The role of distinct competency and learning organization in enhancing firm's sustainable competitive advantage

By Rahmad Guntoro

-RESEARCH ARTICLE-

THE ROLE OF DISTINCT COMPETENCY AND LEARNING ORGANIZATION IN ENHANCING FIRM's SUSTAINABLE COMPETITIVE ADVANTAGE

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─Abstract─

Achieving a long-term competitive advantage is becoming increasingly important as the global rivalry grows more fiercely. According to previous research, a company can claim a competitive advantage if it begins implementing a strategy that generates value for it but is not being employed by any of its competitors. However, there appears to be a lack of research in this area. Therefore, this study aims to analyze the development of resources with characteristics of value, scarcity, imperfect imitability, non-substitution, distinct competency and learning organization that will translate into a sustainable

competitive advantage in organizations. The data analysis technique used in this quantitative research is Structural Equation Modelling (SEM). The process of determining the target population in this study uses non-probability sampling with the purposive sampling technique. The number of samples to be taken in this study was determined at 176. Data was collected using a questionnaire with an assessment using a Likert scale. This study indicates that value, scarcity, imperfect imitability, and non-substitution directly and significantly affect the Distinctive competency of organizations in South Sumatra. Moreover, the relationships of distinctive competency with learning organizations and sustainable competitive advantage are also found to be significant. However, the hypothesis regarding the relationship between distinct competency and learning organization is not supported by the findings of the study.

Keywords: Values, Scarcity, Imperfect Imitability, and No substitution, Distinctive Competencies, Learning Organizations, Sustainable Competitive Advantage.

1. INTRODUCTION

Every organization or company has multiple capabilities that allow it to optimally carry out the activities needed to provide its products or services while other companies cannot do it to the same standard or level (Eken et al., 2020). However, successful organizations have specific abilities that enable them to perform their primary activities particularly well. The ability to produce something specific and unique is called Distinctive Competence. Generally, it refers to the unique skills and activities that a firm can develop in a way better than rival firms so that specific competencies will support a market position that is valuable and difficult to imitate. In this respect, specific competencies function as critical success factors (Warner & Wäger, 2019). A company's Distinctive competence can occur in the presence of resources that focus on resources that have value, scarcity, imperfect imitability, and non-substitutability and explain the organization's sustainable competitive advantage compared to others (Yong et al., 2020). Resources that have value, scarcity, imperfect imitability, and non-substitution are valuable resources if they provide strategic value to the company. Resources that move among competitors are potential resources for the company that are difficult for competitors to imitate as well as resources that cannot be replaced by other alternative resources (Schweizer et al., 2015). Resources must meet the criteria of value, scarcity, imperfect imitability, and non-substitution to provide a sustainable competitive advantage.

A sustainable competitive advantage is an advantage that adds value to the business and that only a few other companies can match. In order to achieve a long-term competitive edge in the business world, a firm must utilize the instruments at its disposal to win the competition. As a result, businesses should combine tactics and different available resources to achieve a long-term competitive edge (Mishra & Yadav, 2021). The challenge of executing the appropriate organization development plan is exacerbated by

the overlapping of laws, authorities, and the wide spectrum of services provided by organizations. As a result of this scenario, business continuity and microfinance initiatives for savings and lending organizations are suffering. Only a few organizations have the ability to compete with other organizations and offer more sophisticated services (Sutiksno et al., 2019). This research aims to build a model of sustainable competitive advantage in organizations in South Sumatra, based on data from the South Sumatra organization office, which shows that the distribution of organizations from the 17 largest regencies and cities in Palembang City is 1080 units. Thus, the study of measuring the company's competitive strategy in organizations is expected to shed light on how organizations prepare their organizational strategies in order to compete.

Distinctive competencies along with learning organizations can become a sustainable competitive advantage through organizational transformation and organizational change. Organizational learning refers to specific activities (processes) within an organization. According on research by Baia, Ferreira, and Rodrigues (2020), the key to success in surviving during competition lies in the company's ability to build its competitive advantage. Innovation and entrepreneurship can be a company's strategy in building a competitive advantage. Product innovation to build competitive advantage, among others, through product advantages, product uniqueness, and product costs was essential. According to Yang, Ishtiaq, and Anwar (2018), there is a direct or indirect relationship between competitive advantage and business performance. The company's competitive advantage is highly dependent on the capabilities or competencies of the organization. Distinctive competencies make the organization difficult for competitors to imitate. In light of the description above, there is a need for a study on evaluating how companies practically develop existing resources in organizations to compete and create the company's distinctive capabilities to make it a sustainable competitive advantage. This study focuses on the strategic management research area, packaged under the title, "Operationalization of Values, Scarcity, Imperfect Immutability, Non-substitution as Distinctive Competency Instruments along with Learning Organizations towards Sustainable Competitive Advantage".

2. LITERATURE REVIEW

2.1 Theoretical Foundation

The resource-based view explains how companies develop their resources to improve company performance. Weinerfelt (1984) stated that the company's vision is to gain a lasting competitive advantage based on the resources that are available to support the unique business opportunities. Companies utilize scarce and valuable resources to avoid imitation from other companies (Mahdi, Nassar, & Almsafir, 2019). Specific competencies are an integrated set of skills and technologies of a company, unique with learned knowledge and behaviors that contribute to competitive advantage (Singh et al., 2018). This suggests that distinctive competencies are developed through

entrepreneurial processes such as opportunity recognition, creative processes, and innovation. A core competence is a skill that gives a business a competitive edge over its competitors. A company's core capabilities set it apart from the competition and reflect its personality. Core competencies emerge over time as an organization gathers and learns how to use various resources and capabilities as a capacity to act; core competencies are a company's "crown jewel," and entail the activities that it performs exceptionally well in comparison to competitors and through which, it adds unique value to its goods or services over time. When a company's skills are superior to those of its rivals, distinctive competences help it stand out in the market (Maziriri, 2020).

