

Transient Advantage Focused on the OK Savings Bank Rush & Cash Team in Pro-Volleyball League

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Abstract—In the professional volleyball league 2014 – 2015, a thing that no one had not expected happened. The OK Savings Bank pro volleyball team, founded two years ago, stopped the strongest man volleyball team ‘Samsung Fire & Marine Insurance’ from 8 consecutive years of win, and won the champion title in the season. In the men's professional volleyball league consisting of 7 members in total. only 2 teams won the championship for 10 years since the foundation of that league. Other teams were not allowed to win the championship with ease. In particular, the Samsung Fire & Marine Insurance team was the best pro volley team in Korea as the Samsung Fire & Marine Insurance team did not allow any other teams to win the championship for 7 seasons. In this season, it was also the most likely strongest winning candidate and advanced to the championship with a superior team strength than other teams, which was proved as it took the 1st place in the regular season. However, the OK Saving Bank team advanced to the championship games and won the championship, which was all unexpected by experts. This study attempted to evaluate the process and outcomes of the transient competitive advantage in the OK Saving Bank team that won the championship in the men's professional volleyball league in two years since foundation. The results suggest that the focus on the transient competitive advantage is an effective way to overcome the sustainable competitive advantage and that it is important to maintain the continuous repetition of the transient competitive advantage.

Keywords—Exploitation; Raunch and Ramp Up; Reconfigure and Disengagement; Transient Advantage.

Abbreviations—OK Savings Bank Team (OK Team).

I. INTRODUCTION

TODAY, sports teams are faced with a wide variety of environments. The sports teams became able to raise their competitiveness at once by scouting verified players through the free agent system or employing the mercenary players playing in the world's best league. Companies (teams) utilize the traditional rules and general strategic theories in responding to that; however, which is no longer effective. As such, recent changes in the business environment can be summarized into a rapid increase in uncertainty and thus the strategic response to this has become very important. The influential power for players to choose the team they want due to the free agent system is getting stronger. After all, the strength of competing teams is becoming unpredictable. In addition, the pressure applied to the field of professional sports is already considerable in terms of the scientific management of players and the importance of mercenary players.

Each professional sport team is always aimed to manage and operate its team efficiently. In the sports world where the competitive advantage of each team disappears less than in a year, teams started pursuing the repetition of the transient competitive advantage and do not have afford a few months of time to create a single long-term strategy(McGrath, 2013). They plan and execute several transient competitive advantages in order to defend the lead or advance to the top, continuing to create a new strategic program constantly.

Thus, this case study attempted to analyze how the OK team could win the championship in 2 years since foundation by utilizing the wave of transient advantage, which explains the process consisting of 5 phases: launch, ramp up, exploitation, reconfigure, and disengagement. Through this, this study aimed to present the transient competitive strategy that domestic sports teams should pursue and the implications thereof to expand ideas for future research. Then, this study tried to conduct the case study through the exploratory study

and the single case analyzing the individual case independently.

II. GROWTH PROCESS

OK Savings Bank has its parent company, APRO Service Group. APRO Service Group was established as a consumer finance company in Korea where only institutional finance services, such as banks and savings banks, and loan-sharking were present at the time of the IMF crisis in 1999. APRO Service Group now holds 12 domestic affiliates. The group was focused on a money lending business through its affiliate Rush & Cash. Thus, the social perception of Rush & Cash was not good due to the nature of the money lending business. Because of that, It was not easy for the group to take over the savings bank. Given the fact that the OK Savings Bank was taken over at the end of submitting the bid 9 times to acquire the OK Savings Bank, we can see the endurance of Chairman Choi Yun of the Afro-Service Group.

After taking over the Okay Savings bank, the group participated in the league under the name of the seventh team 'Ok Savings Bank (hereinafter the 'OK Savings Bank' team). Considering the nature of a new team, the strength imbalance with that of the existing teams was expected to some degree.

The result of the strength imbalance just began to emerge. In the first round match, the team lost all the games without any win. All the students continued to play depressed in spirit. Then, coaching staffs thought that they would have to take drastic measures. The organization may continue sustainable growth through a suitable change in the environmental change. It is important for the organization to constitute the organizational internal elements to select the appropriate strategy and executes it for growth(Pettigrew, Woodman & Cameron, 2001). The drastic measure that the OK Savings Bank had select was to allow all the organization members to participate in a Bungee jumping event. In that situation, the existing teams generally have their members cut short or control their mind themselves. In his study, Kim In-soo (2001) reported that the necessity of changes in the organization is initiated by the pressure of the internal and external organizations, which serves as an external environmental factor that destroys the harmony and balance between the components that constitutes the organizational activities with rapid changes in product technology, saturation of the market, intensification of competition between companies, an increase in diversity and uncertainty of customer needs. He pointed out that the lack of compliance would continue to lower the performance of the organization that needs to be reorganized then.

