The strategic management to improve the competitiveness of fuel market companies

La gestión estratégica para mejorar la competitividad de las empresas del mercado de combustibles

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Abstract

Evaluate the effect of Strategic Management on the Competitiveness of fuel marketing companies, to generate a model as a proposal for improvement. Methodology: The methodology to be used is descriptive, since the description of the phenomena of Strategic Management, Competitiveness and Organizational Performance is carried out, through review of scientific research articles by more than 20 authors, in the available databases. In addition, it is of explanatory type since it defines the structure of behavior of the variables, the relationship that exists between them and their components. Contribution: Competitiveness model for fuel marketers.

Strategic administration, Competitiveness, Fuel

Resumen

Evaluar el efecto de Administración estratégica sobre la Competitividad de empresas comercializadoras de combustible, para generar un modelo como propuesta de mejora. Metodología: La metodología a utilizar es de tipo descriptiva, ya que se realiza la descripción de los fenómenos de Administración estratégica, Competitividad Desempeño y organizacional, a través revisión de artículos de investigación científica de más de 20 autores, en las bases de datos disponibles. Además, es de tipo explicativa ya que se define la estructura de conducta de las variables, la relación que existe entre ellas y de componentes. Contribución: Modelo de competitividad para empresas comercializadoras de combustible.

Administración estratégica, Competitividad, Combustible

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Introduction

Currently, there is a weak competitiveness of local fuel marketers due to the poor application Management. of Strategic Strategic Management enables favorable results for companies in this sector, as it facilitates the implementation of short-, medium- and longterm plans to achieve overall objectives more efficiently and safely. According Srivannaboon and Milosevic, they mention that the essence of project management is to support the implementation of the organization's strategy as a key process that allows organizations to implement systems that generate value for them. (Srivannaboon, 2006).

To obtain information, a comprehensive review of various authors was carried out to finally generate a competitiveness model as a proposal, which adapts and has the characteristic of universality.

Antecedents

"One of the priorities of the current strategy in the development of countries and regions is the promotion of its competitive capacity, through innovation, entrepreneurial capacity and flexibility of the productive system, in order to gain a competitive advantage over other countries and regions" (Porter, 1991).

For Wright, Kroll and Parnell (2000) the approach to strategic control is both external and internal. None of these elements can be examined in isolation, because the function of senior management is to advantageously align the company's internal operations in its external environment.

According to Costa (2006), he explains that the first stage to be carried out in an internal analysis is to develop a comprehensive, general list of strengths, weaknesses, neutrals and those that need to be improved, that is, those that benefit or harm companies.

Tavares (2005) mentions that all the potentialities and skills of the organization synthesized in its essential and distinctive competencies must also be explored internally, transforming them into forces to seize opportunities and neutralizing weaknesses so that threats do not present thee in the organization.

ISSN-On line: 2414-4819 ECORFAN® All rights reserved. According to Romo (2008), there are 3 models for measuring competition from a sector that are:

- Product differentiation.
- Barriers to entry.
- Degree of concentration.
- Nature of demand.

Model of porter's 5 forces

Porter (2001), identified 5 basic competitive forces that determine the degree of competition of an industry:

- The threat of entry from new competing companies.
- The negotiating power of suppliers.
- The negotiating power of customers.
- The threat of substitute products or services.
- The rivalry between the different competitors.

Model of the 10 forces of Bueno:

According to Bueno (1995), the structure of the industrial sector is explained by the synergistic conjunction of ten competitive forces: 1. New competitors, 2. International competition, 3. Competition from other sectors, 4. New products, 5. Substitute products, 6. Client trading power, 7. Supplier trading power, 8. State trading power, 9. Shareholder trading power and 10. Negotiating power of social agents.

Model of structure-behavior-results

Jacquemin (1982), assumes a single direction in the cause-and-effect relationship, since from the knowledge of the organizational structure can be inferred the expected competitive results of a sector. Therefore, analyzing the internal factors of organizations is not of greater interest:

Stages to improve an organization

The following describes the steps defined by most authors to improve an organization.