Organizations should conduct external analysis to identify opportunities and threats and conduct an internal analysis to identify different competencies. According to the competitive advantage model, a company can improve price, quality, and delivery or be highly innovative in using new process technologies, marketing, and service techniques (in the vertical axis). It must also consider external conditions that are particularly difficult for a company to be competitive (Liu, Jiang, & Zhao, 2019). Only a few other businesses can perform comparable activities, therefore, gaining a competitive edge may bring value to the organization. The firm is required to utilize the tools it possesses to create a competitive edge in the area of business in order to win the competition. As a result, businesses should be able to combine tactics and different resources to gain a competitive edge. Competitive advantage in a business is created in order to accomplish the ultimate objective of a strategic management process that enables organizations to choose and execute strategies that produce competitive advantage, according Barney et al. (2019).

2.2 Previous Studies

The development of competitive advantage requires resources. These assets are combined to create customer-valued products and services. Competitive advantage is defined as strengths that organisations can employ to develop and execute strategy (Mahdi et al., 2019). Furthermore, resources may be defined as firm-owned or controlled stockpiles of available variables that are turned into final products or services (Baia et al., 2020). Company resources are the assets, capabilities, organisational processes, firm traits, information, and expertise owned by firms that enable them to devise and implement strategies to increase efficiency and effectiveness. A strategic resource reduces costs or increases business value if its competitors do not exploit those resources to steal value (Khan, Yang, & Waheed, 2019). A strategic resource is also hard to duplicate or replace. Competition is hampered by inimitable qualities. Across the industry, resources must be heterogeneous and fixed. Management must employ knowledge and abilities to establish a set of competences that will set them apart from rivals; if resources do not have these needed attributes, competitors cannot duplicate resource heterogeneity (Jarrah et al., 2019).

Further, resources should give value to the firm, be unique, be imperfectly imitable, and non-substitutable according to Mishra and Yadav (2021), since heterogeneity of firm resources makes measuring competitive advantage difficult. Further, Barney and Hesterly (2019) commented that organizational resources determine its performance and may add to a firm's long-term competitive advantage. The resource orchestration study conducted by Cui, Pan, and Cui (2019) attempts at empirical research in this manner and raises important questions for theory and research. To understand how managers manage resources, the study developed an additional theory. On the other hand, the paper discussed combining resource management and asset orchestration into a single framework called resource orchestration. In order to successfully orchestrate resources, managers must do several things.

Firms seek to outperform their competitors. To achieve this, a firm in an industry must have a competitive advantage that other firms in the field cannot duplicate. A corporation seeking a sustained competitive edge must devise techniques for combining resources in ways that competitors cannot duplicate. Barney, Jay and Hesterly (2019) demonstrates how heterogeneous resources in an organisation can achieve this. Firms can establish competitive advantage through early movers, entry obstacles, low cost, or differentiation. According to Mahdi et al. (2019), there are several factors that allow a firm to judge both the industry's attractiveness and its competitive position within it. These are new entrants, replacement products, buyer and supplier power, and industry rivalry. Based on these characteristics, the corporation can determine its approach. Barney and Hesterly (2019) identified cost leadership and competitive differentiation as two significant elements of competitive advantage. According to the reasoning, economies of scale allow for aggressive pricing and huge sales volume. However, distinct products promote brand loyalty and a positive reputation, allowing for premium pricing. According to Baia et al. (2020), a competitive advantage can be gained by entering the market early or in big numbers. A firm that enters the market early or in large numbers may set new norms or obtain access to vital raw materials, sites, production capacity, and customers.

According to Tresna and Raharja (2018), competing for the future can be advantageous. Firms must consider current profitability as well as medium and long-term profitability as a source of competitive advantage. According to these beliefs, organisations must plan how to compete when their current techniques become outmoded or are replicated by competitors. Although Porter argues that external settings influence competitiveness, existing research has mostly neglected this significance (Bartosik-Purgat & Ratajczak-Mrożek, 2018). Latukha et al. (2019) attempted to examine the influence of Resources and Organizational Identities on the role of rhetoric in competitive advantage development. To obtain a competitive edge, the author presented a paradigm that shifted the audience's attention between identities and resources. To show how corporations use numerous organisational identities to link resource traits of value, rarity, non-imitability and non-substitutability. By combining organizational learning with the Resource Based

View in literature, the author demonstrated how multiple identities provide clear action guidelines to practitioners. Multiple organisational identities are linked to competitive advantage. The study did not show how environmental factors complemented RBV. However, the analysis might have shown how each identity would help the corporation determine its generic strategy. One more recent study by Maury (2018) sought to explain how Temporary Competitive Advantage (TCA) is turned to Sustainable Competitive Advantage (SCA) through these identities.

The primary criterion for a learning firm is a willingness to receive and utilise feedback for growth. Such a group encourages its members to develop their own unique talents and abilities (Eken et al., 2020). As a result, members have the opportunity to improve and learn from the experiences of others, as well as their own abilities. An organization's many tiers of personnel make a significant contribution since they are always learning from the company as a whole (Antunes & Pinheiro, 2020). It is everyone's obligation to be creative and innovative in order for the learning company to keep up with the competition, new technologies, and market shifts. A company's ability to adapt to the ever-changing nature of the business environment gives it a leg up on the competition and a competitive advantage (Namada, 2018). The increased synergy that results from this kind of creation is another benefit. Working with high-performing teams can yield results that are superior to those expected at the beginning of the project. Because of the variety of the operational environments, a normal company can compete against its rivals by providing employees with more learning chances (Antunes & Pinheiro, 2020).

