

SUSTAINABLE DEVELOPMENT OF THE ORGANIZATION BASED ON LIFE CYCLE OF THE OPPORTUNITY

Introduction

The market in which the organization operates determines the behavior of the organization. In case of a dispersed number of customers, losing one of the customers is not a substantial problem. However, the loss of one strategic client can have a negative impact on the organization's operations, decrease of the revenue, reduce employment, and even lead to bankruptcy. That is why, it is important to meet the requirements and to build sustainable cooperation with strategic clients.

Adapting the functioning of the organization to the changing market requires meeting the expectations of clients and interested parties. Therefore, in order to maintain and expand their sphere of influence, enterprises should strive to develop the organization in a sustainable and long-term way. Such a situation can be achieved by building positive relationships with suppliers who are able to provide products and services required by strategic customers. Long-term cooperation between customer and supplier based on orders creates a life cycle of opportunities.

The main aim of the paper was to present game changer based on sustainable development of the organization through the life cycle of the opportunity. Because of the wide scope of the subject, the research was done on chosen organizations from advisory and automotive sector. To better understand the problem, the research questions were established:

1. Is it possible to create to cooperation between client and supplier based on life cycle of the opportunity using QMS?

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2. Is it possible to use supplier competence to fulfill requirement of strategic client?
3. Is there possibility to create win – win strategy based on sustainable development of the organizations?

1. Life cycle of the opportunity

The phenomenon of opportunity is of interest to a different scientific disciplines, ranging from microeconomics and strategic management to cognitive science and resource theory [Hunter, 2013]. It is believed that opportunities are discovered as well as created by enterprises [Hang, Garnsey, Ruan, 2003]. Opportunities exist regardless of the actions and perceptions of the organization [Alvarez, Barney, 2021]. The occurrence of an opportunity may be the result of deliberate actions by the organization or may be related to an element of surprise [Shane, 2000]. Opportunities can be disclosed without deliberate searches because organizations have the necessary readiness and resources to seize them [Kirzner, 1997]. Enterprises can create situations by acting, combining various resources, and making changes without much involvement in the process of looking for opportunities [Peiris, Akoorie, Sinha, 2013]. Krupski [2008] notes that opportunities appear, last for a while, and then disappear.

Because of the duration, opportunities are limited and create a certain life cycle. It is possible to distinguish between opportunities with a long and short life cycle. Long-life cycle opportunities are noticeable to many market participants, allowing enterprises time to pool and prepare resources to seize the opportunity. Opportunities which a short life cycle are noticed by just a few organizations, and their use depends on the ability to configure the necessary resources in a short time period [Królas, 2020].

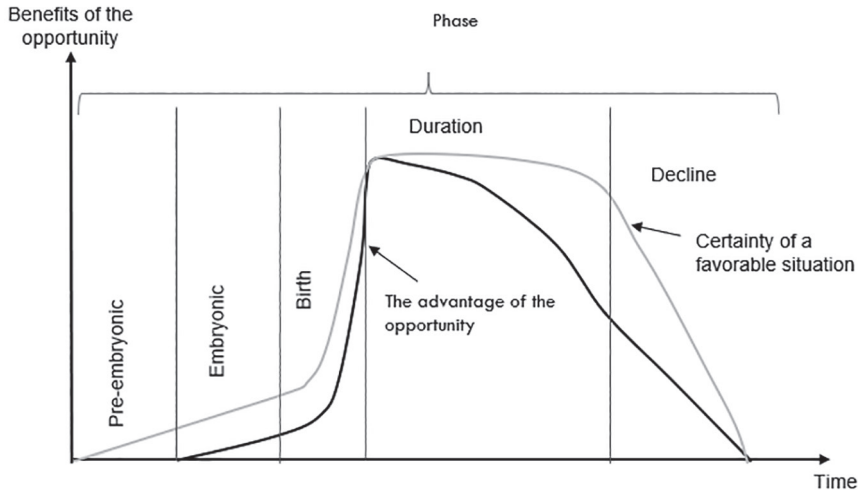
The life cycle of the opportunity is related to the particular sector and environment of the organization. The life cycle of an opportunity based on certainty of the favorable situation and its duration [Trzcieliński, 2011], as illustrated in Figure 1.

