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Business Strategy, Internal Resources, National Culture And Competitive Advantage: A Critical Review

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Businesses thrive in the market through utilization of available internal resources by the development and implementation of strategies which give them a competitive edge over and above their competitors. Competition is a compelling force for development as it motivates firms to reduce inefficiencies, restructure outdated operations and introduce new product lines and technologies. Organizations acquire competitive advantage over its competitors in an industry through offering customers greater value, either by lower prices or by producing additional benefits and services that justify similar benefit or possibly higher prices as compared to other market players. Achieving sustainable competitive advantage assures the maintenance and improvement of the business competitive position in the market, which can be achieved by continuously creating and developing existing internal resources and capabilities in response to the rapidly changing market conditions as a result of globalization and liberalization of world economies.Different countries and communities have different national cultures and traditions which inform their product and services loyalty as well as preferences. A business strategy that has been successful in one national cultural setup may not necessarily contribute to the same proportional competitive advantage while in a different national culture. Internal Resources can be used in multiple ways or simultaneously and are both inputs and outputs of business activities and when linked to national cultural influences they enable a business entity to improve in performance and better satisfy the needs in its environment and earning economic rents in the process. This Paper critically analyzes how business strategy and internal resources is utilized for competitive advantage in reference to the national culture.

Key Words: *Business Strategy, Internal Resources, National Culture and Competitive advantage*

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Background

Strategic management scholars and researchers have contributed significantly on how business strategy is developed and executed by organizations for achieving competitive advantage in different industries. A strategy is a set of related actions that managers take to increase their business or service performance. For most, if not all businesses, achieving superior performance relative to rivals is the ultimate business goal. If a business's strategy results in superior performance, then the strategy is said to have given the venture a competitive advantage.Organizations need to be able to integrate internal resources and competencies across resource areas to support current strategies or to develop new strategies.Developing and implementing strategies in reference to internal resources and national cultures is essential to achieving sustainable Competitive Advantage though there is little empirical literature outlining its operationalization.

Business Strategy

There is no universally acceptable definition of strategy but most of the strategic management scholars tend to conform to (Chandler, 1962) definition which states that strategy is a process of determining basic long-term goals and objectives of an enterprise, adoption of the course of action and the allocation of resources necessary for accomplishing set goals. Johnson and Scholes (2012) define strategy as the direction and scope of an organization over the long-term which achieves advantage for the organization through its configuration of resources within a changing environment aimed at meeting the needs of the markets and fulfilling stakeholder's expectations.

Grant (1998) argued that strategy is the overall plan for deploying resources to establish a favorable position. A good strategy has to satisfy on what we need to do to stay in business today and in the near future by systematic framing the available resources in terms of knowledge, scale, customers, culture and time. While Andrews (1971) defined strategy as the pattern of objectives, purposes or goals and the major policies and plans for achieving these goals, stated in such a way as to define what business the company is in, and the kind of company it is or is to be in.

The determinants of strategy scholars like(Christensen, Andrews, and Guth, 1965) argued that strategy formulation is influenced by the environment. The process of formulating strategy involves an internal and external analysis of the firm, an understanding of the firm's competitive advantage and the design and execution of a strategy while mitigating risks and threats. Environmental analysis can be explained by(Ansoff's, 1998) PESTEL frameworkin identifying how future trends in the political, economic, social, technological, environmental and legal environment might impinge on the business.Therefore strategy is the choice of markets; choice of the scope of the firm's including decisions about expansion, defense, and contraction of that domain.

According to Collis and Montegomery (1998);Prahalad and Hamel(1990); and Wernefelt (1989), strategy is fundamentally influenced by a firm's resources. If all firms had identical

resources, they could probably pursue the same strategy and the basis for competitive advantage would disappear. It is only when there are significant resource differences among firms that each can develop a distinctive strategy. It's a fact that competitive advantage is largely determined by internal firm factors like the resourcesownedbut the scholars of resource-based view did not look at the cultural influences.