According to Gomes & Romão (2019) study, key reasons for organizations nowadays are the competitive market environment and associated intangible assets. They are required to back up organizational plans with a solid framework for measuring strategy execution and addressing business problems. Internal operations include strategic management of information systems and technology, as well as other projects. According to Fernandez et al. (2018), the beneficial impact of creating and applying particular skills on performance and competitive advantage, makes them a useful tool for small independent merchants in the pharmaceutical distribution industry.

2.3 Flow of Thinking

Based on the study background and literature review, it can be illustrated that to achieve a sustainable competitive advantage; pooled resources must have the characteristics of Value, Scarcity, Imperfect Immutability, and Non-substitution. These resources will create Distinctive Competencies. This will allow the organization to compete with other organizations to affect a sustainable competitive advantage in the industry. This can be seen in Figure 1 below:
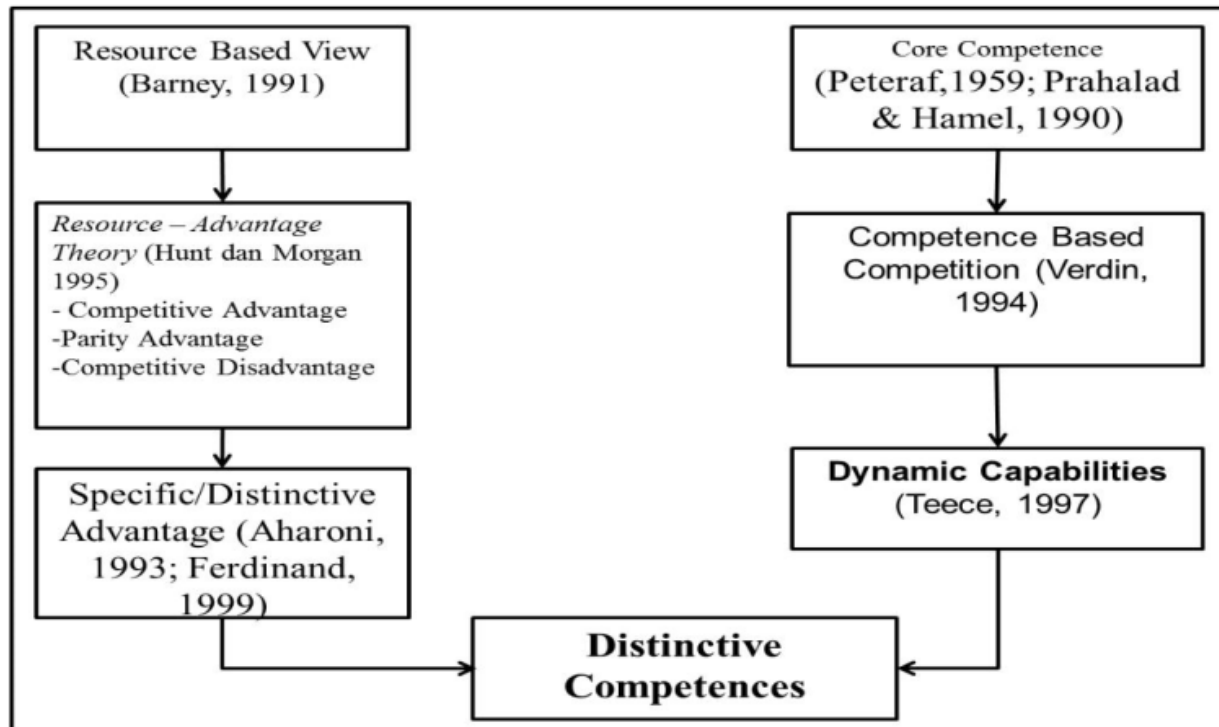
Figure 1. Research Mindset

2.4 Research Hypothesis

Based on the above literature the following hypotheses are postulated:

H1: The higher the value, the higher the distinctive competence

H2: The higher the scarcity, the higher the distinctive competence

H3: The higher the imperfect imitability, the higher the distinctive competence

H4: The higher the non-substitution, the higher the distinctive competence

H5: The higher the distinctive competence, the higher the learning organization

H6: The higher the learning organization, the higher the sustainable competitive advantage

H7: The higher the distinctive competence, the higher the sustainable competitive advantages

In light of the literature and hypotheses explained above, an empirical research model is developed, as presented in Figure 2. The research model intends to explain how a company or organization develops resources with the characteristics of value, scarcity, imperfect imitability, non-substitution, as an instrument of distinctive competence that along with organizational learning contributes to sustainable competitive advantage in organizations.
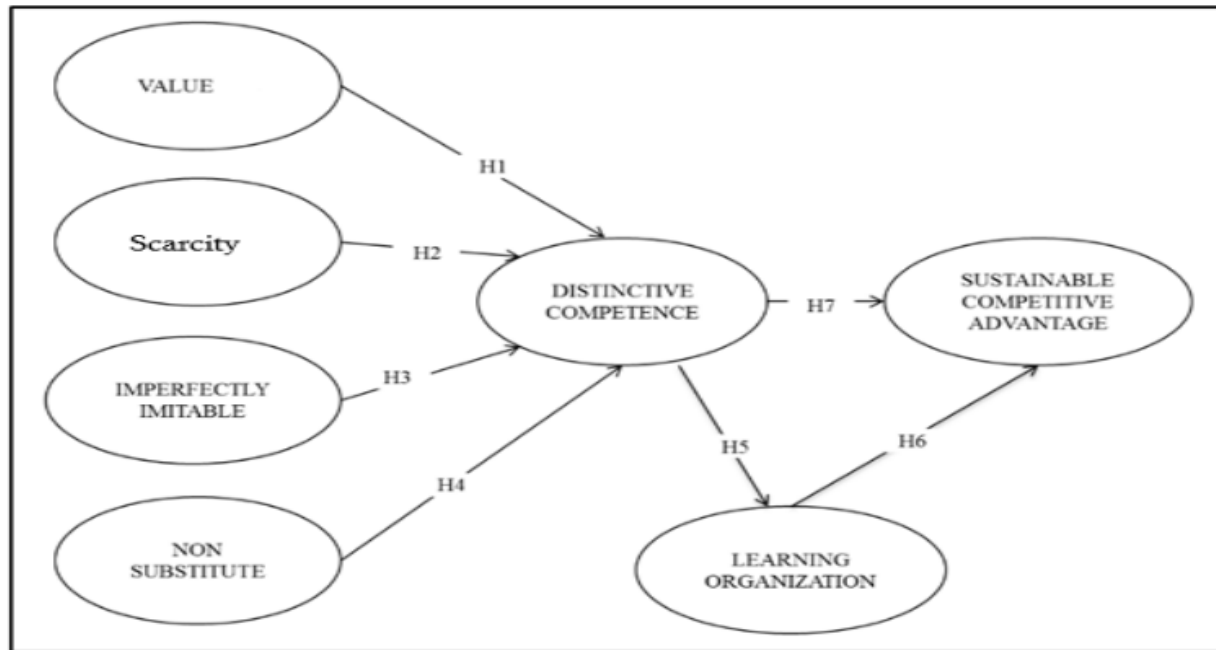
Figure 2. Empirical Research Model

