Competitive Advantage and Stakeholder Analysis

Student’s Name

Institutional Affiliation

Competitive Advantage and Stakeholder Analysis

Competitive Advantage

**Chosen Organization**: Pfizer Inc. that deals with the development of pharmaceuticals, medicines, and vaccines.

**Identify a meaningful measure of performance for the company.**

Among the tools that can be used to measure a company's performance is the Balanced Score Cards (BSC). BSC can be used in determining the levels of employee commitment and hence productivity. According to Kaplan & Norton (1992), it is the most efficient method used in measuring the levels of commitment that staff members have towards a company's strategic goals. Since strategy is critical to the levels of productivity, sales, and competitiveness that a company has, this tool has been in history and even currently, been used a lot (Kaplan & Norton, 1992).

**Identify key competitors.**

According to Shute (2019), Pfizer Inc. is placed in a very competitive industry, as it faces competition from other pharmaceutical companies like Boehringer Ingelheim, Astellas Pharma, Merck Group, Sanofi, Amgen, Merck, and Takeda Pharmaceutical, amongst many others. Among the strategies that it has adopted in assisting it in gaining competitive advantage is to patent innovations from its R & D projects and, lately, to reinvent its R & D model, from the production of medicinal drugs to the production of new chemical entities. According to Johnson et al. (2008), the reinvention of business models helps organizations reflect upon operational flows and make them better, increasing their overall competitive advantage. These drugs are a game-changer to Pfizer's business because NCEs are granted exclusivity by the FDA, which offers license holders, in this case, Pfizer, protection in their new drug trade, eliminating the chances of competition (VCLS, 2021).

**Briefly explain how the company uses its business model to gain and sustain a competitive advantage. What are the critical elements of the business model to consider?**

According to Pfizer Annual Review (2017), Pfizer relies on a business model that fuses the principles of teamwork and innovation. These are the key elements to consider in this business model. Pfizer Annual Review (2017) also reveals that two teams help with R & D at Pfizer, which is the backbone of operations in the company that is executers and refiners. These two sets of persons or groups are experts who better understand the concepts that make up an overall innovation. They have to work as a team for R & D to be made possible.

Stakeholder Analysis

The project being Analyzed in this case is the COVID-19 vaccine R & D by Pfizer. Investors and customers are the most critical stakeholders in this project. The company has to ensure that long-term goals do not exceed the expected break-even points of new investors and be too far than the stakeholders can have hopes to see so that it can keep them as they are instrumental in supporting R & D projects. To achieve this, Pfizer’s management has to rely upon the systems planning approach to develop its strategies. According to Kerzner (2017) implies planning from project termination in the direction of project initiation. This approach helps Pfizer develop shorter planning horizons to ensure that they retain their current investors and win more of them. Suppliers are the least powerful in Pfizer’s operations as their operations are mainly at the mercies of Pfizer. Pfizer’s management and staff require direct involvement in all its operations, whereas investors and customers require indirect involvement. Investors are only interested in proceeds and customers in the quality and affordability of the final product—organizational processes are not so critical to these two groups. Pfizer's board of directors has the power to cancel projects, and R & D's are all meant to deal with urgent medical issues facing the human population. For instance, the COVID-19 pandemic pushed the organization to work day and night to develop a vaccine.

References

Kerzner, H. R. (2017). Project management: A systems approach to planning, scheduling, and controlling (12th ed.). Hoboken, NJ: Wiley. Section 10.6, "Stakeholder Relations Management," pages 329–335

Johnson, M. W., Christensen, C. M., & Kagermann, H. (2008). Reinventing your business model. *Harvard Business Review*, *86*(12), 50–59.

Kaplan, R. S., & Norton, D. P. (1992). The balanced scorecard: Measures that drive performance. *Harvard Business Review*, *70*(1), 71–79

Pfizer Annual Review (2017). The Power of Science. Retrieved from: https://www.pfizer.com/sites/default/files/investors/financial\_reports/annual\_reports/2017/assets/pdf/pfizer-2017-annual-review.pdf

Shute, J. (2019). Pfizer’s New Strategy: The Biggest Gamble of 2019? Retrieved from: https://www.linkedin.com/pulse/pfizers-new-strategy-biggest-gamble-2019-jack-shute

Sołoducho-Pelc, L. (2015). Planning Horizon as a Key Element of a Competitive Strategy. *Journal of Economics, Business, and Management*, 3 (2).

VCLS (2021). New Chemical Entity (NCE). Retrieved from: https://voisinconsulting.com/resources/glossary/new-chemical-entity-nce/