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Organizational diagnosis: it is the most important phase of the strategic direction process; and to make a well-made diagnosis requires knowing the field of competence, the evolution of the competitive context, the key success factors that allow to determine the strategic group where the organization will compete. After this, it is necessary to carry out an assessment of the external sector and internal analysis, finally it is necessary to determine the business plan and study its technological positioning. All this with the aim of understanding the reality of the organization and its challenges.

Strategy formulation: it is a key element within the management culture. There are different types of strategies, however, the choice depends on the type of industrial sector, the conditions of the country and the situation that is lived internationally at the time of its application. It is the action that defines the success of an organization, so it must be evaluated continuously, so that the selection of the right strategy entails the success of the management process. Within the organization, different types of strategies can be applied such as: expansion or growth, stability, associativity, survival and internationalization. The evaluation of strategies: it is an activity of the management team that is usually carried out by intuition or qualitative judgments of experts. Such an assessment should be carried out on the basis of its acceptability, feasibility and adequacy, as it relates to the quality of the strategic plan.

The implementation of strategies: This phase should be planned in detail, especially in terms of the times and the allocation of the resources necessary to carry out. Some of the aspects to be considered at this stage are: interdependence and coordination mechanisms of tasks, power and centralization, types of leadership, culture, staff competencies, information systems, performance assessment systems, and organizational structure. It is essential to consider these aspects for a successful implementation of strategies.

The design of the organization: is a critical aspect of the implementation of strategies. Typically, the problems that arise when making a design that accompanies the strategy are: 1. Size, 2. Horizontal differentiation (specialization and departmentalization), 3. Vertical differentiation, control section and redesign of posts, 4. Position design, 5. Interdependence and Coordination, Centralization-decentralization, 7. Technology, 8. Degree of formalization, 9. Power, 10. Leadership Style, 11. Organizational culture, 12. Information systems, and 13. Reward systems. Organizations are constantly evolving or changing, and that means they have had important events, some planned and other fortuitous events that have strengthened and filled it with experience, therefore, some models at this stage can be very useful such as the LART model (Rivas, 2016), as it is easy to compress and universal. Based on Mintzberg's (1987) models, other organizational models have emerged recently, which seek to be flexible and counteract the problems caused by the highly changing, uncertain and unstable environments that characterize companies today. All these models have as a common characteristic the break of the classic principles of the organization, formalization, centralization, standardization, etc. The current needs of the international require environment coordination cooperation of the new core competences of an organization, in addition to the application of recent technology; this allows to create versatility to respond to new market segments, identifying business opportunities, which gives way to more complex organisms, which are understood through their relationships. Through the union of complementary competencies and synergies in the value chain, completely different organizations may emerge. These organizational models seek to replacing the principles of hierarchy and authority, with those of knowledge information.

Strategic control: Control has evolved over time, as it went from being a corrective instrument to an online management tool, which allows not only to measure compliance with what is planned, but also to the implementation and implementation of strategic measures.

Control. like other administrative management techniques, depends organizational culture, the strategic vision of managers, organizational practices such as information and exchanging knowledge, teamwork and the type of leadership that is exercised. However, it is important to emphasize that control with a classic approach is still widely used in several organizations due to their need to concentrate specific information on personnel responsible for each area or process in order to measure it. The most effective control can be political, intuitive, trial, trial and error, or routine. The most recent are the Dashboards (Balanced Scorecard), which represent a superior form of control, as they allow to operationalize and measure the strategy, harmonizing through the use of strategic maps four fundamental perspectives: the financial perspective, the perspective of customer satisfaction, the perspective of internal processes and their priorities, and the perspective of culture and organization. An advantage of dashboards is that they allow indicators to be related to the achievement of strategic objectives and the company's vision by objectively assessing how strategies are met. However, its implementation requires prior information such as the existence of a strategy clearly defined and known to all the staff of the organization, and not only that it has been formulated by senior management, since it must be formally written, known and shared. In addition, strategic objectives must be clear.

Methodology

The methodology to be used is quantitative and qualitative in nature, which includes: The Design of research for preliminary study: Structured Survey, and Design for group dynamics, in-depth interviews with the Delphi method.

