



Application of Porter's Five Forces Model in the Context of Human Resources Vigilance

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Abstract

This research study documents a critical role of human resources (HR) vigilance of private colleges in proper adoption of Porter's Five Forces Model. A research problem presented that there is a threatening gap of knowledge in affecting managers' skills to apply Porter's Force model of strategic management towards colleges' competitiveness. This issue is a serious matter for various organizations to adopt proper application of Porter's Force model due to limited awareness. In trying to cope with this research problem, this research study introduces variables such as HR vigilance, managerial coaching, strategic planning team meetings and attractive incentives paying to private colleges to verify the importance of those variables. The solution of this research is expected to give the directions for those organizations towards overcoming their research problem and attain their desires on the dragon variables. The questionnaire was developed based on established standards in the field and underwent rigorous validity and reliability testing to ensure it accurately aligns with the research objectives. The educational sector served as the field of application, with the research population comprising administrative staff in a sample of private colleges in Baghdad (n = 218). This sample size allows for robust statistical analysis and generalizable findings. Data entry and analysis were conducted using the widely recognized statistical software SPSS (version 20). The results confirmed the research hypotheses, providing a strong foundation for the recommendations presented. These recommendations urge the investigated organizations to actively analyze the experiences of successful organizations regarding the studied variables. This knowledge transfer aims to enhance administrative leaders' understanding of Porter's model and its application within the private college context. By fostering a culture of HR vigilance and strategic management understanding, private colleges can ultimately elevate their performance and achieve a competitive advantage.

Keywords: Human Resources Vigilance, Porter's Model, Administrative Leadership.

Introduction

Increasingly for organizations, the environment is a dynamic complex system in constant flux. In order to stay in business and thrive, monitoring the component parts of that environment and identifying trends in its future becomes a mission critical activity. Porter's Five Forces Model helps organizations to understand competitive forces better.

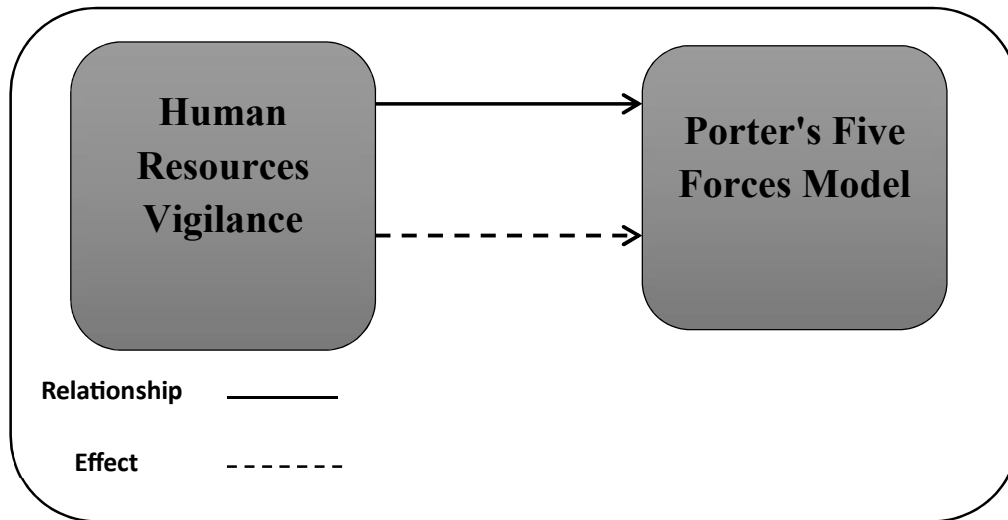
How does a given organization respond to uncertainty? That, in turn, depends on how it analyses the external environment. These questions hinge on the alertness of human resources (HR). The human resource professionals are the antennas or the sentinels of the organization since they are often the first to recognize hidden signals, foresignals and tectonic shifts in or across the environment. Their alertness helps in acquiring, analyzing and disseminating information in a timely manner so that informed decision-making turns into a source of competitive advantage.