Mintzberg (2009) argues that strategy emerges over time as intentions collide with and accommodate a changing reality. Emergent strategy is a set of actions or behaviors that are consistent over time and create a realized pattern that was not expressly intended in the original planning of strategy. Emergent strategy implies that organization is learning what works in practice, while Ray et al (2004); Markides and Williamson (1994), argue that in a dynamic world, only organizations that are able to continually build new strategic assets faster than their competitors will earn superior returns and create long term competitive advantage. In this process core competencies have a pivotal role to play.

Mutuku (2005) argues that the performance of any business organization is affected by the strategies in place within that organization, while Hunger and Wheelen(1995)argued that strategies determine the long-term performance of the firm. Enterprise performance comprises the actual output or results of an organization as measured against its intended outputs .

Yabs (2010) in appreciating the need of strategy by both public and private organizations, argued that strategies applied by many firms depends on the stage of economic development in a country and the economic situation in the country of location and further argued that due to globalization these strategies are also influenced by what is happening in the world economy but failed to explain why strategies in different locations could be influenced by the cultural differences in those regions.

Internal Resources

A resource is an economic or productive factor required to accomplish an activity, or a means to undertake in order for an enterprise to achieve desired outcome. Organizations classify resources into internal and external resources.

Christensen et al (1965) argued that organization capabilities refer to human and physical resources, and current competitive position is the firm's reputation, markets served, relative market share, and so on. While according to the proponents of resource-based view like Peteraf(1993);Collis and Montegomery (1995); Mahoney and Prandian (1991); Prahalad and Hamel (1990 and 1994); Stalk et al (1992); and Amit and Shoemaker (1993) argued that internal resources are the core competencies for a firm, which are those things that it does that gives it a competitive advantage. They are generally valuable, rare, costly to imitate and non-substitutable but they may or may not be unique to the firm.

Grant(2001) classifies internal resources into financial resources, physical resources, human resources, technological resources, reputation and organizational resources. The capabilities of a firm are measured by what it can do as a result of

teams of internal resources working together; therefore competitiveness can be identified and appraised using functional classification of the firm's activities. Ulrich (1991) discussed how human resource practices can be used to develop strategies that will lead to sustained competitive advantage, stating that focus should be on the relationship between human resources, strategies and competitive advantage.

This paper appreciates Ulrich moderating argument of resource-based view of effective and efficient utilization of human resources on business strategy as core resource for achieving a competitive advantage. However,the research only looked at a single internal resource and also ignored national culture which could have affected the findings.The internal resources relevant to this study are financial resources, human resources, information and technology, internal infrastructure (Value Chain), management and entrepreneurship.

National Culture

According to Hofstede (2010) culture is the collective programming of the mind distinguishing the members of one group or category of people from others. The values that distinguished country cultures from each other could be statistically categorized into six groups referred to as the six dimensions of culture.

Hofstede (2010); Harris(1991); Minkove(2010); developed six dimensions of National Culture as Power Distance Index (PDI), Individualism versus Collectivism (IDV), Masculinity versus Femininity (MAS), Uncertainty Avoidance (UAI), Long-Term Orientation (LTO), Pragmatic versus Normative (PRA) and Indulgence versus Restraint (IND).This structure derived from factor analysis is a framework for cross-cultural communication and describes the effect of a society's culture on the value of its members and how values relate to behaviour.

Businesses have unique histories over the course of which particular cultures and norms develop argues Sathe(1985). The customs, traditions, norms and human capital resources maybe melded together to create a synergistic work culture where individuals work cooperatively in line with organizational goals, organization culture that has continuously evolved and with changing habits and behaviors exhibited by employees and employers in their interaction with the external environment.
According to Minkov (2010), it is important to be aware of cultural differences because culture is more often a source of conflict than of synergy. Cultural differences are a nuisance at best and often a disaster which requires management attention. Despite the evidence that groups are different from each other, we are generally not aware of other countries' cultures; we tend to minimize cultural differences by believing that deep inside all people are the same.

Higgins(2012) argues that culture is often seen as the soft side of management, and is actually the hardest, because it deals with attitudes and behaviors which all seem a bit vague due to their unpredictability but are critical to the company. A business often operates in an established national culture and creating a winning strategy that gives adifferentiation in the market means understanding, managing, driving

and consistently reinforcing the national culture.