3. METHOD

3.1 Research Design

The variables to be measured are converted into variable indicators using a Likert scale. The indication is then utilized as a starting point for creating instrument elements such as statements or questions. Using a Likert scale, each instrument item's response ranges from extremely positive to extremely negative. For quantitative analysis, each question will be assigned a score ranging from 1 to 10.

3.2 Data Types and Sources

This research uses quantitative research, emphasizing testing theories by engraving research variables with numbers, and requiring data analysis with statistical procedures. Primary data is used as a source of data in this study. The data in this study is collected from managers working in organization situated in South Sumatra.

3.3 Data Collection

Data collection in this study was carried out using a structured questionnaire; the delivery of the questionnaire was carried out directly to the respondents. This questionnaire was assessed using a Likert scale. Before collecting data, permission is granted from the competitive authority of the respective companies. Subsequently, targeted managers were contacted and asked for appointment. Most of the questionnaires were filled by the managers immediately; however, a few of them could not be filled out due to some urgent meetings and returned the filled questionnaires through mail.

3.4 Population and Sample

In the process of determining the population, researchers used non-probability sampling with the purposive sampling technique. Non-probability sampling is a sampling technique that does not provide equal opportunities/opportunities for each element or member of the population selected as a sample. The number of samples to be taken in this study was determined at 176 managers working in companies situated in South Sumatra.

3.5 Measurements

The value variable is formed by two main elements, namely the structure and system in the organization. The indicators of this variable are the value of human resources (4-items), organizational values (6-items), intellectual values (3-items), financial values(5-items), and resource values (4-items) (Zhou, Van Witteloostuijn, & Zhang, 2014). The indicators of scarcity variable are physical scarcity (3-items), organizational scarcity (5-items), scarcity of human resources (7-items), intellectual intelligence (3-items) (Na & Kang, 2018). Indicators of imperfect imitability variables are human resources that cannot be perfectly duplicated (5-items), organizations that cannot be perfectly duplicated (3-items), intelligence that is not duplicated perfectly (5-items), abilities that are not perfectly duplicated (3-items), a physique that cannot be duplicated entirely (4-items) (Miethlich & Oldenburg, 2019). Non-substituted variables indicators are physical and cannot be substituted (3-items), human resources that cannot be substituted (4-items), an organization that cannot be substituted (3-items), intellect that cannot be substituted (5-items), and abilities that cannot be substituted (4-items). The indicators of the learning organization variables are knowledge acquisition (3-items), information distribution (4-items), information interpretation (3-items), organizational memory (4-items). Indicators of distinctive competence variables are the ability to withstand (3-items), the ability to care for (4-items), the ability to motivate (4 items), the ability to hold a team (5-items), have high speed (3-items) (Sutiksno et al., 2019). The indicators of this sustainable competitive advantage variable are the ability to differentiate (3-items), cost leadership (7-items), superior resources (6-items), repetition of excellence (4-items) and relational ties (5-items) (Jones, Harrison, & Felps, 2018).