HR vigilance is an essential process to handle all forms of information and public data in political, economic, and social realms. In today's competitive environment, organizations are facing the constant challenges from the environment and fierce competition for finite resources. The changes in labour market dynamics, the evolving needs and emotions of customers, and the time and low cost that it takes for a customer to jump between providers looking for a better deal force organizations to dig deeper into their external environment. One of the most important roles of HR vigilance is acting as a form of external organizational security. It literally means observation, anticipation and monitoring by providing the information and weak signals that can be exploited proactively as a surveillance radar. Using this information, strategic decisionmakers can react and make decisions to achieve intended organizational goals faster and more effectively.

This paper is based on the fact that it ignores HR vigilance and therefore does not address the information needed to implement Porter's model in private colleges. Overlooking this amounts to HR neglect, which can be disastrous, as HR alertness is an elemental asset of the organizations which lay down the foundation for their upcoming.

At its core, vigilance enables organizations to "show their environment" and enhance their intelligence collection capabilities. That allows them to build stronger defenses and attack strategies - and therefore a leg up. This includes developing HR vigilance within the private colleges that our study seeks to explore. Senior management will also be able to respond in a more timely manner to the cariad variables that impact on their divisions and business as a whole, with the ability to analyze these variables through use of Porter's Model, in turn supported by the intelligence of HR practices.

The following objectives are important aims of this research. The primary purpose encompasses exposing what it means by HR vigilance within the context of Porter's competitive model in private colleges. This includes creating a sound cognitive structure that would help to lay down the fact about the importance of the model in performing environmental analysis as well as its core responsibility of feeding the organization with important information that would enhance its operations.



Hypothesis research scheme

Theoretical discussions

Human Resources Vigilance

Human resources vigilance emerged as a result of research in strategic management that focuses on realistic and proactive information that organizations obtain from their surrounding environment. Writers and researchers have many viewpoints on its concept, and their ideas vary according to their specializations and goals. It has been pointed out that it is not just a work limited to simple monitoring of the surroundings, but rather it is a voluntary work, as it is like a radar that always seeks to predict the appropriate time (Wissemann et al, 2022). Conversely, Morfino et al. (2023) view it as an organizational endeavor to comprehend the business landscape and pre-empt change. They describe it as an information-gathering process that allows organizations to "listen" to their environment, forming the basis for informed decision-making.

Murungi et al. (2023) introduce the concept of "intelligent monitoring and follow-up." This approach emphasizes actively seeking realistic and future-oriented information about the



organizational surroundings. It extends beyond simply monitoring; it aims to exploit opportunities and mitigate threats by understanding weak signals and broader environmental trends.

The goals of HR vigilance encompass a wide range. Trolle et al. (2023) identify several key objectives, including:

1. Opportunity anticipation and exploitation: Identifying and capitalizing on emerging opportunities.
2. Threat avoidance and mitigation: Proactively minimizing the impact of potential threats.
3. Best practice identification: Recognizing and integrating best practices that align with organizational strategies.
4. Competitive advantage creation: Aligning vigilance efforts with competitor analysis to gain a strategic edge.
5. Performance benchmarking and improvement: Continuously evaluating organizational performance against competitors and actively seeking improvement.

Kiggundu et al. (2023) provide a strategic perspective, defining HR vigilance as the cornerstone for charting an organization's future course. They emphasize the importance of not just collecting information, but focusing on future-oriented data that significantly impacts competitiveness and long-term survival.

Li and Yang (2023) discuss HR vigilance in the technological aspect. It emphasizes the need to keep track of the technological landscape and to assess it for risks and prospects. This makes it possible for organizations to harness the available technologies and improve on the competitiveness.

In their study, Serhan et al. (2024) identify a relationship between HR vigilance and SWOT analysis. They define it as a systematic process of collecting, sorting, and analyzing information on all the changes in the environment that affects an organization. This involves, for instance, recognizing the strengths and weaknesses of the organization, opportunities and threats in the business environment, and other factors that enhance strategic management and planning.

