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Attributes for Sustainable Competitive Advantage of Firms in the Global Market

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ABSTRACT

In a context of turbulent market with respect to competitiveness and macroeconomic movements, where the organisations seek to manage their resources and achieve a global advantageous position. One way to explain the competitiveness of organisations emerges from the Resource Based View (RBV) concept, as a framework capable of analyzing the features from the perspective of sustainable competitive advantage. Since, the RBV concept is not consolidated as a management theory in a Brazilian perspective, it requires more conceptual and empirical studies to determine which elements make it an effective resource toward sustainable competitive advantage. The objective of this study is to identify the relationships between Competitive Advantage, Environmental Sustainability and Social Responsibility, in the perspective of exploring new paths about the attributes of Sustainable Competitive Advantage. This research addresses the issue in different theoretical sources and proposing a new framework adjusted analysis of strategic resources, considering the socio-environmental problem.

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INTRODUCTION

Brazil constitutes a turbulent market with respect to competitiveness and macro-economic movements, expressed by a latent Brazilian economic growth, which was influenced by a Euro-zone crisis that started in 2009. IBGE data (2014) indicate an inconstant series in the growth of the Brazilian Industry General: i)6.01% in 2007; ii) 3.1% in 2008; iii) -7.38% in 2009; iv) 10.47% in 2010; v) 0.37% in 2012; and, vi) in 2013, where an increase of 1.44% was noted. Given this shifting scenario, the organizations seek to manage its resources and extract these to achieve an advantageous position in relation to their global competitors. In that sense, an efficient management of available knowledge becomes critical for a successful decision process and the successes of the Brazilian organisations, in regard to market demand; turning them into effective applications of the organization's available resources. In a larger scale, Porter (1990) corroborates such affirmation, saying that a nation's competitiveness depends on the capacity of its industry to innovate and improve, so that the companies can generate competitive advantage through a wiser use of its resources.

Competitive advantage constitutes a constant search from companies to reach a desirable level of privileged positioning in the market (Ansoff, 1965; Porter, 1980, 1985), offering a unique or a differentiated product (service) that brings up and hold its position within the industry (Barney, 1991a, 1991b; Besanko *et al.*, 2007; Hoffman, 2000). To anticipate market movements and to be prepared to adjust quickly to new demands, through combinations of features; it generates competitive advantage to the organizations (Ansoff, 1965; Hamel; Prahalad, 1989; 1990; Blyler and Coff, 2003). Such concept has been the subject of academic studies and ongoing concern for managers.

In this sense, the Resource Based View (RBV) concept stands out as a framework capable of analyzing these features from the perspective of Sustainable Competitive Advantage (SCA) (Barney, 1991b), which helps researchers and business managers to do effective evaluation of their resources. RBV suggests that any available resource shows specific attributes which promote the differentiation of the organisation, giving it an edge

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toward the competition, in a way to obtain a Sustainable Competitive Advantage. Since, the RBV concept is not consolidated as a management theory, it demands more conceptual and empirical studies to determine which elements make it a more effective resource toward sustainable competitive advantage (Priem and Butler, 2001a; 2001b).

The environmental issues appear as important factors in the perception of the value of products and services (Handelman and Arnold, 1999; Kassinis and Soteriou, 2003; Mattila, 2009), which constitute, in fact, elements of competitive differentiation. In that context, the objective of this study is to identify the relationships between Competitive Advantage, Environmental Sustainability and Social Responsibility, in the perspective of exploring new paths about the attributes of Sustainable Competitive Advantage and proposes a new framework adjusted analysis of strategic resources, considering the socio-environmental problem.

The research methodology applied in this study is qualitative, with the scope of the literature review, constituting a theoretical essay. To collect data we used different sources of deriving theoretical books and journals from the Scopus database. In the phase of analysis and interpretation of data collected, the method used was content analysis, which Bardin (2004) consists of elements that allow the assessment of communication and provide additional information. The categories of analysis were obtained based on Figure 2, considering the elements of the Sustainable Competitive Advantage, so the a priori categories are: i) Competitive Advantage; ii) Resource based view; iii) Environmental Sustainability; iv) Environmental Responsibility.