Hofstede (2010) argues that in managing international organizations, involves understanding both national culture, organizational cultures and surrounding communities practices across borders and these attributesare significant for any multinational business in order to hold the company together and shed light why national culture is an important variable to be considered in developing and implementing business strategies for effective and efficient utilization of available internal resources.Just as modern strategists cannot ignore the environmental influence in their development and choice of strategy, the effect of the existing national cultural influences cannot be wished out.

Competitive Advantage

Competitive advantage is what enables a business organization to thrive and is the objective of strategy. It is the combination of elements in the business model which enables a business to better satisfy the needs in its environment and in the process earning economic rents.Barney (1991)argues that a competitive advantage is an advantage gained over competitors by offering customers greater value, either through lower prices or by providing additional benefits and service that justify similar or even higher prices. For growers and manufacturers involved in niche marketing, finding and nurturing a competitive advantage can mean running a venture with increased profit that is sustainable and successful over the long term. According to Wendy(2010), high-performance businesses are those that effectively balance current needs and future opportunities; consistently outperform peers in revenue growth; profitability and total return to shareholders; sustain their superiority across time, business cycles, industry disruptions and changes in leadership. Organizations also acquire competitive advantage by developing business strategies which deal with industry forces in terms of potential competitors, buyers and suppliers behavior and product/service substitute as envisaged in Porter's five forces analysis. A change in any of the forces normally requires a business unit to re-assess the market place given the overall change in the industry information.

A company will strive to create new competitive space only if it possesses an opportunity-horizon that stretches far beyond the boundaries of its current businesses. This horizon identifies, in broad terms, the market territory the management mission, and a terrain that is unlikely to be captured in anything as precise as a business plan argues Prahalad andHamel (1990); andPorter (2008).Firms could also gain competitive advantage through maximization of core competences and soft management aspects like culture, human capital and advanced technology or by focusing on value chain fit through consistency of activities, reinforcement of operations to create synergy and optimizing their efforts and performance capacity.

The concept of systemic competitiveness (Esser et al. 1994) provides a heuristic framework for the analysis of determinants of competitiveness. Literature by scholars like Porter (2008); Nelson and Winter (1982); Lundvall (1992); and Malerba (2002) on emergence of competitive

advantage coincides in showing that the competitive advantages of businesses , regions and nations is more and more dependent on deliberate action ("man-made advantages"), the interaction of multiple private and public actors, and the existence of highly specialized and diversified institutions.

According to Barone and DeCarlo (2003), building a sustainable competitive advantage revolves around differentiating a product from the competition along attributes that are important and relevant to customers. It will involve understanding the needs of the market (customers), and devising a strategy to make use of the resources that are available (or can be obtained) to set the business apart from the competition.

In the development of a business strategywith reference to available core internal resourcesfor competitive advantage,Ansoff(1998) argued that the strategist has to carefully evaluate established or emerging competitors in the market to identify their strengths, weaknesses and what opportunities this creates for a new company to potentially establish a foothold in the market by addressing those gaps. According to Prahalad and Hamel (1993), a detailed internal environment assessment of the company's own strengths, weaknesses, and assets should be performed to determine which ones have the potential of being developed into competitive advantage by taking into account important internal and external factors.

According to Grant (2001), sustaining advantage in the face of competition and evolving customer requirements also requires that firms constantly develop their resources base which occupies a central position in Porter's analysis of competitive advantage of nations. Porter (2008) analysis of the ability of firms and nations to establish and maintain international competitive success depends critically upon the ability to continually innovate and to shift the basis of competitive advantage from basic to advanced factors of production.

Shay and Rothaermel (1999) argued that the only constant variable in technology intensive industries is change; sustained competitive advantage can only be accomplished through continued innovation. This in turn requires the continuous introduction of new products or services.According to Rothaermel(2008), competitive intensity is determined by how hard existing firms fight among themselves to gain market share from each other, or to capture a significant amount of industry growth.

Linkage of Business Strategy, Internal Resources, National Culture and Competitive Advantage

The study supports the hypothesis that there is a relationship between business strategy, internal resources, national culture and competitive advantage which is the desired performance outcome for any business venture.