Life cycle of the opportunity consist from particulate phases [Trzcieliński, 2011]:

- **pre-embryonic** – in this phase future situation arise, often with a very long-time horizon, which could be beneficial for the enterprise,
- **embryonic** – this phase concerns the occurrence of the events that could be the basis for the emergence of other situations considered as an interesting for the organization,
- **birth** – occurring events cause the emergence of a favorable situation. The situation may be complete, understood as an opportunity, or incomplete, in which case it is a chance for the enterprise,
- **lasting** – the duration of an opportunity may be related to many factors beyond the enterprise's control. The number of market players interested in taking advantage from the opportunity depends on the time needed to configurate resource.

- **decline** – this phase may occur in the case of a lack of available resources, or a change in the factor determining the opportunity.

Figure 1. Life cycle opportunity



Source: Trzcieliński [2011: 60].

In both Polish and foreign literature, there is extensive discussion on the idea and significance of the opportunity or agile enterprise. However, there is a noticeable research gap regarding long-term cooperation between supplier and client within the context of a game changer perspective based on life cycle of the opportunity.

2. Results of the research

The research was done in two organizations¹. Alpha, which is a supplier to Beta, both dealing with the Quality Management Systems.

Alpha is an advisor company with 40 years of experience in the Polish market. The main scope of activity of the company is: implementation, training, auditing and management reviewing of Quality Management Systems (QMS) such as: ISO 9001, ISO 14001, ISO 45001, ISO 27001, and others. Alpha has implemented around 350 QMS systems in small, medium and large organization, including private, public and administrator sector. Training course related to Quality Management Systems

¹ The author of the publication was not authorized to publish the actual names of the organizations presented in the case study. For the purposes of this article, the organization were named using the Greek alphabet: Alpha for the supplier and Beta for the client. Additionally, the paper refers to Gamma, which is a strategic client for the Beta organization.

have been delivered to more than 40 000 people, mainly from the business sector. Alpha has developed, implemented, and certified a quality management system as a small company, employing about 20 people.

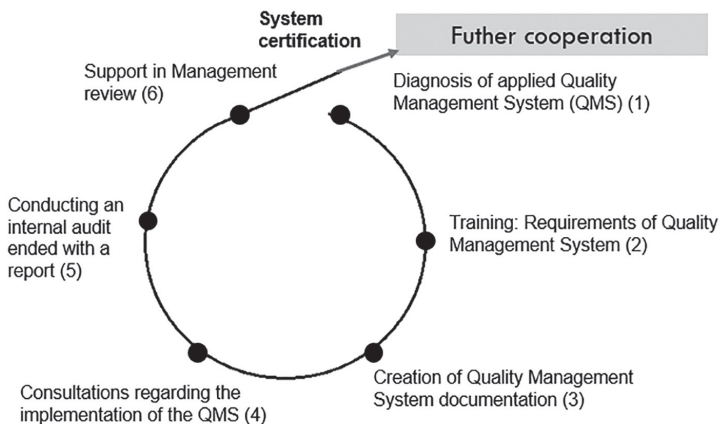
Beta is a small company with 35 employees. The scope of the organization's activities includes operating a district vehicle inspection station, transport and forwarding services, servicing of passenger cars and trucks, and the service and legalization of tachographs. The research was focused on the transport and forwarding activity of the company. This area of operation provides transport services for passenger cars, vans, and trucks, as well as forwarding and logistics services. The company holds licenses for domestic and foreign transport and a certificate of professional competence. All car transporters are equipped with a GPS monitoring system, which enables constant control over the transported cars. Beta company has a modern fleet of vehicles, including brands such as Scania, Mercedes, Man, Volvo, and Renault.