Based on this, Zhao et al. (2024) propose a concept of “comprehensive vigilance.” According to the authors, organizations should pay attention to economic, political, legal, demographic, and cultural factors that may affect the organization’s activity. They are aware of the general difficulty of achieving holistic precaution because of the vast number of environmental aspects to address.

Collective intelligence is the framework from which Qatawneh and Al-Okaily (2024) base their view. According to them, HR vigilance is a search activity that is conducted proactively and it involves the use of a group of people. This group works together in collecting information about the environment, in the process of recognizing signals, as well as in the process of attributing meaning to them using rules and regulations of cooperation. In conclusion, this approach of working together in teams minimizes the uncertainty resulting from the dynamic changes in the environment.

Following Greenlee et al. (2024), the concept of anticipation and future orientation is highlighted in the case of HR vigilance. In their discussion of the applicability and theoretical considerations of acquiring information, they claimed that vigilance must possess the ability to predict. It should not only show past and present variables but also be helpful for future organization planning.

Understanding Industry Dynamics: A Look at Porter's Five Forces Model

Porter's Five Forces Model remains a cornerstone for analyzing an industry's competitive landscape. It sheds light on the key forces directly impacting an organization and shaping its overall attractiveness and profitability (Hambrick & Pond, 2020).

Effective strategic management requires not just evaluating the industry's appeal, but also understanding how various strategic levels interact with the organizational structure and its adaptability to environmental shifts. (Asemi et al., 2022). Competitor characteristics, product focus, technology choices, distribution channels, and other factors all contribute to distinct competitive strategies and behaviors across organizations (Asemi et al., 2022). Consequently, organizational responses to environmental factors are often shaped by internal management characteristics and existing competitive strategies (Baugh et al., 2022).

Porter introduced in the 1970s, has five forces that define competition within an industry (Kızıldağ & Uğurlu, 2023). Let's delve into each of these forces: Let's delve into each of these forces:

1. **Threat of New Entrants:** This has to do with the ability of new firms to challenge the incumbent organizations for market share in the industry. New entrants are usually capable of bringing in new production capacity and skills in the industry with the objective of gaining a large market share or resources hence are a threat to incumbents (Potts & Potts, 2023). To prevent new entrants, organizations may employ tactics that make the market difficult to enter by other competitors (Yu et al., 2023).
2. **Threat of Substitute Goods or Services:** Substitute products are those that provide solutions that can be a substitute for the full or partial use of the original product. Substitute intensity affects the profitability of an industry based on the availability of substitutes, cost incurred by users, and the costs of switching between the substitutes



(Wahyuningtias & Basuki, 2023). The presence of substitute goods brings in the dimension of price and value rivalry between the original good and its substitutes.

3. **Bargaining Power of Suppliers:** A powerful supplier group can have a strong control over the industry since they can increase the price of the material, decrease the quality of the product or even decide to offer fewer additional services. This is mostly likely to happen when few suppliers dominate the market of the key inputs and where there are few easily procurable substitutes (Pangarkar & Prabhudesai, 2024).
4. **Bargaining Power of Buyers:** Competitive customers also have a bargaining power of wanting to demand and purchase the required quantities at a cheaper rate. They may use the option of switching to other suppliers, which puts pressure on the suppliers and can result in lowering of prices (Yoo & Ha, 2024).
5. **Competitive Rivalry:** This relates to the level of rivalry between established players in an industry or among the organizations. Competition can be in terms of prices, product differentiation, and even in terms of market promotions. Competition can greatly decrease the general industry profitability (Nash et al., 2024).

Research Methodology

This study employed a descriptive-analytical approach, utilizing a questionnaire as the primary data collection tool. Questionnaires offer the advantage of capturing participants' responses to various research factors and variables. The data was entered and analyzed using the statistical software SPSS (version 26). This analysis aimed to elucidate the relationships and potential influence between the investigated variables, ultimately testing the research hypotheses.

