Abstract:

Competitive pressures have caused a large proportion of firms to re-think their strategies, and to develop their capabilities. Capability development requires an understanding of the configuration of operations, an alignment with customer requirements and an appreciation of the standards of performance (best practice) exhibited by competitive companies. While each of these issues has been dealt with in the strategy literature, little work has been undertaken to integrate these perspectives into a useful operational model.

This paper presents a theoretical model which integrates these strategy perspectives with a model of organizational configuration. The paper describes the use of this model to support process improvement in Small and Medium sized Enterprises (SMEs) in three European countries.