Both organizations, Alpha and Beta, are located in Wielkopolska Region.

The research methodology was based on direct interviewees with managers and staff, audits of company documentations, consultations regarding the developed documentation related to the required management standards, and reports from certification body.

The research took place between 2012 and 2022. During this time, advisory company introduced Quality Management System ISO 9001, Environmental Management Systems based on ISO 14001, and chosen element of corporate social responsibility (CSR) to meet the needs of Beta's strategic client. Additionally, over the years, various elements related to the service of QMS were implemented. The first introduction of QMS took place in 2012, as shown in Figure 2.

Figure 2. Cycle of development and implementation of Quality Management Systems



Source: own study based on documentations of Alpha company.

Based on the documentations the introduction of Quality Management Systems consists of particular steps:

- **Diagnosis of applied Quality Management System (QMS) (1)** – the first step based on analysis of the present state (in 2012). Using a checklist made according to the ISO 9001 standard, the Alpha company familiarized itself with the scope of Beta the enterprise's activity, including strategy, organizational structure, processes, procedures, and instructions. The interview was conducted at the headquarters of the Beta organization with a representative of management board and selected specialists. Based on the interview a report was created showing the degree of fulfillment of the requirements regarding the ISO 9001 standards.
- **Training: Requirements of Quality Management System (2)** – during this phase, the representative of the advisory company conducted a training course in which the requirements of the ISO 9001 standards were presented. The training courses were held at the headquarters of the Beta organization, with representatives from Beta participating.
- **Creation of Quality Management System documentation (3)** – in this phase, the needed documents were prepared, including the Quality Manual, Procedures, and Instructions. The documentation was created by the Alpha company and sent by e-mail to the Beta organization for verification.
- **Consultations regarding the implementation of the QMS (4)** – based on the submitted documents, the required records from individual processes were defined and consulted. This step was carried at the headquarters of Beta organizations.
- **Conducting an internal audit ended with a report (5)** – during the audit, the degree of compliance with ISO 9001 requirements was determined based on check-list. The report included strengths, potentials, and non-conformities, for which non-conformity cards were issued and corrective actions were taken.
- **Support in management review (6)** – the management review covered areas characteristic of the ISO 9001 standard. It concluded with the creation of a protocol from the management review.
- **Audit of the certification body** – the audit of the certification body was successful.

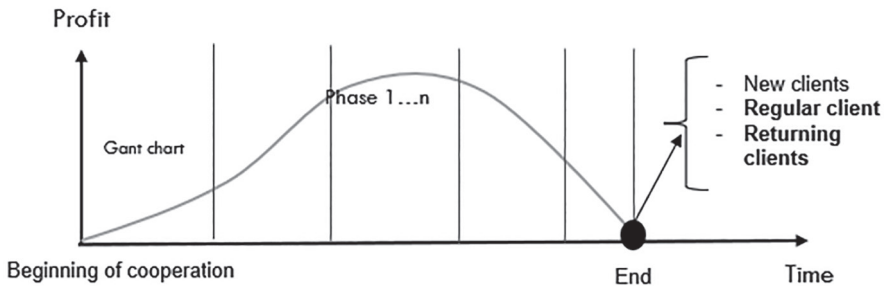
The Beta company obtained a certificate of compliance with the ISO 9001 standard. Taking advantage from the life cycle create beginning of the cooperation between organizations. Such a partnership between the supplier and the client has a specific beginning and end, as illustrated in Figure 3.

The scope of the relations between the supplier and the client can be presented using a Gantt chart or another scheduling tool. It consists of particular phases, each ending with specific results. Based on these results, the next phases can be initiated.

The cooperation could be ended after one cycle – the introduction of QMS. This means that relations between the supplier and the client would end after the implementation of management system is completed. Because of the certification

requirements, Quality Management Systems are characterized by cyclical actions that must be taken at least one a year to maintain the certificate. Such activities include audits and management reviews. These actions could be done by the enterprise or by an external advisory unit. In both cases, the necessary competencies are required. In small and medium business, external advisory companies are more commonly used.