Competitive Advantage:

Competitive advantage is composed of the aspects that differentiate competitors in any conceivable dimension, which enables an organisation to create more customer value than any other. In this sense, organizations seek to identify specific properties and combinations of specific products and markets that give the company a strong competitive position, increasing its ability to compete (Ansoff, 1965; Blyler and Coff, 2003). To maintain itself in the market, companies must have unique or superior advantages over to their competitors (Besanko *et al*., 2007; Hoffman, 2000; Hamel and Prahalad, 1989, 1990).

Some authors distinguish competitive advantage with respect to market related strategies (external) (Porter, 1980, 1985) from the internal capabilities of a firm (Barney, 1991a, 1991b). Market strategies relate directly to management decisions that position the company against its competitors of the industry, while the internal capabilities of a firm are related to the resources that a company has to face competition. Based on those perspectives, Porter (1980, 1991) and Caves (1984) highlight that competitive advantage can be derived, not only from market related strategies, but also from the internal capabilities of a firm.

From the perspective of market related strategies, Day (1984) emphasizes the need for a company to achieve and maintain its competitive advantage, as Porter (1985) contributes to the discussion by defining that a company will have a competitive advantage related to the position that this occupies in the proper structure of the industry, in the perspective of the value chain. In this context, the full value of a company’s competitive advantage will mainly depend on the context of integration of the company and its relationships within the value chain (Lippman and Rumelt, 2003; Adner and Zemsky, 2006).

Another factor to be considered about the interaction of a company with its industry is its strategic positioning, which is linked to a decision process based on differentiation, either about pricing, quality, design or even the possibility of not having any differentiation positioning (Porter, 1985; Mintzberg, 1988).

It is noteworthy that for a company's success, the attractiveness of the industry is fundamental (Porter, 1991). In that sense, the limit of a company's growth is directly related to the maximum growth rate of the proper sector. Sectors which present higher growth offer better chances of performance for the companies operating in such segment.

In terms of perceived value, the concept of competitive advantage can be understood as a surplus, plus the cost that a customer is willing to pay (Brandenburger and Stuart Jr, 1996; Besanko *et al*., 2007). To add value, it is necessary to increase investments in specific assets, considering that the transaction costs do not constitute an unnecessary burden to the company. The value perceived by the customer is constructed from the use of internal capabilities of organisations, supported by the assets. Studies realized by Dyer (1997), Williamson (1981) and McIvor (2009) show that some investment in specific assets increases the transaction costs. Internal capabilities are translated into resources and those constitute the basis for generating competitive advantage, since resources lead to value creation (Andrews, 1971; Collis and Montgomery, 1995; Barney, 1991b). The strategies that are based on internal resources should consider their appropriate use in relation to market demands (Penrose, 1959; Barney, 1991b).

Internal resources can be core competencies that an organisation has over its competitors. Skills promote the generation of competitive advantage. In view of Hamel and Prahalad (1990), core competencies are a set of skills that occur simultaneously; which show a unique integrated combination of new technologies and work activities.

Competitive advantage can be generated from superior skills and superior resources of the

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organization, and these can even be combined to create core competencies (Day and Wensley, 1988; Hamel; Prahalad, 1990). Another way to develop a competitive advantage lies in the decision to be the first to enter a specific market. It constitutes a strategic choice guided by current competitive positioning, organizational capabilities, industry volatility and risk propensity (Hung *et al*., 2012).

Resource Based View (RBV):

The resources available are the basis for a firm's strategy. This unique set of resources can generate competitive advantages that lead to value creation for an organisation (Andrews, 1971; Collis and Montgomery, 1995; Barney, 1991b). Porter (1985) contributes to the theme by stating that the value that a company is able to create for its customers is the one that exceeds the company's cost for creating it. This figure represents one of the attributes of competitive advantage. The higher value is obtained by the customer perception and willingness to pay for a product or service, in search of unique benefits or equivalent to the competition that offset a higher price (Porter, 1985).