Johnson and Scholes (2005) combine business strategy and internal resources when they argued that strategy is the direction and scope of an organization over the long-term. Organizations achieve advantage over competitors through configuration of its resources within a challenging environment, by meeting the

market needs and fulfilling stakeholder expectations.

Blarney and Aiken (2001) in their argument also combined the two classical views for competitive advantage when they argued that there is a relationship of firm's performance and resources utilized and those internal resourcesgives operational efficiencies but left out the element of national culture which this study focuses to link as an important intervening variable.

According to Kaliprasad (2006), there are three alignment factors involved in creating and sustaining a high-performing culture; senior management alignment with the organization's stated vision, mission and goals; employee alignment with customer/system and process alignment with the organization's goals. While Werner (1984) argued that Porter's firm positioning theory based on the five forces of environmental analysis should be coupled with the Resource-Based View in order for the Business to develop a much more sound strategy.

Thispaper examines the contributions of Porter(2008) for achieving competitive advantage through firm positioning based on the external industry five forces analysis and Resource-based view by Prahaladand Hamel(1991) on operational efficiencies through maximum utilization of firm's core competencies for acquiring competitive advantageand links them to national culture.

Theoretical and Conceptual Foundation

This section critically reviews literature relevant to Business Strategy, Internal Resources and National Culturefor Competitive Advantage with special focus on gross cultural operations. **It** is notable that cultural values and traditions have continued to attract considerable interest as a field of research in informing business strategies to be employed by different multinational organizations. This is largely due to the consideration that racial, cultural or regional attitudes constitute a significant component of the broader field of consumer behavior, supplier goodwill and ultimate business performance for competitive advantage. It is therefore imperative for strategists to understand the importance of national culture and available internal resources in development and implementation of business strategies for competitive advantage.

The theoretical discussions of strategic management on firm competitiveness like the resource-based viewof business strategy according to Barley(1991); Corner (1991); and Werner (1984) for competitive advantage differs from the environmentally-focused strategic management paradigm like Porter (1980, 1985) in that, its emphasis is on the links between the internal resources of the business, its strategy and its performance. That is to say, the resource-based view of competitive advantage is business-focused while models of strategic analysis such as Porter's have an industry environmentfocus. However, theoretical discussions is lacking regarding which specific resources are capable of serving as sustainable competitive advantage and in what circumstances resources are likely to generate competitive advantage.

Porter Five Forces

The theory of the competitive advantage starts from the principle that the only important concept at the culture level is the culture productivity according to Fota(2004). In the elaboration of his theory, Porter(1990) starts from the premises that the nature of the competition and the sources of competitive advantage are very different among industries and even among the segments of the same industry, and a certain country can influence obtaining of competitive advantage within a sector of industry.

Secondly, he further argued that globalization of competition and the appearance of the trans-culture companies do not eliminate the influence of a certain country for getting the competitive advantage; a country can offer different competitive advantage for a company, depending if it is an original country or a host country; and lastly the competitive superiority has a dynamic character and innovative role leading force in this permanent change and determine the companies to invest in order not to be eliminated from the market as argued byMisu(1997).

Porter (1996) argues that business positioning can be through having a superior chain called variety-based positioning which arises from a consistent low-cost approach to managing distribution, customer service and marketing. Second basis for positioning is that of serving most or all the needs of a particular group of customers. Porter refer to it as need –based positioning, which targets a segment of customers and is usually when the customer has different needs on different occasions or for different type of transactions and finally, the third basis of positioning is that of segmenting customers based on accessibility, although their needs are similar to those of other customers, the best configuration of activities to reach them is different and called it access-positioning. Whatever the basis – variety , need, access or some combination of the three, positioning requires a tailored set of activities because it is always a function of difference on supply side; that is, of differences in activities. However, the positioning theorydid not look at the attitudes, perceptions and beliefs of the customers which this study will uncover by considering the national cultural variable for a competitive advantage.