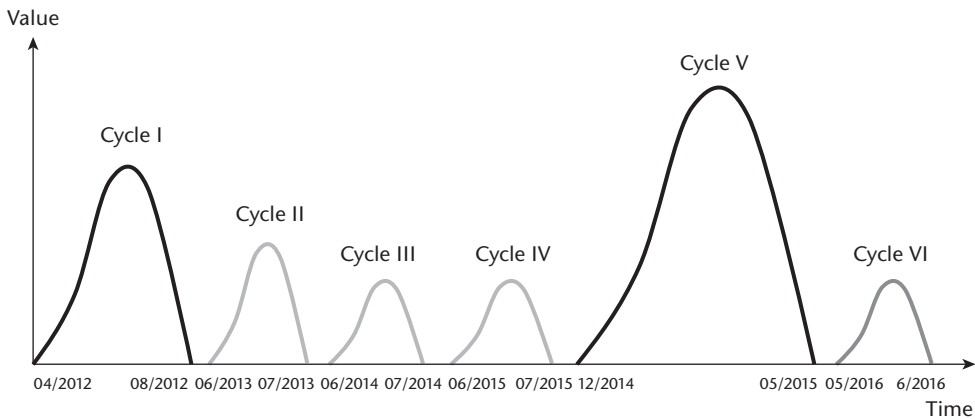
Figure 3. Cooperation between supplier and customer



Source: own study.

Good cooperations during the implementation of QMS enabled the establishment of cyclical cooperation in the maintenance of management systems, as shown in Figures 4 and 5.

Figure 4. Life cycle cooperation – first part



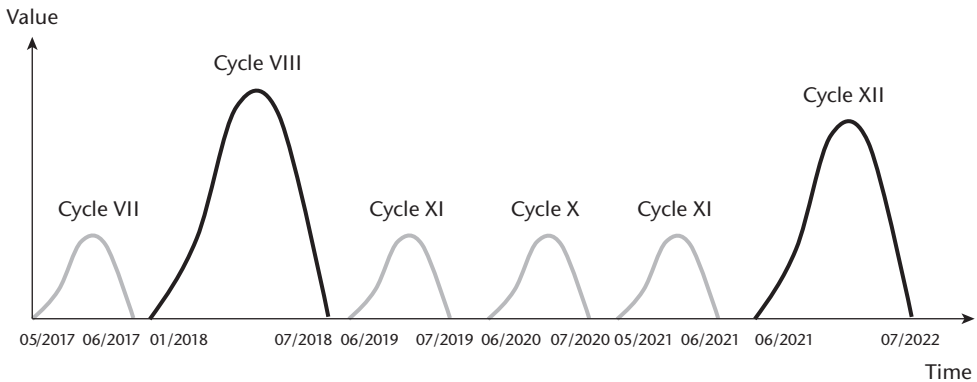
Source: own study based on documentations of Alpha company.

In this case, the supplier acquired a returning client, who became a regular client. The Beta organization met the requirements of its strategic client, Gamma, and was able to establish long-term cooperation in the field of car transport and forwarding.

The cooperation between Alpha and Beta also made it possible to gain other clients from similar industries.

In the years of 2013–2015, the main scope of activities involved maintaining the QMS based on cyclical audits and management reviews. In 2014–2015, the supplier implemented an Environmental Management System, which based on business condition, was not certified. Further cooperations between Alpha and Beta is presented in Figure 5.