3.6 Analysis Technique

In analysing this study's data, the AMOS program package used the technical analysis of Structural Equation Modelling (SEM). The path diagram in this study is shown in Figure 3 below. In SEM, the analysis is performed in two stages. In the first stage, the measurement model of the research framework is assessed to test the goodness of model fit. Whereas, in the second stage the structural model is evaluated to test the hypothesis of the study.
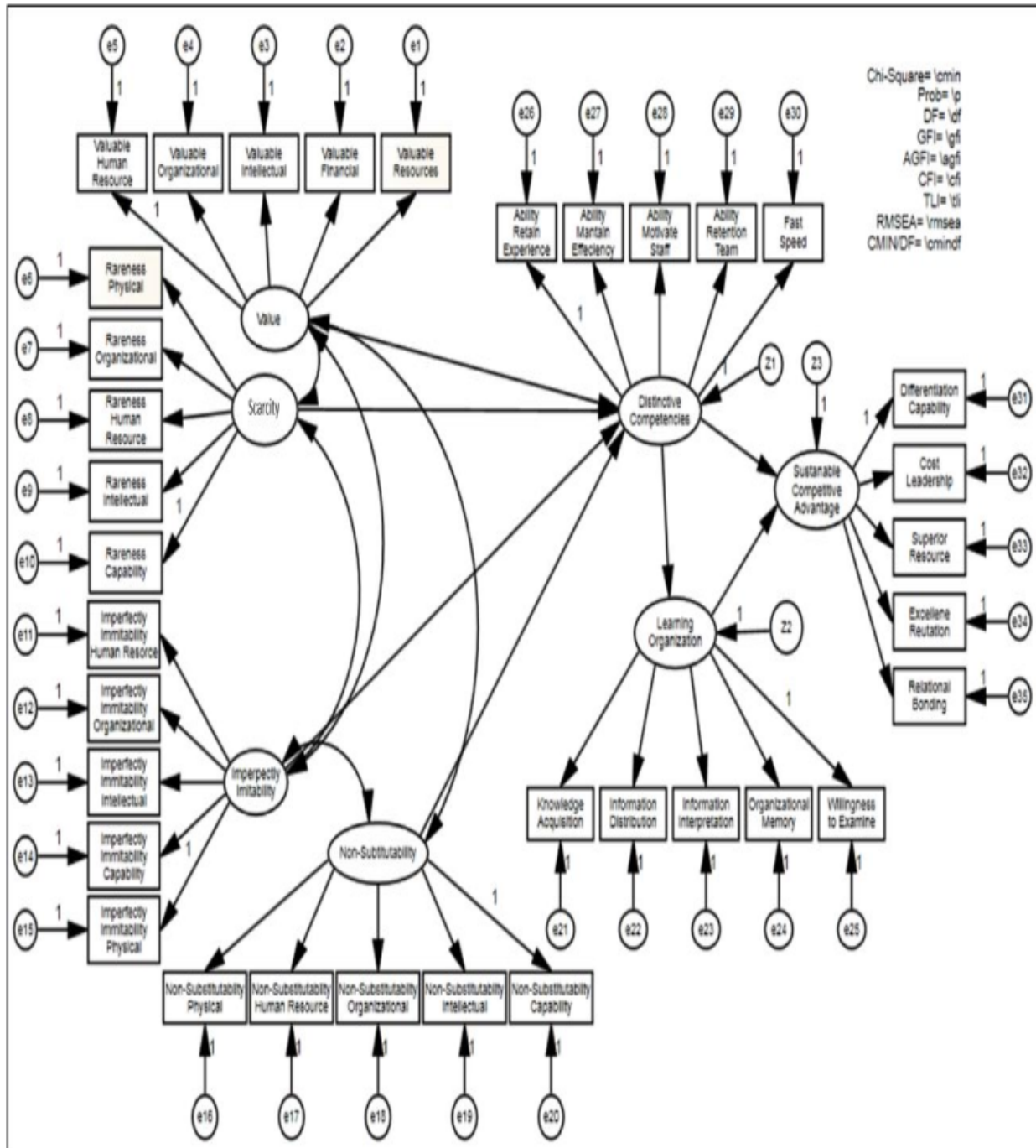
Figure 3. Path Diagram in this Research

4. RESEARCH RESULT

4.1 Descriptive Analysis

From the respondents' answers, several statements or constructs of the independent variables of this study were essential. Variable value: one indicator has a value below the average value, including organizational value, financial value, and one indicator that

has the highest value (9.19), namely the value of human resources. This shows that the organizational and financial value is still not optimal enough to show an increase in value. Meanwhile, the rare variable descriptively shows that several indicators have a value below the average value, including organizational scarcity and awareness ability (7.94), and one indicator with the highest value (8.23) is the scarcity of human resources. This shows that organizational scarcity and awareness ability have not run optimally. For imperfect imitability variables, several indicators have values below the average value, including physical that cannot be duplicated perfectly (7.89) and one indicator with the highest score (8.26), which is intelligence that cannot be perfectly duplicated. This shows that the physical, which cannot be wholly duplicated, has not run optimally.

Furthermore, the non-substitution variable shows the indicator that has the highest value (7.94), namely intellectual, which cannot be substituted. This shows that the non-substitution variable is relatively high, especially for intellectuals who cannot be substituted. Furthermore, the Distinctive competence variable indicator that has the highest score (8.92) has high speed. This shows that they have high speed and will make recommendations to other colleagues.

On the basis of the respondents' answers to several statements or constructs of the dependent variable or the variable of sustainable competitive advantage, it is shown that of the seven indicators of the variable of sustainable competitive advantage as a whole, they are in perfect criteria because all indicators are more than 8; the highest (8.78) is cost leadership. This indicates that they are satisfied with the current cost leadership.

The respondents' answers to several statements or constructs of the learning organization variable show that the two indicators of the learning organization variable as a whole are in perfect criteria because all indicators are more than 8, especially for the indicator that has the highest value (8.87), namely the interpretation of information.

5. Measurement Model Analysis

Based on the results of the initial CFA model for the Value variable, there are still factor values below 0.5. This shows that all indicators are not valid. Therefore, it is necessary to establish a new measurement model by modifying invalid indicators. After modifying the indicators that are not, based on the results of the final CFA model, the loading factor value is obtained for the variable. The value can be declared valid because all indicators have a loading factor value (λ) of more than 0.5. The C.R. value is found to be significant as it is more than 0.7 (CR=0.762), and the AVE value is more than 0.5 (AVE=0.711). Five indicators of scarcity variable can be declared valid because all indicators have a loading factor value (λ) of more than 0.5. The C.R. value is significant being more than 0.7 (CR=0.814), and the AVE value is more than 0.5 (AVE=0.777). Similarly, imperfect imitability with five indicators can be declared valid because all indicators have a loading factor value (λ) of more than 0.5. The C.R. value is more than 0.7 (CR=0.828), and the AVE value is more than 0.5 (AVE=0.797). This means that the indicators