The concepts of Resource Based View (RBV) start with the identification of the importance of resource strategy. Nevertheless, business growth is linked to the company's resources it controls and its management structure (Penrose, 1959). The resources of a company can be divided into financial, structural, human and organizational, or else, in tangible or intangible resources (Wernerfelt, 1984; Barney and Hesterly, 1996). Therefore, resources constitute elements that belong to a company and constitute a semi-permanent path, generating value for the organisation, which can only be transferred with costs, with which the organisation is able to develop strategies to maintain or achieve a particular competitive position of market (Barney, 1991a, 1991b, 1996; Barney and Hesterly, 1996; Besanko *et al*., 2007).

These resources are the basic elements of a company to perform its operations. Among these are the raw materials, the inventory, the machinery, the equipment, and the operational knowledge. These depend on the financial availability of an organisation to acquire them. The combination of these features result in the capabilities that increase the company's ability to apply resources to achieve a desired objective and can become core competencies; as they provide resources that the organization stands out from the other companies in the sector (Amit and Shoemaker, 1993).

RBV combines proper elements that contribute to the study of competitive advantage, only by emphasizing that the specific features of a company are crucial for generating economic profit. Resources in an organization can be tangible or intangible. Intangible resources can be replicated at low cost and may constitute an external threat to the core competence of the organisation (Barney, 1991b; Conner, 1991; Grant, 1991; Peteraf, 1993).

In a RBV perspective, a Brazilian company will develop a competitive advantage when it is implementing a strategy of value creation that is not simultaneously being implemented by its global competitors or potential competitors. The strategies are obtained through the appropriate use of organizational resources (Barney, 1991b). Makadok (2001) emphasizes that the resources that lead to competitive advantage can leverage other resources, increasing productivity of the organization through innovation.

However, Severo *et al*. (2012) point out that for the year 2008, although Brazil figures in the 13th place in the world for scientific production in volume, the 2009 data from the World Intellectual Property Organization shows that Brazil ranked in 25th place in records of international patents, with 355 requests. This reinforces the need for the Brazilian Industry to use the resources dynamically, as postulated by Barney (1991a, 1991b) to generate competitive advantage.

It is important to mention that the resources of a company are not enough to develop competitive advantage. It is necessary for such company to develop an organizational capability that is the source of uniqueness in its own market. Although companies have access to common resources, it is its ability to configure and deploy these resources for distinct services, which leads to a differentiated offer as a real source of heterogeneity (Penrose, 1997). In that sense, the capabilities of a company constitute the processes that use resources to meet and even create a market shift (Eisenhardt and Martin, 2000).

The distinction between the basic features of a company and the capabilities that generate a competitive advantage are the attributes of these features: i) valuable; ii) rare; iii) imperfectly inimitable; and iv) strategically irreplaceable. With those features, the assets (resources) become a unique advantage for the organization (Barney, 1991b; 1992).

Those attributes make up the paradigm of RBV; created by Barney (1992), which identifies the resources that can generate a sustainable competitive advantage. It should be noted as resources from the standpoint of the following attributes (Figure 1):

a) value: to whether or not the resources have value to explore market opportunities and assist the organisation to defend itself against threats from the environment by increasing revenue and / or reduce expenses;

b) rare: to check whether the resource is available in other organisations. The rarer is the availability of the resource, more market dominance the company can obtain.

c) imperfect imitation: to be observed if the resource, or product for instance, is of easy imitation by the competitors or not, since the level of difficulty of

imitation generates competitive advantage over time. Such attribute would complicate the presence of competing forces on the market for a period of time;
d) strategically irreplaceable: to occur if the feature cannot be strategically replaced by another equivalent. The inability to substitute this feature will maintain its unique and specific character, permitting the organisation to maintain its position in the market.

In a RBV perspective, if a company's resources are valuable, rare, inimitable and irreplaceable; they can generate competitive advantage on the condition that the company develops an appropriate strategic use of those resources, which would enhance the growth of a company, regardless of its position in the industry (Barney, 1991b; 1992; 1997; Barney and Zajac, 1994).

