A RICH VISION OF FIRM SUSTAINABLE COMPETITIVE ADVANTAGE: A SYSTEMATIC REVIEW

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ABSTRACT

Sustainable competitive advantage (SCA) is a fundamental construct in strategic management. Relying on a systematic review of empirical studies, this article shows that SCA as a dependent variable is built upon three fundamental dyadic properties: 1) absolute vs. relative, 2) punctual vs. persistent, and 3) unistakeholder vs. multistakeholder. From these properties arise eight possible forms of advantage, of which only four were documented by our review. Above all, no academic attention has been given to the richest possible form of SCA (relative, persistent, and multistakeholder). Firm SCA should more often be conceptualized as the simultaneous persistence of superior performance for all firm stakeholders. Moreover, our review supports the structural role of the three pillars supporting SCA development in a firm: 1) the industry-, 2) resource-, and 3) institution-based views. Overall, this study reveals that differentiation strategies, intangibles assets, dynamic capabilities, governance, and networks are among the most direct and important levers to trigger a firm's SCA. Finally, this paper outlines the research and practical recommendations that may facilitate further initiatives in studying and fostering SCA development in firms.

Keywords: *sustainability, competitive advantage, review*

1. INTRODUCTION

Strategic management as a discipline is organized around four fundamental questions (Rumelt et al., 1994; Peng et al., 2009):

1) what differentiates firms?;

2) how do they behave?;

3) what determines their scope?; and

4) what determines their success or failure around the world? In the end, strategic management aims to help firms and industries understand their competitive advantage and reproduce their success in a sustainable fashion. Indeed, the number of papers on firm SCA has evolved steadily during the last decade.

Nonetheless, SCA literature encompasses the use of many theoretical perspectives. Even if the RBV is seen as a fundamental pillar supporting SCA conversation in strategic management (Newbert, 2007; Armstrong et al., 2009; Lockett et al., 2009; Lubis, 2022), it is not sufficient. Considering the challenges facing the SCA field of study, "not having a small set of central, directed conversations, but a large set of numerous, somewhat fractured, conversations" ((Armstrong et al., 2009), p.14), it seems that there is still a need for more integrative SCA research (Hafsi and Thomas, 2005; Enders et al., 2009; Saleem et al., 2023). Moreover, SCA as an outcome, is by definition a construct of firm performance that is relative to competitors, time-related, and multifaceted.

This paper aims to go beyond the highly dispersed work on SCA, by providing a multidisciplinary review of empirical articles on the subject. In contrast to Newbert (Newbert, 2007) and in line with (Saleem et al., 2023), our review will not limit its scope to RBV studies. Besides, the resource-, industry-, and institution-based views have also contributed to the study of the determinants of firm performance (Peng et al., 2009; Vo Thai et al., 2023). Our main purpose is to integrate the conceptualizations and findings of these