In the 2014~2015 season, the OK team that had operated in a different way from the existing sports teams became a totally different team from before. In order to focus on the transient competitive advantage, the OK team made the approach in a different perspective that the existing teams had not, and won the championship, performing a wonder. The purpose of this study was to select the OK team as an analysis

case and thereby to review what the transient competitive advantage featured.

III. THEORETICAL BACKGROUND

3.1. Features of the Domestic

Features of the domestic volleyball league: The domestic pro volleyball is one of the four professional sports including the pro volleyball baseball, pro football, and pro basketball. The domestic volleyball league turned to a pro season. The domestic pro volleyball league has operated consisting of 7 men's teams and 6 women's teams till this season.

The pro volleyball became professional the latest, compared to other domestic professional sports, and showed a steep path since the initial launch. Thus, it was once compared as a kid born in the hardship period. The pro volleyball that had started in a difficult situation of owning about 2.6 billion won as operating fund, compared to the professional basketball that started with 15 billion won of fund, showed a regional difference, such as the record that the Hyundai Capital team broke through 100,000 spectators of the home crowd in January, 2007 (Sam-Lim Young, 2008); however, the number of the spectators watching pro volleyball games is increasing.

In the men's volleyball league, the biggest feature until last season is that there are only two teams that have experienced a winner in the championship. Beginning with winning the championship in 2005, the first year of the pro volleyball league, the Samsung Fire & Marine Insurance team was matchless as it recorded a streak of 7 consecutive winning seasons from the 2007-2008 season to the 2013-2014 season since the Hyundai Capital team won the 2005-2006 season and the 2006-2007 season.

Thus, each team was thinking out a strategy to defeat the Samsung Fire & Marine Insurance team, an absolute leader. Especially, each team was cautious to choose mercenary players, a key to the team. Traditionally, the teams that had selected the most outstanding mercenary was ranked at the top of the league. Among them, the Samsung Fire & Marine Insurance team could leave a historical record, a streak of 7 consecutive winning seasons, by having its top mercenary players Anjelko - Gavin - Leo harmonize with team culture.

That a team is placed as the top means that the team strength is high as much as that. However, from the overall perspective of the men's professional volleyball, it is not ignorable that fun reduces half accordingly. The pro volleyball in the competitive relationship with other professional sports needed to show new features in order to have a competitiveness advantage in competition with other events going ahead as a latecomer (WooSung, Kim & YongKwan Moon, 2006).

In an continued effort to enhance the team strength and to activate the volleyball team culture in each team, from the 2013 to 2014 season, the men's volley ball league has operated in the current system of the 7 teams as the OK team was founded: the remaining teams, except the Samsung Fire

& Marine Insurance team, had a common goal of overthrowing the Samsung Fire & Marine Insurance team.

3.2. *New Competitive Advantage Focused on the Transient Competitive Advantage*

The discussion related to the competitive advantage met a turning point by Poter. He defined the competitive advantage as ‘the purpose and dependent variable of the strategy’ in terms of a dependent variable (Poter, 1985).

In order for a company to have a competitive advantage over other competitors, there are two significant ways. The first method is to sell the same products at much lower manufacturing costs and selling prices and the second one is to allow consumers to receive the price premium over the costs required for differentiation. In general, the former is called a cost advantage or the later a differentiation advantage.

The purpose of the company in pursuit of the cost advantage is to be a cost leader in the entire industry. To have the cost advantage, the company must find the elements to create the cost advantage and use it. In other words, the company sell products at cheap prices by improving productivity through sustainable cost savings and efficient production and through economies of scale, as well as by introducing less expenditures than competitors.

The differentiation advantage is to provide a differentiated value to consumers. It means allowing consumers to receive the price premium over the costs required for differentiation by providing consumers with more differentiated products than competitors through differentiated products from competitors, ie, corporate images, services, and patents.

The sustainable competitive advantage strategy through the cost advantage and the differentiation advantage, which were suggested by Poter, presented the corporate, essential direction that all companies wish to pursue. In fact, global groups, like GE, IKEA, Unilever, Julius Berger, and Swiss ReIt, have taken the current position by building a strong position and achieving a sustainable competitive advantage.