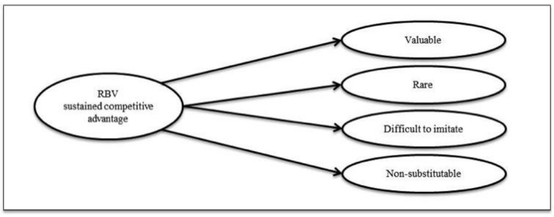

Fig. 1: Graphical representation of the concept of Sustainable Competitive Advantage, by Barney (1991a, 1991b, 1992).
Source: Prepared by the authors (2015).

This literature review shows that, in view of the dynamics involving organizational competitiveness, from the RBV concept, theoretical and empirical studies have emerged in an attempt to explain the performance of organisations through resources and skills. Although the RBV paradigm from Barney (1991a, 1991b, 1992) and other authors who studied the matter more recently contributes to the explanation of the construct of competitive advantage, the actual framework remains incomplete and cannot be considered as a theory, because it still lacks explanatory elements that do compose the analysis of competitive advantage (Priem and Butler, 2001a; 2001b).

Environmental Sustainability:

Industrial productions, global over-population and high consumption of natural resources are impacting negatively on the environment. Due to such environmental degradation and the pressure exerted by government organisations, companies start to adopt environmentally friendly attitude based on environmental preservation; where care strategies for the environment are increasing in proportion (Mathews, 1997; Deegan, 2002; De Guimarães *et al*., 2014).

Environmental sustainability is recently being priorized in Brazilian organisations (Alperstedt *et al*., 2010; Barbieri, *et al*., 2010; Dorion *et al*., 2012; Severo *et al*., 2013). A research conducted by Alperstedt *et al*. (2010) over 88 SMEs and large companies in various sectors of the Brazilian industry reveals that at least 50% of the companies in both categories (large and SMEs) operate in the international market, and that a significant portion adopts environmental management policies (90% of large and 62.5% of SMEs).

Regarding the Brazilian environmental legislation, it is distributed at all levels of government and regulatory bodies (Brazilian Institute of Environment and Renewable Natural Resources - IBAMA, the National Council of the Environment - CONAMA, State Environmental Protection Foundation - FEPAM). A research realized by Dorion *et al*. (2012) about the health organizations in Serra Gaúcha, Brazil, shows that 75% of hospitals in the region of Serra Gaúcha do not treat their hospital effluents; not fulfilling the current Brazilian legislation.

In today's society, the values linked to environmental policies have been institutionalized to a greater or lesser degree in Brazil by the media, by social and environmental movements and by all levels of government. In response to these institutional pressures arise new organizational models, seen as the most suitable to a the new cycle that begins, as in the case of innovative sustainable organisations (Barbieri *et al*., 2010)

The movement for environmental sustainability has quickly been gaining ground within businesses, which shows that such movement is becoming important in the current business environment. For Sadler (1996) and Jänicke (2008), environmental sustainability has become increasingly important from the 90's for two reasons: i) the size and scope of the problem, and ii) the awareness of the stakeholders on its environmental impact on the industrial activity.

The literature points out the positive performance of the companies that invest in the prevention of emission of waste and pollution control technologies (Klassen and Whybark, 1999; King and Lenox, 2002; Dorion *et al*., 2012; De Guimarães *et al*., 2014). Alternatively, the possibility arises for organisations to implement environmental practices and use cleaner production technologies in an organizational context; reducing costs, the use of raw materials, and streamlining waste within a production processes and increasing productivity (De Guimarães *et al*., 2014; Severo, 2014).

Elkington (1999) introduced the Triple Bottom Line concept that represents the overlap and the integration of the three pillars: i) the economic development, ii) the social responsibility, and iii) the environmental management, as drivers of sustainable development; through the following themes: people, planet and profit. In this scenario, Barbieri *et al*. (2010) presents the three dimensions of sustainability: i) the social dimension - concerned about the social impacts of innovations in human communities inside and outside the organisation (unemployment, social exclusion, poverty, organizational diversity, among others), ii) environmental dimension - concerned about the environmental impacts through the use of natural resources and emissions of pollutants iii) economic dimension - concerned about the preoccupation with economic efficiency, without which nothing will perpetuate. For companies, the economic dimension refers to making profits and generating competitive advantages in markets where they operate.