Two main hypotheses guided the research:

- 1- **H1:** There exists a statistically significant positive relationship between human resources (HR) vigilance and the application of Porter's Five Forces Model within the investigated organization.
- 2- **H2:** HR vigilance has a statistically significant effect on the application of Porter's Five Forces Model within the investigated organization.

The research population comprised staff members of private colleges in Baghdad, Iraq. A sample of (218) administrative leaders from these colleges participated in the study.

Initial Observations from Data Analysis

Table 1 (not shown here) reveals that the mean score for the HR vigilance variable was 3.47, exceeding the hypothesized mean. This indicates that HR vigilance within the organization generally falls around the expected value. Additionally, the standard deviation of 0.69 suggests a reasonable level of consistency in responses from the research sample regarding HR vigilance items.

Similarly, the total score for Porter's model was 3.79, higher than the hypothesized mean. This suggests that the application of Porter's model within the organization aligns with the expected level. The standard deviation of 0.58 further indicates acceptable statistical agreement among the research sample regarding Porter's model items.

Table (1) Descriptive analysis of the research variables

T	Variables	Mean	standard deviation
1	HR vigilance	3.47	0.69
2	Porter's model	3.79	0.58

The research findings, presented in Table 2, reveal a strong positive correlation (0.621**) between the independent variable (human resource vigilance) and the dependent variable (Porter's model) within the studied organization. This statistically significant correlation (p-value = 0.01) suggests a 99% confidence level in the relationship between the two variables. Consequently, the primary hypothesis proposing a statistically significant association between human resource vigilance and the application of Porter's five forces model in the organization is supported.

Table (2) Correlation between the explanatory and response variables

Independent variable	Dependent variable	Correlation coefficient value	Sig	indication
HR vigilance	Porter's model	0.621**	0.01	There is a correlation

Table 3 demonstrates the impact of human resource vigilance on Porter's model. The F-statistic (32.87) confirms this effect, while the coefficient of determination (R-squared = 44%) indicates that 44% of the variance in Porter's model can be explained by human resource vigilance. Additionally, the constant term ($a = 0.53$) suggests a baseline value of

0.53 for Porter's model even in the absence of human resource vigilance. The other constant term ($B = 0.85$) signifies that changes in human resource vigilance directly influence Porter's model. The significance level of 0.01 (from Table 3) further strengthens the evidence for this effect (human resource vigilance on Porter's model). The calculated t-values (0.74 for factor A and 4.58 for factor B) support these interpretations. Based on these results, the secondary hypothesis, which posits a statistically significant effect of human resource vigilance on the application of Porter's five forces model, is also accepted.

Table (3) shows the results of the influence between the research variables

Independent variable	B		T	Sig	R ²	Beta	F	Sig	Dependent variable
	A	0.53	0.74	0.41					
HR vigilance	B	0.85	4.58	0.01	0.44	0.73	32.87	0.01	Porter's model

Findings and Recommendations

It is in this context that the study sets out to find out the relationship between human resource vigilance and Porter's competitive model in the investigated colleges. This underlines the importance of human resource vigilance dimensions and will let college administrations be ready for other adverse negative situations. Therefore, the study highlights the need to focus on the human resource vigilance as one of the ways of improving the applicability of Porter's model and readiness for the emergence of the unforeseen events.

Besides, the research shows that attentive HR enhance the college administration services by developing a human resource that is hard for the competitors to imitate. However, for college administrations to sustain the competitive advantage, they need to foster human resource supervision in the area of technology. This can be done by forming linkages with reputable colleges in their disciplines. Furthermore, colleges should ensure that they pay a lot of attention to their public and private competitors. This requires the gathering and processing of competitor data as well as the more frequent environmental scans of the competition. It is also important to note that such efforts are important in the improvement of the quality of the services provided as well as the establishment of a strong market share.

Last but not least, the research also stresses on the need for college administrations to ensure that the senior management is provided with the appropriate resources and tools to enable them to keep track of the changes and the resultant actions. This encompasses availability of timely environmental information to aid in the assessment of the risks, and response to any challenges with absolute awareness.



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