A well-conceived strategy positions allows a firm to confront the competitive forces present in the environment. A corporate strategy must deal with industry forces e.g. potential competitors, buyers and suppliers behavior and product/service substitute as envisaged in Porter(2008) five forces analysis as a change in any of the forces normally requires a business unit to re-assess the marketplace given the overall change in the industry information. A corporate's strategy that allows it respond to, predict and dictate these environmental forces leads to high performance and competitive advantage.

In support of Porter's (2008) view of firm positioningfor sustainable competitive advantage,Lowitt and Grimsley(2009) argued that HP has been successful in building a global sustainability, efficiency and profitability in the Information Technology industry due to its strong values which have a deep respect for the environment, with an ingrained commitment to reducing its impact today

and building a sustainable global economy tomorrow.

The primary focus of a differentiation strategy is creating uniqueness such that the organizations goods and services are clearly distinguished from those of its competitors. In other words the focus of creativity and innovation have long been recognized as necessary for bringing required change to obtain competitive advantage as per Dean (1998). Carr and Johnson (1995) have defined creativity as the generation of ideas and alternatives, and innovation as the transformation of those ideas and alternatives into useful applications that lead to change and improvement. Ostrenga, Ozen, Mellhattan and Harwood (1992) noted that those companies that are effective at rapidly bringing innovative new products and services to the market have gained a huge competitive edge in today's business world. Navdeep (2010) defines innovation as the development of new values through solutions that meet new requirements, inarticulate needs, or old customer and market needs in value adding new ways. It is recognized as a major source of modern productivity growth.

According to Compell, Gould and Alexander (1995) the reason for diversification is to lower the overall risk by reducing dependence on one or only a few products or service area. Porter (2008)argued that diversification can occur either at the business unit level or at the firm level. At the business unit level, it is most likely to expand into a new segment of an industry that the business is already in. At the firm level, it is generally by investing in a promising business outside of the scope of the existing business unit.Diversification may take place within a firm's existing areas of specialization (related diversification) or may result in a business going into new areas (unrelated diversification)

The Resource-Based View

According to the resource-based theory, which has its roots in economics theories for example Penrose(1959) and early strategy theory of Selznick (1957); Ansoff(1965); Andrews(1971), the long term competitiveness of a company depends on its endowment of resources that differentiate it from its competitors, that are durable and, that are difficult to imitate and substitute as per Grant (1991);Peteraf(1993); Collis and Montegomery(1995); Mahoney andPrandian(1991); Prahalad and Hamel (1990, 1994); Stalk et al (1992);Amit and Shoemaker(1993). They criticizedPorters positioning theory arguing that with the current dynamic environment that businesses operate in, it's not enough to position your business as the only strategy for competitive advantage.

Resource-Based View Theory borrowed heavily from the works of Ansoff(1984)on macro-level environmental analysis which says business strategy needs to be frequently reviewed against prevailing external and internal environment in terms of Strength, Weakness, Opportunities andThreat(SWOT) analysis. SWOT analysis is an important tool for rapidly establishing the overall strategic position of a business and its environment by understanding your strength, weakness, opportunities and threats of the business as a first step indetermining your business strategy.

In the last two decade, literature on strategic management has paid

considerable attention to the resource-based theory for example Grant (1991); Collis and Montegomery(1995); Amit and Shoemaker (1993); Sanchez et al (1995); Peteraf(1993); on how to undertake strategic analysis and planning practices for achieving sustainable competitive advantage.In recognition of the importance of human capital as a resource, Michaels, Hadfield, Jones and Axelrod (2001) notes that it's going to take better management and better culture to retain the best people. According to Boudreau and Berger (1985); and Mckelveys' (1983) on utility analysis of employees value, a business's distinctive competence is made up of the skills of the members of the organization and the resource-based view provides a framework for viewing human resource as a pool of capital.

A number of authors divide internal resources into homogeneous classes, such as, financial resources, physical resources (plant, machines and equipment), human resources, technological resources, reputation and organizational resources (for example, control management system, organizational climate, internal relationships) for example Grant(1991); andAzzone et al (1996). While other classify resources as tangible, such as human, financial or physical resources and intangible, such as reputation, organization, know-how or patents for example Aosa,Bagire andAwino (2012); Hall(1992); Zahara and Das(1993);and Collis and Montegomery(1995). This paper takes the first proponents broader definition of resources.