For Potts (2010), the benefits of business sustainable development activities emerge as a field of competitive advantage; constituting another vehicle for greater resource efficiency, waste reduction, new markets openings and boost in capacity of knowledge that can be at the forefront of the generation of a sustainable post-crisis financial economy. Accordingly, the adoption of environmental practices is related to reducing costs, saving resources, opportunities for innovation, customer loyalty and retention, as well as the awareness of employees (Kassinis and Soteriou, 2003). Environmental sustainability addresses issues of preserving natural resources, reducing waste, pollution and negative environmental impact to the environment.

This literature review shows that, in view of the dynamics involving organizational competitiveness, from the Environmental sustainability concept, that the organisations which understand the importance of taking into account environmental sustainability as a key strategy and as part of their value, will be striving for better financial results and a better quality of life, while maintaining their focus on competitive advantage. However it is observed that Brazilian companies (Barbieri *et al*., 2010) adhere to sustainable development, stimulated externally by the government, market and civil society, as a means to counter the criticism and objections to the role of business, taking responsibility by the processes of social and environmental degradation.

Social Responsibility:

Initially, the concept of social responsibility was built relying on the basic principles of philanthropy and governance, paternalistic manifestation of corporate power (Carroll, 1999). The diffusion of the concept of social responsibility occurred because of a greater coverage of the subject and the creation of entities that disseminate and support businesses with a social responsibility pattern. To generate profits for the shareholders was no longer the sole concern of these companies. Environmental, social, legal and ethical preoccupations made their way into companies, which went through a period of transition in thinking new and wiser strategies (Angelidis and Ibrahim, 1993; Lantos, 2001). In that sense, Daft (2000) defines that social responsibility is understood as an obligation of the organizational management to decide and take actions that improve social welfare, supporting the interests of society and the company.

For a certain period of time, the concept of social responsibility was managed in an accounting perspective; mainly to justify de production of internal dividends to its employees and customers (Vallejos *et al*., 2008), but companies realized they should adopt a strategic approach to social responsibility and benefit from it; generating benefits from market opportunities arising from changes in social values and competitive advantages of socially responsible behavior as well as the advantages resulting from the anticipation of new legislation allowed for a proactive posture (Jones, 1996). Value creation through philanthropy occurs by motivated, informed and passionate people, which are responsible for the choice of their culture, values, history and continuity of corporate social responsibility (Porter and Kramer, 1999). Dorion *et al*. (2015) highlights that commitment of the people involved in the projects is a key factor for the success of project.

Customers, suppliers, shareholders (stakeholders) of an organisation perceive that those actions constitute a competitive differentiator that stands out the firm from other competitors and generates an increase in revenues. Corroborating this approach, Freeman (1970, 1994) argues that management based on stakeholders involves the allocation of organizational resources and considers the impacts of this allocation into various interest groups within and outside the organization. For Deegan *et al*. (2002), a society does not just simply expect corporate profits from firms but invest in preservation and repair of damage made to the environment; ensuring health and safety for employees, customers and the local community.

Social responsibility has been much discussed in recent years due to various transformations that are occurring in the business world. This theme is no longer just the responsibility of government but also of the private sector. To disclose environmental activities and capabilities, the Social Balance report was created to become an efficient tool of environmental control and responsibility. But Porter and Kramer (2006) warn that this dominant approach to social responsibility is fragmented and disconnected from the business reality, meaning that an evolution on the finality and the processes must emerge.

Corporate Social Responsibility (CSR) is a recent issue in Brazilian organisations, although there is evidence that engagement of Brazilian companies in CSR projects is increasing, it reflects a consolidation of new corporate strategies (Garcia *et al*., 2007). CSR deals with the economic and legal dimensions of the organisations, by performing actions that fulfill the conditions laid down to achieve work safety standards, and by ensuring its productivity and competitiveness. It is emphasized on social actions that have historically been the fruit of isolated initiatives of companies. However, this scenario is changing because the global market pressure influences the Brazilian organisations to develop more acute social programs.