formulated in the imperfect imitability variable measurement model are valid and reliable. Moreover, the Non-substitution variable has one indicator with a loading factor value less than 0.5. This shows that the indicators forming the non-substitution variable are not all valid. Therefore, it is necessary to establish a new measurement model by modifying invalid indicators. After modifying the invalid indicators, based on the results of the final CFA model, the loading factor value of the Non-substitution variable is obtained. All indicators have a factor loading value of more than 0.5. This shows that all indicators forming non-substitution variables are declared valid. Being more than 0.7 (CR=0.871), the C.R. value is significant, and the AVE value is more than 0.5 (VE=0.856). This means that the indicators formulated in this variable measurement model are valid and reliable. In addition, the factor loading value for the Distinctive Competency Variable is still an indicator that has a loading factor value less than 0.5. This shows that the indicators forming the Distinctive Ability variable are not all valid. So, it is also necessary to establish a new measurement model by modifying invalid indicators. After modifying the invalid indicators, based on the final CFA model, this variable with five indicators can be declared valid because all indicators have a loading factor value (λ) of more than 0.5. The C.R. value is considered significant as it is more than 0.7 (CR=0.913), and the AVE value is more than 0.5 (AVE=0.890). The Learning Organization variable factor loadings still has indicators that have a loading factor value less than 0.5. This shows that the indicators that make up the Learning Organization variable are not all valid. Therefore, it is necessary to establish a new measurement model by modifying invalid indicators. After modifying the invalid indicators, based on the results of the CFA final model, the learning organization with five indicators can be declared valid because all indicators have a loading factor value (λ) of more than 0.5. The C.R. value is 0.942 that is significant, and the AVE value is more than 0.5 (AVE=0.931). Finally, the Sustainable Competitive Advantage Variable has an indicator with a factor loading value less than 0.5. Thus, the variable's indicators are not deemed entirely reliable. Consequently, a new measurement model must be developed by altering the invalid indicators. It is possible to declare this variable with five indicators valid after correcting the faulty indicators in the final CFA model, as all indicators have a loading factor of higher than 0.5. The C.R. value is more than 0.7 (CR=0.921), and the AVE value is more than 0.5 (AVE=0.907). This means that the indicators formulated in the variable measurement model on sustainable competitive advantage are valid and reliable.

5.1 Structural Model Analysis

In the normality test table, the critical value of the RatioRatio of skewness and kurtosis is smaller between -2.58 to + 2.58, so this research data is said to be expected. Therefore, parametric test (i.e. CB SEM) is applied to test the hypotheses of the study.
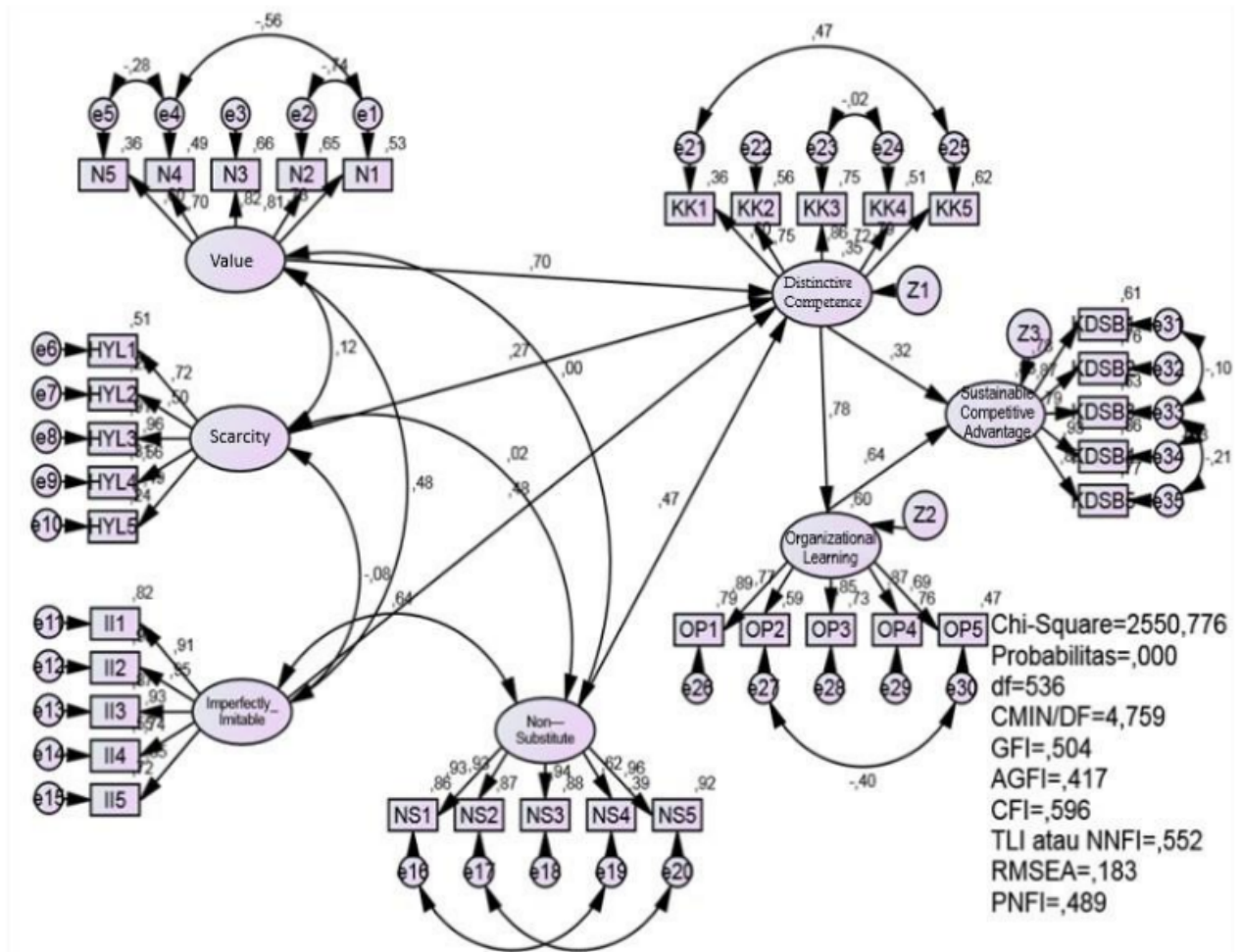
Figure 4. SEM Model Testing