Fiol1(1991) supports the middle point of the two views for competitive advantage when he argues that organizations can manage the cognitive processes in which a firm invests in resources for competitive advantage by focusing either on culture as underlying beliefs or on culture as behavioral manifestations.These studies have overlooked the critical links between beliefs and behaviors that are at the very core of managing cognitive processes for sustained competitive advantage.

Barone and DeCarlo (2003), agrees with both classical views for competitive advantage of Porter (2008) on firm positioning and the Resource Based view ofPrahalad andHamel (1994) when they argue that building sustainable competitive advantages revolves around differentiating a product from the competition along attributes that are important and relevant to customers. It will involve understanding the needs of the market (customers), and devising a strategy to make use of the resources that are available (or can be obtained) to set the business apart from the competition.

Grant (2001) argues that the primary task of a resource-based approach to strategy formulation is maximizing rents over time. For this purpose we need to investigate the relationship between resources and organizational capabilities. However, there are also direct links between resources and profitability which raise issues for the strategic management of resources in terms of what opportunities exist for economizing on the use of resources and the possibilities of using existing assets more intensely and in more profitable employment.

Aosa et al (2012) in support of the resource-based view argues that various configuration of strategy and resources will lead to different outcomes of performance. Both tangible and intangible resources in terms of networks, reputation, sustainability measures and good public

image should be emphasized in Non-Governmental Organizations operations in informing development of strategy.

Porter (1996) argues that operational effectiveness is necessary but not sufficient for acquiring competitive advantage. Operational effectiveness and strategy are both essential to superior performance, which, after all, is the primary goal of any enterprise but work in different ways. A company can outperform rivals only if it can establish a difference that it can preserve by performing activities at cost effective and profitable manner but failed to point how cultural differences could give varying results.

Mintzberg Emergent Strategy

Mintzberg(1987) argued that it's really hard to get strategy right as it’s not possible to formulate strategy in unpredictable environment. Mintzberg, Ahlstrand,and Lampell (2005), defined strategy from perspective of five angles they called 5 Ps of Strategyand constitute five different definitions of developing strategy.Each of the 5 Ps is a different approach to strategy and they arePlan, Ploy, Pattern,Positionand Perspective approaches.

Mintzberg (1987) argues that how you decide to position yourself in the marketplace by deployingstrategy to explore the fit between your organization and your environment helps you to develop a sustainable competitive advantage.Manketelow et al (2014) argues that after all, there's no point in developing a strategy that ignores competitors' reactions, or doesn't consider the culture and capabilities of your organization.

Mintzberg (2009)argues that business strategy emerges over time as intentions collide with and accommodate a changing reality. Emergent strategy is a set of actionsor behaviors that are consistent over time and create a realized pattern that was not expressly intendedin the original planning of strategy.

Game Theory

Game theory is a mathematical approach to investigating people's behaviour when the success of their choices depends on the choices of others involved in the same situation, the 'game'. It compares the outcomes of different choices, both for individuals and the group as a whole.

Newmann(2010), created a whole new branch of mathematics in the process of failing to solve it. The work of his successors, while often ingenious and mathematically sophisticated, has not brought as much closer to being able to say what people will or should do in such situations. Newmann objective in developing game theory was to understand all behaviours that had the structure of a game.

The performance outcome of a given firm depends not just on what strategy it chooses, but also on what strategies its competitors choose. Game theory is an attempt to formalize such competitive situations.Achstatter(1996) argues that when the competition views your actions as beneficial or at least nonthreatening, it's less likely to retaliate. Conversely, seeing your competitors' actions in the same light can avert a costly price war. Visualizing

and anticipating your competitor's moves are the venue of a branch of mathematics called game theory which is a study of competitive interaction. Companies use it to anticipate their competitors' reactions in order to improve their own decisions.

In a technologically advanced economy, if one firm adopts a new advance technology, it gains an advantage over its competitors. If all firms adopt the new technology, then the advantage vanishes. This is represented in the next table, which measure the size of the competitive advantage.