Another aspect that shows a still incipient context for the development of CSR in Brazil is the fact that despite the generous labor legislation, labor unions have little empowerment in society. While they focus on conditions requests that are outdated and inefficient, (Schneider, 2009), CSR proposes that effective social force be issued first by the workers enterprises, improving their living conditions at work and later the extension to the company that receives the direct and indirect impacts of business activity. Although far from the consolidation of CSR, Brazilian entrepreneurs migrate to such positioning.

In Brazil, organisations rely on the Ethos Institute for Business and Social Responsibility (Ethos, 2014), which is a non-governmental organization created with the mission to raise awareness, mobilize and help companies manage their business in a socially responsible manner, making them partners in building a just and sustainable society, preserving environmental and cultural resources for future generations, and respecting diversity and promoting the reduction of social inequalities. The indicators recommended by the Ethos (2014) are listed in seven major areas: i) the values; transparency and governance; ii) the internal public; iii) the environment; iv) the suppliers; v) the consumers and customers; vi) the community, and vii) the government and society.

Macedo *et al*. (2011) analyzed the level of sustainability of the 27 Federal States of Brazil (including the Federal district of Brasilia), by applying a methodology of data envelopment analysis (DEA), and by using the Medium Human Development Index (HDI-M) for the social dimension, as well as a percentage on disbursement on environmental Management for the environmental perspective and, finally the Gross Domestic Product (GDP) per capita for the economic outlook. Such parameters constitute the Triple Bottom Line (TBL), which generates the "sustainability indicators" called the Consolidated Index of Sustainable Development (ICDS). The results show that the Federal District of Brasilia and the city of Vitória (Espírito Santo) demonstrate positive highlights, while the State of Maranhão and the city of Maceió (Alagoas) show poor results in terms of sustainable development (Macedo *et al*., 2011).

The term CSR is a more elaborated form of philanthropy (Porter and Kramer, 2002) that produces a new form of management, which requires the necessity to measure the outcome of CSR practices, leading to the creation of several tools, where no consensus must exist on what is to be the most effective one (Davenport, 2000). Through this movement, due to concern about the environmental welfare, companies now face the challenge of relating issues such as environmental responsibility with the development of products and competitive offers for new markets (Handelman and Arnold, 1999)

Social responsibility is related to a higher perceived value of products and services produced. It is observed that consumers tend to increase their perceived value when a product or service is associated to social responsibility through a social or environmental action. What brought this greater attention to social and environmental responsibility lately was a better understanding of its potential benefits for the competitiveness of companies, primarily through the promotion of corporate image (Brown and Dacin, 1997; Mattila, 2009). The image of the organization can be promoted by a marketing strategy, the development of activities and decision-making in order to build and maintain a sustainable competitive advantage (Day, 1992).

By using new frameworks to guide most major business decisions in the analysis of social responsibility, a company may find that those practices can represent more than a simple cost item or impediment. It then becomes a source of opportunity, innovation and competitive advantage (Porter and Kramer, 2006a; 2006b). Other factors that contribute to reach new opportunities in such management process are related to the strategic positioning of a company, considering the importance of imitating the competitors, or innovating from the competitors, well as the characteristics of the organization itself (Dorion *et al*., 2011; Tsuja and Mariño, 2013).

Any business strategy should aggregate the concepts of corporate social strategy, linked to the following elements: i) the industry structure, ii) the firm's internal resources, iii) the organizational values and ideology, and, iv) the relations with stakeholders (Husted and Allen, 2001). Even though a company faces or addresses various social issues, it will deal with only few that are relevant to their business reality from where any specific action can make a real difference to society, while generating competitive advantage to their organisation (Porter and Kramer, 2006). In other terms, resources and strategies of social responsibility constitute an integral part of business strategy, as it may contribute to the corporate management to find innovative solutions, based on the stakeholders' expectations on the importance of diffusing social responsibility, while creating competitive advantage (Molteni, 2006).