Design of research for preliminary study:

Structured survey

- Define the target population: persons with light vehicles for private use.
- Define the sampling plan: sample size and selection.
- Design of the measuring instrument and means to be performed, either personally or electronically.

Design for group dynamics, in-depth interviews with the Delphi method

- Selection of sales experts and related areas, through 4 rounds of direct interviews.
- Determination of the time and resources required such: as place to perform, support staff, video camera, recorder, sheets, pencils, computer equipment, cannon, etc.
- Elaboration of the script of the dynamics of the interview and questionnaires.

Results

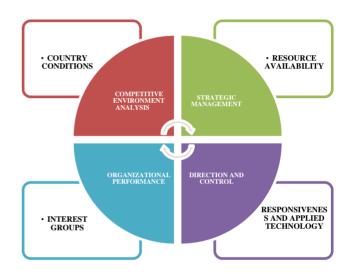


Figure 1 Competitiveness model in industrial sectors *Source: Author's Percept, 2021*

After applying the instruments described in the methodology to both the target market of this sector and to a group of experts, it was determined that to become competitive in this sector the following factors must be considered both internally and externally:

Competitive Environment Analysis: The market under which you compete directly must be continuously analyzed. It is worth mentioning that of the 11,776 stations in Mexico, 2400 service stations are from another country so Petróleos Mexicanos (Pemex) has lost 21% market share to the new brands, according to data from the Ministry of Energy (SENER, 2018).

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Strategic management: Each strategy must be aligned with the objectives and policies of the company and must be adjusted to the needs of the company, which are part of the strategic planning. In addition, it is necessary to continuously measure the indicators of key processes applying: scientific research, analyzing past facts, and the use of forecasting tools that allow us to have a clear and complete view of the scenario, to glimpse the future of the company by making the necessary adjustments or changes to achieve the desired results.

Organizational performance: Se must save resources to maximize profits, thus avoiding deviations, thefts or losses. To do this, staff are required to have a great sense of belonging to the company, since each is responsible for the whole system functioning properly through a highly efficient performance, for this reason, important that they get involved and know all the processes, especially those that contribute mostly to the achievement of the strategic objectives of the company, that is, the key processes.

Management and control: There must be integration into the company both internally and externally, to know at any time the results and take immediate action in case of unforeseen events. The idea is to close the gaps between what is planned and what is executed at the point of sale based on an integrated system that allows to share information in a simple and real time of the results of the operation.

Country conditions, Availability of resources, stakeholders-set capacity applies: These factors Technology companies in the sector externally, since they cannot control that the Government of the country where it is operating makes the necessary efforts to achieve market competitiveness in an effective manner. Much will depend on the cooperation and support network that exists between companies engaged in similar activities and that in some way exert pressure to make this possible. In addition, resource availability is often limited, because resources are exhaustible and must be used rationally. Finally, responsiveness and applied technology will depend on the availability of specialized labour with the capacities and competencies for value creation, innovation, identification and ease of solving the problems of today's society.

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Conclusions

Today companies in this sector must have automated processes, immediate responsiveness to customers, identify in time actions of the competition, motivation and clarity of the sales team to execute greater geographical scope and a diversification of channels. These factors make it possible to identify opportunities for business units or gas service stations.

Businesses oriented towards total customer satisfaction should be developed, as attention to a specific demand is necessary to maintain their competition in the market, i.e. identify the niche market in such a way that all its efforts, materials, resources and skills are directed to the generation of value in its goods and / or services for that market. Therefore, the measurement and improvement of each of its processes must be continuously carried out, which must be flexible, adapting to the constant changes of the current environment.

It is of the utmost importance to carry out an analysis continuously, to be alert to changes in consumer tastes and preferences, as well as to have a comprehensive diagnosis of the company, to innovate and evolve always considering first of all its customers, achieving their loyalty, to stay in a highly competitive market. Likewise, it is necessary to obtain information that contributes to the growth and development of the company based on real data, which when analyzing them allow us to know: the type of gasoline that respondents consume the most for their vehicles, their consumption in liters per week, the gas station of their choice, and aspects that for the decision-making of purchase.

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