Figure 4 above shows the SEM model testing in which there are factor weights on indicators, all of which are valid and meet the criteria above 0.5. From the results of the Feasibility Evaluation of the SEM Model, it can be seen that all measurements are included in the "Marginal Fit" category, indicating that the feasibility value of the Model, which is the result of data processing, does not meet the criteria applicable in SEM, and is said to be marginal because the value is not too far from the applicable numerical criteria. Even some opinions reveal that it may still be accepted if the number has a difference that is not too far from the criteria. The test results show that the value of 2 and GFI indicates that the conceptualized Model is included in the marginal fit category. Although the test results show that the evaluation of the Model is included in the marginal fit category, the CFI and TLI values are close to the cut-off values. The parsimonious fit measurement, which includes AGFI and PNFI measurements, is close to the recommended fit value even though it is still in the marginal fit category. It can be seen that the evaluation results of the previous PNFI and AGFI models are 0.489 and 0.417.
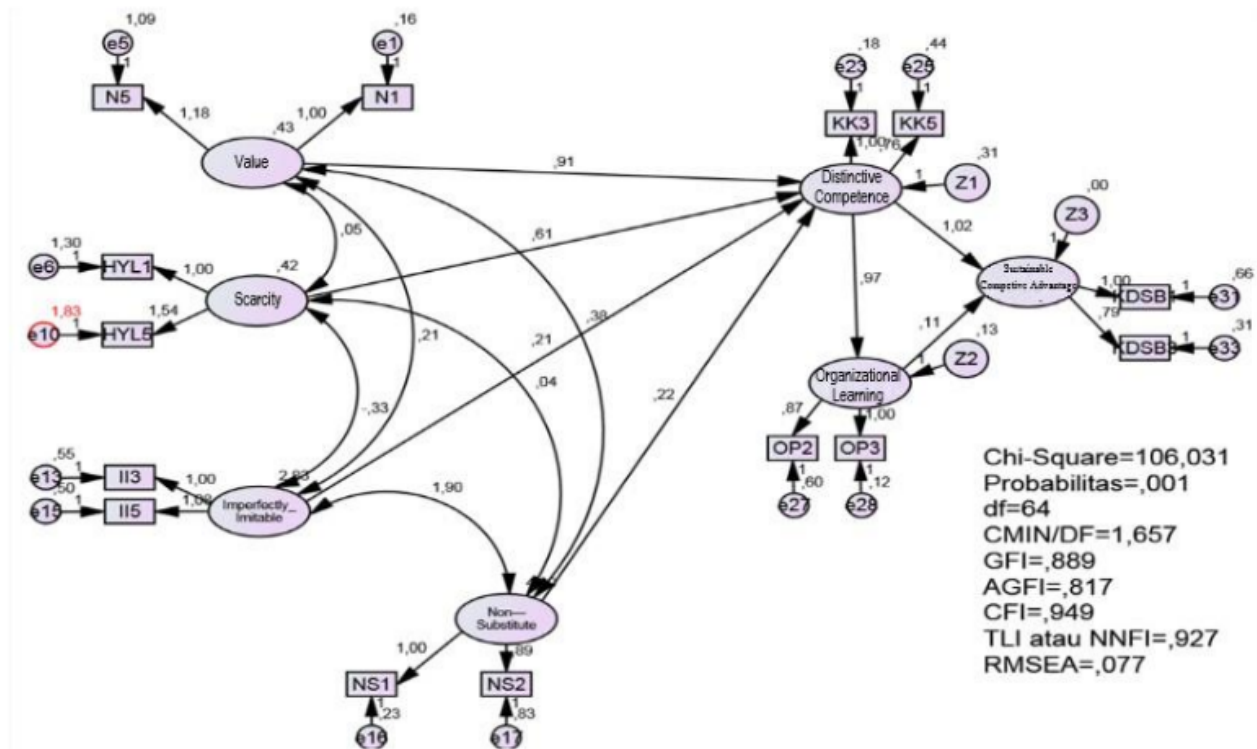
5.2 Hypothesis Testing Analysis

Figure 5. Full Model Fit SEM

Based on the Full Model Fit SEM presented in Figure 5, it can be concluded that the overall path model in the Figure above is good fit. All Goodness of Fit indicators have been met, except for the Chi-square size (106.031) with p-value = 0.001. Full Model is an accepted Fit Model. The majority of the resulting fit values follow the Goodness Of Fit criteria so that the Model formed is sufficient to meet the feasibility of a research model. Indeed, some criteria have not been met, but they are approaching the set limit value. The criteria that have not been fit include; GFI and AGFI, which are still below the standard but close or are called marginal fit.

Based on the results of the Regression Weights, it can be seen that the dimensions and indicators of the Full Model Fit are all significant because the C.R. 1.96 or P 0.05. Thus, no more dimensions or indicators will be discarded. In addition, it also shows that there is no significant difference between the data covariance matrix of the observed variables and the covariance matrix of the specified Model.