			Firm 2	
			Adopt	Stay Put
Firm 1	Adopt		(0,0)	(a, -a)
	Stay Put		(-a, a)	(0, 0)

Figure 1: Adopt or Stay Put Strategy

Each firm has two strategies, either Stay Put, or Adopt the new technology. Firm 1 has an incentive to adopt the new technology; in the event firm 2 stays put, then firm 1 gets the competitive advantage (a), and in the event Firm 2 adopts the new technology, then Firm 1 erases its competitive advantage (-a). So, whatever Firm 2's decision is, Firm 1 is better of adopting the new technology. This is Firm 1's dominant strategy. Of course, the situation for Firm 2 is identical. So the equilibrium of competitive advantage is for both firms to adopt any technology. As a result, both firms get a payoff of 0.

The two-person games we have encountered had unique pure strategy equilibria. However, a two-person zero-sum game may have multiple equilibria. For example, consider the game:

			Firm 2		
			A	B	C
Firm 1	A		(0,0)	(1,-1)	(a, -a)
	B		(-1, 1)	(0,0)	(-1, 1)
	C		(0,0)	(1,-1)	(0,0)

Figure 2: Four Pure Strategy Equillibria

Each player can play indifferently strategy A or C and so there are four pure strategy equillibria, corresponding to the four corners of the above table. Note that these equilibria all have the same payoff. Every equilibrium of a 2-person zero sum game had payoffs (a, -a) where $a \neq b$. If these two solutions lied on the same row or column, we would get an immediate contradiction to the definition of equilibrium.

Newmann (2010) argues that when a player has no dominant strategy, he/she should consider playing a mixed strategy where each of the various pure strategies with some probability, say p1 for strategy 1, p2 for Strategy 2 and so on with p1+p2+…… = 1. In finding what would be the best mixed strategy for Firm A and B is denoted by p1 the probability that Firm A enters the market niche. Therefore p2 = 1—p1 is the probability q2 = 1-q1.

The key insight to mixed strategy equilibrium is that every pure strategy that is played as part of mixed strategy equilibrium has the same expected value, which correlates to the argument of Aosa et al. (2012) that various configuration of strategy and resources in terms of tangible and intangible resources will lead to different outcomes of performance.

Having game theory in your corporate "bag of tricks" can mean the difference between success and failure, it's argued that there will be more cooperation between buyer and seller than you've ever seen before, and as a result, more and more people are going to use game theory. Nalebuff (2012) says Game theory will continue to grow because of the importance of added value it plays in business today, and that firms will haveto give up old habits such as thinking that business is war and that they must beat the competition.

Hofstede's Cultural framework

Hofstede(2010); Harris(1996); Minkove (2010) developed a framework for cross-cultural communication, which describes the effects of a society's culture on the values of its members, and how these values relate to behavior, using a structure derived from factor analysis.

Hofstede (2010) argues that the country culture scores on The Hofstede Dimensions correlate with other data regarding the countries concerned. Power distance, for example, is correlated with income inequality, and individualism which is correlated with national wealth. In addition, masculinity is related negatively with the percentage of national income spent on social security. Furthermore, uncertainty avoidance is associated with the legal obligation in developed countries for citizens to carry identity cards, and pragmatism is connected to school mathematics results in international comparisons.
Minkove(2010) acknowledges that the six dimensions of national cultures are not relevant for comparing organizations within the same country. In managing international organizations it involves understanding both national and organizational cultures.

Communities with practices across borders are significant for multinationals in holding the company together.National cultures are based on system of beliefs, norms, manner of

dressing and eating habits. It also includes language, religion, tradition and attitudes. This paper will adopt Hofstede Dimensions Test in measuring the effect of national culture with available internal resources on business strategy for competitive advantage.

Conceptual Model

Conceptual model, according to educational researcherslike Smyth (2004), is structured from a set of broad ideas and theories that help a researcher to properly identify the problem he/she is looking at frame their questions and find suitable literature. The conceptual model below has been developed using the arguments of Porter (2008) of firm position view and Prahalad and Hamel (1991) of Resource-based view and how they are both affected by culture.

