

EVALUATION OF COMPETITIVE FACTORS IN SLOVAK WOODPROCESSING ENTERPRISES AS THE BASE FOR BUSINESS PERFORMANCE MANAGEMENT

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The aim of this presentation is to present actual level of competitive factors in Slovak woodprocessing enterprises and their relevance by performance management.

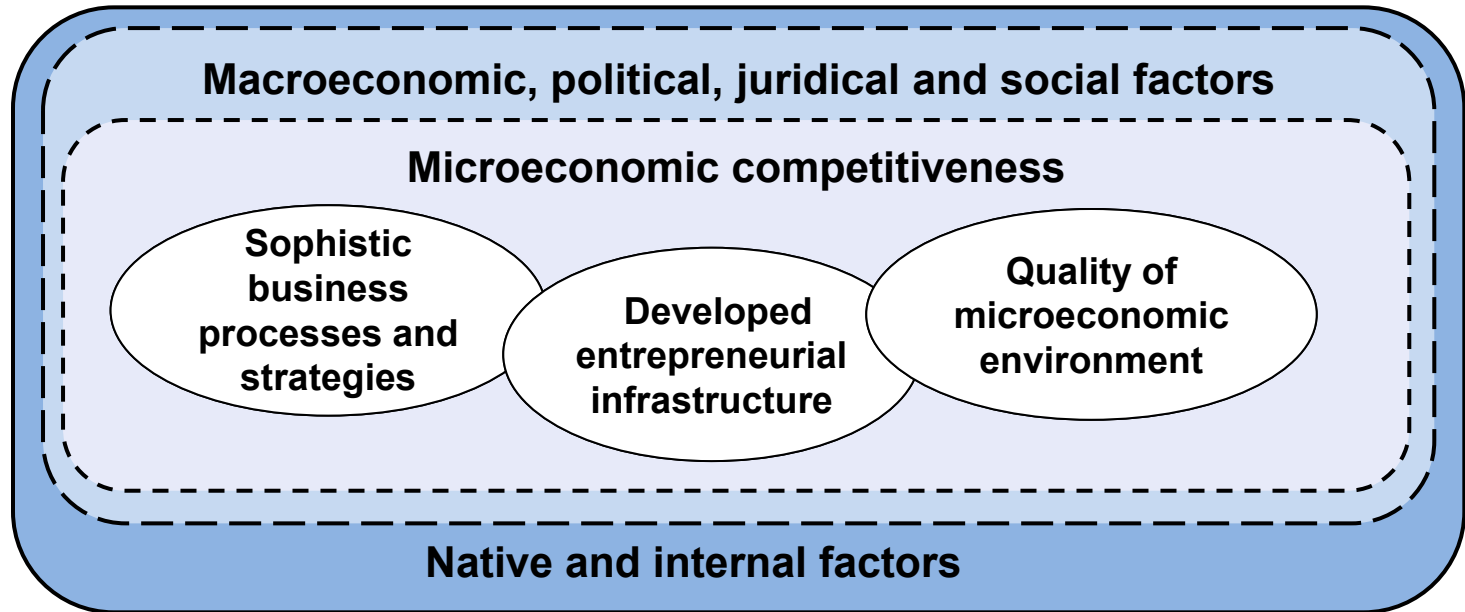
Competitiveness is defined as an ability of companies, branches, regions and nations to generate high level of incomes and employment.

Business competitiveness means ability to keep or to increase market share of a company.

Factors of business competitiveness can be characterized as factors determining a competitive level of enterprise on the market.

FACTORS INFLUENCING BUSINESS COMPETITIVENESS

Aligned after Porter:



COMPETITIVE FACTORS IN SLOVAK WOOD PROCESSING ENTERPRISES

Table 1 Macroeconomic competitive factors in SR

Factors lowering competitiveness	Factors supporting competitiveness
High level of clientele	Opened to foreign ownership
Low law enforcement	Legislation supporting investments income
Low public trust to correctness of statesmen	Opened foreign investments bringing new technologies
Low public expenditures efficiency	Low terrorism risk
Low flexibility of labour legislation	Low interest rate fall

COMPETITIVE FACTORS IN SLOVAK WOOD PROCESSING ENTERPRISES

Table 2 Microeconomic competitive factors in WPI SR

Factors lowering competitiveness	Factors supporting competitiveness
Inoperative cooperation with wood producers	Independence from material inputs import
High export rate of raw wood	Low costs by raw wood purchase
Exclusion from EU funds support	Good qualification structure of labour power
Absence of entrepreneurial infrastructure	Enter of important foreign investors
Low level of technical infrastructure	Ecology and low energetic absorption in production
Lower prices of competitors from the third countries	Good level of knowledge infrastructure
Demand decrease for wooden products	

COMPETITIVE FACTORS IN SLOVAK WOOD PROCESSING ENTERPRISES

Table 3 Internal competitive factors in WPI SR

Factors lowering competitiveness	Factors supporting competitiveness
Low liquidity and solvency	Products and production quality (ISO norms)
Insufficient product and technologic innovations	Flexibility in customer requirements adapting
Low economic power and investment sources	Export production rate (60%)
Insufficient trade and marketing activities	Qualified human resources
Ineffective using production capacities	Growing labour productivity
Functional system of management	Products price level

COMPETITIVE FACTORS AS A BASE FOR BUSINESS PERFORMANCE

Actual competitive factors present basic starting points for possibilities of performance increase.

Possibilities of performance increase in Slovak wood processing firms are as follows:

- **Implementation of common cooperative conception with wood producers based in law prescriptions.**
- **Improving entrepreneurial infrastructure (cluster or cooperating partnerships)**
- **Creating added possibilities for wood product using**
- **Technology and labour productivity increase.**
- **Implementation of process principles in management systems.**
- **Implementation of software and information systems supporting process management**
- **Acceleration of product innovations, implementation of product innovation system into business management.**
- **Update in using sale forms and marketing tools.**

CONCLUSION

To increase or to keep business competitiveness on present globalized market has been forcing enterprise to search new non-priced competitive advantages and to transfer their attention from cost and price reducing to increase of added value provided to customer.

Slovak wood processing enterprises should pay attention especially to innovation activity increase.



Thank you for attention