Table 1: *Hypotheses Results*

Hypothesis	Path Coefficient	t-value	p-value	Decision
Value -> Distinct Competencies	0.91	3.355	0.000	Supported
Scarcity -> Distinct Competencies	0.61	2.070	0.038	Supported
Imitability-> Distinct Competencies	0.38	2.002	0.045	Supported
Non-Substitution -> Distinct Competencies	0.22	2.881	0.004	Supported
Distinct Competencies -> Learning Organization	0.97	3.335	0.000	Supported
Learning Organization -> SCA	0.11	0.287	0.774	Not-Supported
Distinct Competencies -> SCA	0.38	2.312	0.021	Supported

Note: SCA – Sustainable Competitive Advantage

As shown in Table 1, the following are the findings of evaluating all of the study's hypotheses. H1 is approved if the t-Value or Critical Ratio of 3.355 > 1.967, thus it can be determined that the value has a positive and substantial impact on Organization Distinctive Competence. H2 is accepted if the t-Value or Critical Ratio (C.R.) of 2,070 > 1,967 or P-value of 0.038 < 0.05, thus it may be inferred that scarcity impacts organizational distinct competence. H3 is approved if the t-Value or Critical Ratio (C.R.) of 2.002 > 1.967 or P-value of 0.045 < 0.05, thus it may be inferred that Imperfect Imitability has a substantial impact on organizational distinct competence. H4 is accepted if the t-Value or Critical Ratio (C.R.) of 2.881 > 1.967 or P-value of 0.004 < 0.05, thus it may be inferred that Non-substitution has an impact on organizational distinct competence. H5 is accepted if the t-Value or Critical Ratio (C.R.) of 3.335 > 1.967, thus it may be inferred that the organizational distinct competence has a positive and substantial impact on Learning Organization. H6 is rejected when the t-Value or Critical Ratio (C.R.) is 0.287 < 1.967 or the P-value is 0.774 > 0.05, thus it can be stated that the Learning Organization has no impact on Sustainable Competitive Advantage. H7 is approved when the t-Value or Critical Ratio (C.R.) of 2,312 > 1,967 or P-value of 0.021 < 0.05 is obtained, indicating that organizational distinct competence has a positive and substantial impact on the organization's Sustainable Competitive Advantage.

6. DISCUSSION

Based on the results of statistical tests contained in the calculated Coefficient of Full Model Fit, it is found that the value has a positive and significant effect on the organizational distinct competence. This means that the better the score, the higher the Organization's Distinctive Competence. The results of this study strengthen the results of past research. Based on the research of Collins (2021), it is concluded that the limitations and imperfections of the resource-based view open up opportunities to find

new solutions in strategic management. Similarly, the Coefficient of Full Model Fit indicates that scarcity has an impact on organizations' Distinctive Competence. These findings suggest that fresh ideas are still required to enhance the link between uncommon items and long-term competitive advantage. There are still less valued items in this discovery, thus it offers ambiguous information regarding organizations' Distinctive capability. RBV theory, according to Tresna and Raharja, (2018), describes the company's internal resources. The strengths and flaws that exist inside a business will influence whether the firm succeeds or fails.

Furthermore, according to the Coefficient of Full Model Fit, Imperfect Immutability has a positive and substantial impact on Typical Competence of Organizations. The findings of this investigation are backed up by previous studies. According to Khotimah (2017), intangible assets and skills are valuable resources that are distinctive and difficult to duplicate. Based on the findings, it is also found that non-substitution has a positive and significant effect on the Distinctive Competence of Organizations. The results of this study are supported by research conducted by Chin et al. (2020) who found that non-substitution has a significant positive effect on sustainable competitive advantage. Similarly, the study results show that a learning organization has a positive and significant effect on the unique competencies of organizations. These results suggest that there should be a real effort to evaluate the organization's ability to learn on the specific competencies of the organization. The unique capabilities of the company significantly affect the learning organization, both individually and organizationally (Latukha et al., 2019).

On the other hand, the t-count coefficient for the complete fit model also shows that the learning organization does not affect sustainable competitive advantage. These results indicate that there must be a real effort so that those who have an upbeat assessment of the organization of a very complex and dynamic competitive situation requires fast learning. Organizations that are capable of fast learning will be able to compete in the long term (Haseeb et al., 2019). Based on the study analysis, it is found that the distinctive competence of organizations has a positive and significant effect on sustainable competitive advantage. The results of this study are in line with the theory put forward by Barney and Hesterly (2019), that is, competitive advantage in a company developed to achieve the ultimate goal of the strategic management process that allows companies to choose and implement strategies that produce competitive advantage.

7. CONCLUSION AND SUGGESTION

7.1 Conclusion

Based on the results of the research and their discussion, it can be concluded that value, scarcity, imperfect imitability, and non-substitution directly and significantly affect the Distinctive competence of organizations in South Sumatra, but learning organizations

do not directly influence sustainable competitive advantage. Moreover, by including the learning organization variable in the organization-particular competence model, it can be seen that only the value, scarcity, imperfect imitability, and distinctive competence of organizations in South Sumatra on sustainable competitive advantage have a direct effect while learning organizations have no significant effect on sustainable competitive advantage. Finally, the inclusion of the learning organization variable produces an organization-particular competency model that can only be formed for sustainable competitive advantage. This shows that a high sustainable competitive advantage that will effectively shape the distinctive competence of organizations in South Sumatra will be even higher.

7.2 Suggestion

Based on the discussion and conclusions obtained, the authors put forth the following suggestions:

1. The government and the private sector must pay serious attention to mapping out the right policies as a business built by its members and yield the maximum benefit for organization members in South Sumatra.

2. The unique capabilities of organizations need to be moderated by learning organizations that are rare, imperfectly imitable, and effective in terms of building sustainable competitive advantage.

3. In order for the unique capabilities of organizations to be formed, the sustainable competitive advantage becomes very important, where the sustainable competitive advantage can be built with high values, and is rare, imperfectly imitable, and non-substitutable.

4. Suggestions for further research can test other variables that play a potential role in determining the specific ability of organizations, such as motivation, service quality, or characteristics that were not explored in this study

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