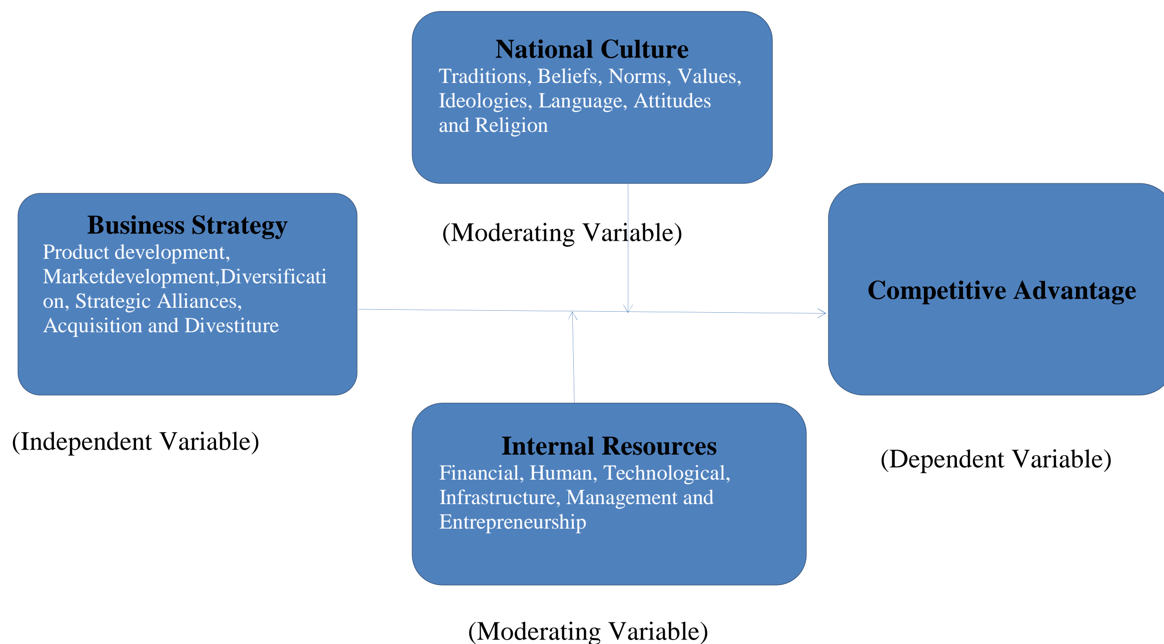

Figure 3: Conceptual Model

The preposition of this paper is that (Business Strategy) which is the independent variable have a relationship with the dependent variable (Competitive Advantage).While (National Culture) and (Internal Resources) are moderating variables that influence theindependent variable and havean effect on dependent variables.8. Conclusion

Strategy enables management to explain, predict and control activities in a way which single objective like profit maximization cannot achieve. In trying to understand the role of strategy through utilization of available resources for competitive advantage the researchers must pay attention to national culture, where the cultural aspects and differences that an organization operates in,acts as an intervening variable to the business strategy development.

In support of many other researchers of strategic management, I agree with Porters argument of firm positioning strategy based on the external environment before efficiently utilizing its available resources for competitive advantage though without looking at how these business strategies could be influenced by the existing

national culture, the firm may not achieve the desired objective or goal.

It is a fact that businesses thrive in the market by utilizing available internal resources by developing and implementing strategies that give them a competitive edge over and above their competitors, however without incorporation of the intervening variable which is the national culture in the framework, the strategist may find no correlation of the strategy to the success or competitive advantage of the business.

In short, irrespective of the classical theoretical view for competitive advantage a researcher may take, be it of Porter's firm positioning through five forces analysis or Prahalad and Hamel of operational efficiency through proper utilization of the firm's internal resources for competitive advantage, still the influence of national culture cannot be ignored.

Implication of the Study

The study variables of strategy, resources, culture and competitive advantage will have a far reaching effect on policy, statements of various organizations and practices in different contexts. Indeed this study opens an avenue for different gaps identified to be filled by undertaking an empirical study and using culture as an intervening variable. This arrangement will add value to future studies.

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