McGrath (2013) argued that the powerful sustainable competitive advantage strategy considered as a factor for the growth and success of the company does not mean a bad one. He then focused on the point that there is no more strategy to maintain the sustainable competitive advantage today.

IV. CASE ANALYSIS AND PROPOSITION SET

4.1. *Framework*

This study tried to conduct a case study to review how the OK team, which won the championship in the men's professional volleyball league in two years since foundation, ensured the transient competitive advantage in a uncertainty highly, competitive environment. Since the company's success is achieved through the organic interaction of a number of factors in a single factor, this study tried to make an analysis through a research model for the wave of transient

advantage, presented by McGrath (2013). Figure 1 shows an analytic model frame for the wave of transient advantage, which consists in the generating sequence of launch → ramp up → exploitation → reconfigure → promotion, where the five phases are displayed repeatedly.

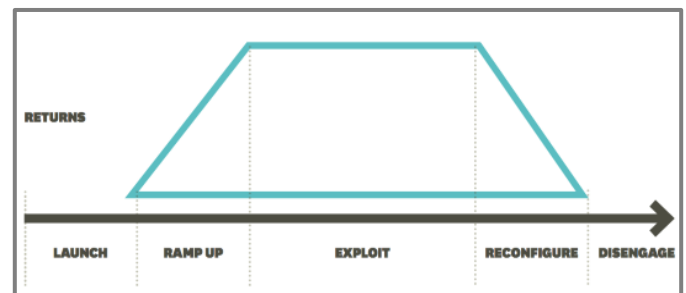


Figure 1: The Wave of Transient Advantage, HBR

4.2. *Development Stage*

This study analyzed the transient short-term competitive advantage of the OK team through the previously suggested analytic frame, the wave of transient advantage. Then, this analysis derived a proposition through step-by-step features and the main features.

4.2.1. *Launch and Ramp Up*

In the early stage when the pro volleyball league was launched, the level difference between teams was so evident that even the fact that they were competitors was put to shame. The fresh organizational culture available as a new team founded not long ago and the new players management and discipline by coaches created an opportunity that the existing teams did not find and an idea that can promote a unity among players. In addition, the culture and the system by coaches were able to elicit the best results as required players were put in place in a situation when an organization required their sacrifice at best within their abilities. This drew the best results.

In their study, Ginsberg & Buchholtz (1990) reported that the structural inertia of the organization changes depending on the size and age of that organization, which influences the changes in the team strategy. The very size and young age of the OK team can be a significant factor of changes in terms of a team strategy.

In addition, the proportion of mercenary players in the professional volleyball league is absolute, which is considered as more than half of the game. In both men's and women's volleyball teams, the difference between mercenary players' skills often leads to the upcoming performance of the team. That's why many teams hope to sign a contract with the world's top-level mercenary players. But even if their technique is superior, their human nature is often insufficient. Thus, all the teams want to take a mercenary player both with good skills and human nature. There is an interesting story regarding this. The OK team director Kim Se -jjn and the team head coach Seok Jin-uk made a contract with Simon (mercenary player of the OK team) after watching that he gave a help when they were faced with a difficult situation

due to a hotel accommodation problem after the hotel meeting with him Simon.

In the professional volleyball league, historically, a situation repeatedly occurs that not a few new teams are founded and disappear. There was no precedent case that a new team advanced to play-off soon after founded. Furthermore, the new team has not won the championship after advancing to it. The OK team just collapsed such a precedent case and made history. It is because that the team broke the existing practice by making a difference from the existing teams from the launch and implementation phases. Thus, this study presented the following proposition.

[Proposition 1] The launch and ramp up phases in a new team in the pro volleyball league will promote a transient competitive advantage.

4.2.2. Exploitation

The exploit phase results in the performance of the company. Thus, the phase occupies the most important position in the transient competitive advantage. Therefore, all the companies (teams) shall focus on this exploit phase. However, if the results are not good no matter how hard the teams focus on the exploit phase, they shall look at the launch and ramp up phases as the previous ones. If this part does not operate properly, it may make the re-configure phase more difficult. In the professional volleyball league, the strength analysis technology and basic training methods of each team have been generalized and universalized so this portion does not greatly differ. The important thing is how much they know about that point and conduct the performance in the exploit phase. The exploit phase is an important point when this outcome is determined, which is connected to the results. In other words, it is the phase to create several transient competitive strategies at the same time for all the teams to advance to the top. The important thing in the game is whether they find the key points or not, such as the strength of the competition team and the conditions of the players that day.

