideas and find more creative and innovative solutions.

5. Creating a Culture of Innovation

To create sustainable business innovation, companies must create a strong innovation culture within the company. This can be done by providing space and time for employees to develop innovative ideas, encouraging collaboration and creativity among employees, and providing incentives or rewards for employees who succeed in creating business innovations.

Following are several things that need to be considered in facing business competition according to (Reeves, M., & Haanaes, 2015).

1. Get to know consumer habits

Often we hear the term that the buyer is king. A consumer is likened to the air that keeps a business alive and afloat. To provide the best service, you need to know consumers' habits in purchasing products. Through this introduction to consumer habits, strategies can be designed to meet consumer needs more effectively, so that consumers become more loyal. Conditions like these have the potential to generate more profits over a longer period of time.

2. Get to know your competitors

It cannot be denied that competitors are also able to provide positive things to a business. Indirectly, competitors can encourage them to always provide the best for consumers. Carry out a deeper analysis regarding competitors in business. Understand their patterns in carrying out business strategies starting from service levels, maintaining product quality, to creating new innovations and creativity. Knowing this means knowing what the competitors' strengths and weaknesses are.

3. Strengthen the brand

Brand is one of the main factors that can determine future business growth. By doing branding, it means that consumers are connecting with the business that is being run. This connection will create product associations from the business in the minds of customers. On the other hand, the demands of the business world, which previously consisted of physically selling products at meetings, are now shifting to the virtual or digital world. Increasingly advanced technology demands continuous updates and always looking for other information to strengthen brands digitally. The stronger your brand, the greater the profit opportunities you will get in the future.

4. Expand market reach

Now with the emergence of various digital technologies such as social media, e-commerce, e-mail and so on, you can use them as a space for interaction and expand market reach. Use this land as a place for positive interaction and creativity, such as making short videos or introducing other products. This method is believed to be able to attract many people to know more about and expand the market reach for the products or services being offered.

5. Continue to innovate

In today's digital era, having money and intelligence alone is not enough. Must have creative thinking. Never be lazy to follow current trends and competitors who are rising. Thinking openly, being willing to accept suggestions, and collaborating are the most important things that determine whether a person's business will progress or not. Don't get stuck on one idea, look for different innovations and don't be afraid to run them.

According to Revella, A. (2015) the importance of risk management in competing to maintain and improve the company's position in the market.

1. Identify Risks

The first step in risk management is identifying all the risks a company may face. This includes financial, operational, reputational, legal and other risks. By knowing these risks, companies can create strategies to reduce their negative impacts and take advantage of emerging opportunities.

2. Analyze Risk

Once risks are identified, the next step is to analyze the potential impact and likelihood of occurrence. By carefully analyzing risks, companies can identify the most potentially detrimental risks and plan appropriate prevention or mitigation actions.

### 3. Develop a Risk Management Strategy

Based on risk analysis, companies can then develop effective risk management strategies. This strategy must include concrete steps to reduce risk, such as product or service diversification, insurance, hedging, or strategic collaboration with business partners.

### 4. Implementation and Monitoring

Once a risk management strategy is created, the next step is to implement it and continuously monitor its effectiveness. Companies need to have a strong system to ensure that the strategy is implemented well and can overcome risks that arise over time.

In a dynamic and challenging business environment, risk management becomes very important for companies to survive and compete effectively. By identifying, analyzing and developing strategies to reduce risks, companies can minimize their negative impacts and take advantage of existing opportunities. Thus, risk management is not only an important aspect in managing a company, but also a key factor in ensuring its success in competing in a competitive market (Reillier, L. C., & Reillier, 2017).

### **Implications of Deep Transformation for Winning Competition in Business**

The main drivers of organizational transformation in corporate organizations—competition, globalization, shifting market dynamics, and ongoing technological advancements—are the need to enhance human resource skills. According to Kranz, M. (2016), firms are forced to manage human resources continuously due to changes in the environment. Open, flat organizations have taken the role of hierarchical bureaucratic ones. More crucially, to gain a competitive advantage, firms need to enhance their capabilities. This claim suggests that the foundation for enhancing the caliber of human resources in navigating change waves is transformation, also referred to as organizational change.

