



Figure 3.6 The comparison of structural and resource approach.

Source: Adapted from Tipurić (2014:177).

determining whether they are suitable for the conditions needed to achieve sustainable advantage (Sikavica et al., 2008).

In literature, the resource approach is defined both broadly and narrowly, depending on its focus realm:

- Narrowly (Rasche, 2007), it focuses on resources for reinforcing the competencies of a company,
- Broadly (De Wit and Mayer, 2005), it focuses on the fit between the variable parts within the corporation to achieve internal consonance.

Capabilities, in the terms of a resource approach, are defined as transformational capacities without an active role in the routine course of social interaction. They are created independent of the need for their application in a material or non-material form. It is implied that the resources need to be unique in their task of providing competitive advantage.

Porter's critic of the resource approach

Michael Porter, being a huge advocate of the structural approach, was notably critical in his works towards the advocates of the resource approach. The affirmation of the resource approach had led to a series of empirical research which have confirmed the founding assumptions of the approach relying on the research conducted by Richard Rumelt. The results reached through empirical research conducted by Richard Rumelt have placed a great