With regards to this, the OK team coach Se-jin Kim said [11]: “When analysing the strength of the opponent team, we were likely to fall into defeatism. At that time I rather allowed each player to repeatedly watch a video about his play and asked him to focus on our team play not thinking of the opponent team. They lost a point as they deferred the ball between the player and the player. However, the atmosphere has changed into voluntarily pushing up the ball. The direction that I gave players was to focus on the game stopping their worry”. Thus, this study presented the following proposition.

[Proposition 2] The importance of the cognition and practice of the exploit phase in the pro volleyball league will facilitate a transient competitive advantage.

The pro volleyball league is a league system where every season starts newly and ends and all teams start the season equally on the starting line. Even though the team won the champion last year, there is no guarantee that the team strength still remains. In addition, even the lowest team in the

last season cannot be guaranteed not to fall worse in the team strength.

Each team has to worry about going to the launch phase or the ramp up phase by re-configuring the team strength of last season or completely newly embodying the team strength through the disengage phase. That is, each team should undergo a faster iteration. What each team should be careful in this point is not to apply the same approach as previously used in the existing way (McGrath, 2013). The approaches already successful are exposed to the ever-changing strategies of the competing teams so a new approach is necessary. For that reason, the necessary thing in the launch phase is to find a person who could identify new ideas.

The OK team ended as the lowest in the 2013 to 2014 season, the first season since foundation. It demonstrated an ambitious spirit and was a sensational team. However, it could not hide a significant level of difference with other teams. The Okay Savings Bank team, which had lost all the games in the 1st round and won a streak of winning two games and losing 9 games again, achieved the reconfigure and disengage phases in the strange pro world quickly and accurately, compared to other teams.

The team made a decision on the problem of mercenary players, the key to the team strength, and invested a lot of time in sharpening the mentality of the young players growing in the main shaft of the team. Director Kim Se-jin and coaching staffs said that they decided not to use the word ‘I used to ~’ It is because the advice that I did not do it when I was active rather withered players. Thus, this study presented the following proposition.

[Proposition 3] The rapid decision of the re-configure and disengage phases in the pro volleyball league will facilitate the transient competitive advantage.

V. CONCLUSION

This study looked out the features for each step with the analytic framework of the wave of transient advantage in securing the transient competitive advantage, and derived the propositions through these features.

The wave of transient advantage using the analytic frame consists of a total of five phases: launch → ramp up → exploit → reconfigure → disengage. It thus brings the transient competitive advantage, not the sustainable competitive advantage, through the phases the five phases.

The competitive environment of the transient competitive advantage is a new paradigm against the sustainable competitive advantage strategy that companies have generally sought for. This new paradigm is focused on maintaining a competitive advantage by repeating the transient strategy for a fast-paced environment. This has the limitations in that Poter’s(1985) competitive strategy and Wernerfelt’s(1984) strategy from the resource-based view do not respond appropriately to the current changes. Thus, the transient competitive advantage can be a solution to respond to the environmental changes more promptly and flexibly.

Sports is a game consisting of a person's physical activities. Therefore, the psychological aspects of the person is also important. The psychological problem that young players may have can be overcome as the supervisor and the coaching staffs identify and solve it. Penrose(1959) pointed out the difficulty in ensuring human resources as the maximum barrier in the growth of the company (team). He argued that since human resources recruited from the outside have a difficulty in being worth their salt in a short term, the company growth depends on how much resources the company (team) has ensured.

The theoretical and practical implications of this case study are as follows:

First, this study attempted to raise new issues and to expand the area of a case study by identifying the direction that the sports team should be headed for. Second, this study increased the understanding by newly presenting the wave of transient advantage as an analytic frame for the transient competitive advantage of the company (team) and led the flow of the preferred company (team) by providing a detailed comment on what should be done as the most important thing in terms of the strategy that Porter(1996) mentioned and what should not be done as the more important thing than that. Third, this study stated that the sustainable competitive advantage is impossible. Especially, this study mentioned the importance of the transient competitive advantage in terms of the teams in which strategies and tactics are varied every season and provided them with the concrete alternative to the competitive advantage in the future.

However, this study also has the following limitations: First, if the OK team was not good in the results, the advantages mentioned above would have been as a disadvantage. Second, in the sports where the team play is very important, the proportion of foreign players was

extremely high so domestic players were not satisfactorily active. Third, this study was conducted only from the external perspective, so the research from the internal perspective was insufficient in identifying the changes that the head coach, coaches, and players actually feel.

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