Regardless of their structure and nature, organizations will always encounter change and adapt to it, according to Porter, M. E., & Heppelmann, J. E. (2015). The needs of the company where a someone works will impact their own needs, and vice versa. People and the organizations they work for are two sides of a coin that are inextricably linked and both require change. Poerwanto went on to say that corporations are currently dealing with the problem of constant worldwide change in a variety of spheres of existence. As a result,

every organization needs to be able to foresee and adjust to changes that arise in its surroundings or in which the organization modifies its operating system through innovations pertinent to its continued demands. According to Saarikko et al. (2020), alterations in the organizational environment will have an impact on the function of human resource management within businesses. Organizations nowadays must prioritize being able to work more efficiently, quickly, and competitively.

There is no such thing as business without competition. Rarely does a single business experience sales and profits at will. If nothing else, you won't be able to appreciate it for very long since others will want to enjoy it too. The phrase "business competition" (business) is frequently used in literature discussing the legal ramifications of business competition (Reinartz et al., 2019). Business competition, broadly speaking, is a conflict or rivalry between entrepreneurs who separately aim to attract customers by providing high-quality products or services at competitive costs. Competitive dynamics, as used in the context of commercial competition, refer to shifts in the rivalry between firms vying for clients during specific time periods. This is why it is imperative for any organization to be aware of the dynamics at play in order to stay competitive and avoid losing out to rivals in the marketplace.

The benefits of competition in business according to Audzeyeva, A., & Hudson, R. (2016), namely:

1. Addressing Customer Needs

Business rivalry frequently drives brands and companies to satisfy consumer demands in an effort to outperform rivals. This motivates brands to learn about the needs of their target market.

This competition produces something that focuses on meeting customer needs including higher quality products, increasing service value, and increasing customer satisfaction.

2. Analyze Strengths and Weaknesses

Competition in business can motivate a review of one's strengths and shortcomings and the optimization of one's sales tactics in light of these conclusions. This enables an organization to make the most of its resources, decide on marketing and sales tactics with knowledge, and modify its offers in accordance with its capabilities.

3. Increase Demand

The competitive business environment can be a useful tool for driving up demand for goods and services. Demand for a company's goods and

services may rise as more businesses make marketing and advertising investments and as brand awareness rises.

4. Encourage Innovation

To gain an advantage in the market, competitive businesses can encourage them to innovate in strategy and improve their products or services in creative ways. This is an important contribution to continuously improving the quality of goods and services, advancing product and service technology, as well as adapting to continuously changing consumer needs.

5. Demonstrate Excellence

A business often tracks and analyzes competitors' performance to gain insight into their business strategy. By studying competitors' tactics, a business will be able to demonstrate their superiority in the market. So many businesses can develop strategies that will produce success.

6. Promote Business

For a business to succeed in the long run, sustainable business development can be crucial. It can be difficult to consistently raise brand awareness, market, evaluate success, and create new strategies to reach even higher objectives in the business world due to competition.

## **CONCLUSION**

In the current era of globalization, where business competition is fierce, marketing is one crucial component of company management that all companies need to focus on. The globalization process has had a significant impact on today's corporate world, making it imperative to give professional management implementation in every commercial enterprise increased consideration.

In the business world, competition is getting tougher day by day. To be able to compete, companies must be able to innovate and follow the latest trends. Business innovation is the main key in winning competition and remaining relevant in an ever-changing market. The following are several tips and strategies for developing business innovation that can help companies win competition and develop in the future.

The main drivers of organizational transformation in corporate organizations competition, globalization, shifting market dynamics, and ongoing technological advancements are the need to enhance human resource skills. Open, flat organizations have taken the role of hierarchical bureaucratic ones. More crucially, to gain a competitive advantage, firms need to enhance their capabilities. This claim suggests that the foundation for enhancing the

caliber of human resources in navigating change waves is transformation, also referred to as organizational change.

Strategy in developing business innovation that can help companies win competition and develop in the future.

1. Understand Customer Needs
2. Establish partnerships with startups
3. Utilize the Latest Technology
4. Apply Design Thinking
5. Creating a Culture of Innovation

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