Final Thoughts:

Facing the new challenges happening on the competitive relations established by the internationalization of markets, and from the perspective of consumers and customers with access to products and services that offer attributes that go beyond quality and acquisition costs, it becomes imperative for researchers to review the concepts accepted by the academic community with respect to the nature of the attributes that lead a company to a privileged competitive position. In this way, researchers have sought to understand the skills and the resources of the Brazilian companies that may lead them to a truly sustainable competitive advantage.

It is clear that most researchers agree on the fact that the uniqueness of those attributes or their specific combinations may lead to competitive advantage (Ansoff, 1965; Blyler and Coff, 2003; Besanko *et al*., 2007; Hoffman, 2000; Hamel and Prahalad, 1989; 1990) and such models are beginning to be clearly understood from the proper concepts of RBV and sustainable competitive advantage (Barney; 1991a; 1991b). But, in view of the new trends in contemporary management, these frameworks have become insufficient to explain the behaviour of consumers with new types of demands, such as the purchase of products and services of intangible value, with any socio-environmental dimensions.

The RBV tool and concepts recognize social and environmental movements where the organization operates, but is restricted to a limited area, like the industry, its value chain or its market. But it does not offer a specific and clear response to the customers that changed mental model in their transaction process, generating a gap between the offer and the demand of liability required by new consumers. This new consumer behaviour results in a new contract between the organizations or companies that provide services and products through conscious acts of environmental and social impact.

In order to build a more suitable framework (Figure 2) to these contemporary environmental demands, it would be logic to include in Barney (1991b) model (Figure 1) the following attributes: i) Environmentally Sustainable ii) Socially Responsible (Figure 2). These are resources attributes that a society requires from market competition, regardless of its position or status in the industry's value chain.

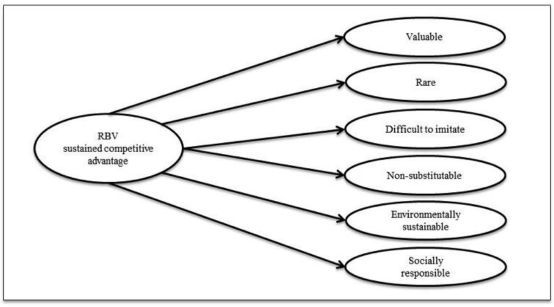

Fig. 2: Proposed Framework of Sustainable Competitive Advantage.
Source: Prepared by the authors (2015).

Another important factor to note is that both competitive advantage and RBV concepts assume the role of expanding the range of management of an organisation within its value chain, considering that part of its goals and revenues actually will come from social and environmental based actions. Therefore the investments and actions in environmental sustainability and social responsibility must be effectively adding value to products and services as a way to remain competitive in the market.

The Sustainable Environmental Resource reveals itself as a fundamental attribute of competitiveness in the economic dimension (Barbieri *et al*., 2010), ensuring efficient use of resources, opening new markets, creating opportunities for innovation and winning the loyalty of customers, and contributing to generate competitive advantage (Kassinis and Soteriou, 2003; Potts; 2010).

With respect to the Social Responsibility Resource, organisations seek through specific programs to develop practices that influence the processes and products or services (Porter and Kramer, 2002; Davenport, 2000; Handelman and Arnold, 1999), which allow clients and other stakeholders to understand the value of shares in order to build a socially responsible reality, which confers to the generation of competitive advantage (Molteni; 2006; Porter and Kramer, 2006b; Mattila, 2009).

The challenge for Brazilian organisations is to develop products and services that meet the socio-environmental expectations and demands from the actors in a global market, since it represents a recurrent customer behavior as well as other actors in the value chain. The creation of a resource strategy base will then involve the use of Environmental sustainable and Socially Responsible attributes, which will lead to an organizational sustainable competitive advantage.

One of the main limitations of this study is the need for future empirical studies that can test the model proposed in organisations of different sectors in order to identify whether there is a direct relationship in companies that have a strong position in the market and, the existence of sustainable resources as proposed in the framework (Figure 2). It is understood that empirical studies with a large sample may establish effective relationships between theory and business practices.

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