Figure 5. Life cycle cooperation – second part



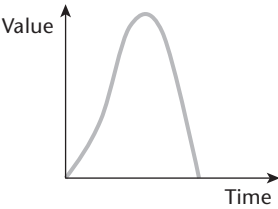
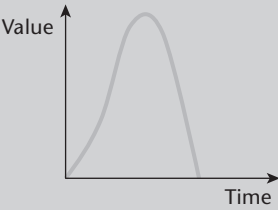
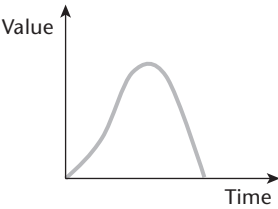
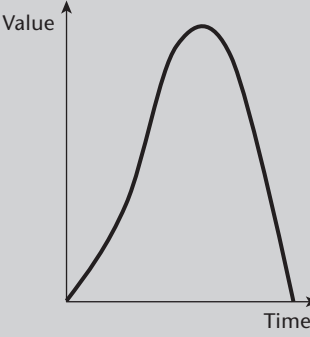
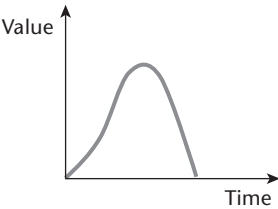
Source: own study based on documentations of Alpha company.

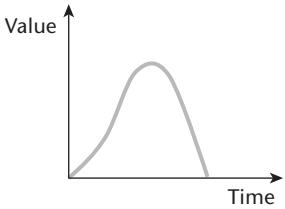
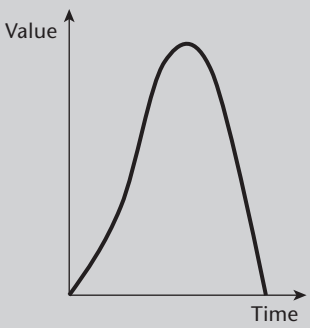
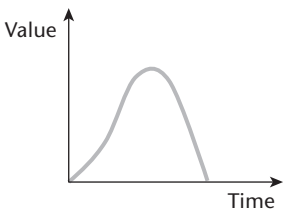
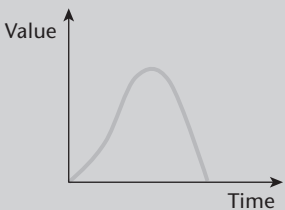
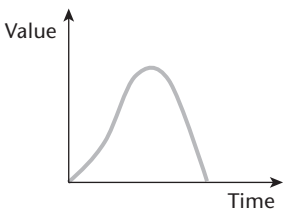
In 2018, Alpha company updated the QMS based on ISO 9001:2015 standard. The audits in 2019–2021 were conducted based on this updated standard. The scope and the years of the cooperation between Alpha and Beta organizations are shown in Table 1.

Table 1. Scope of the cooperation between Alpha and Beta

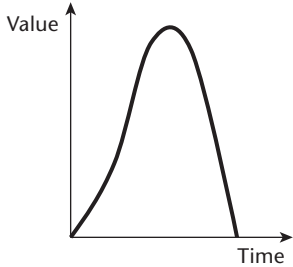
Number	Time duration	Life cycle	Scope of cooperation
1	04.2012–08.2012		<ol style="list-style-type: none"> 1. Diagnosis of applied Quality Management System (QMS) in terms of the degree of compliance with the PN-EN ISO 9001:2009 standard (1) 2. Training: Requirements of Quality Management System according to PN-EN-ISO 9001: 2009 standard (2) 3. Creation of Quality Management System documentation (3) 4. Consultations regarding the implementation of the QMS (4) 5. Conducting an internal audit ended with a report (5) 6. Support in Management review (6)

cont. Table 1

Number	Time duration	Life cycle	Scope of cooperation
2	06.2013–07.2013		<ol style="list-style-type: none"> 1. Conducting an internal audit (ISO 9001:2009) ended with a report 2. Support in Management review
3	06.2014–07.2014		Conducting an internal audit (ISO 9001:2009) ended with a report
4	06.2015–07.2015		Conducting an internal audit (ISO 9001:2009) ended with a report
5	12.2014–05.2015		<ol style="list-style-type: none"> 1. Diagnosis of applied Environmental Management System (EMS) in terms of the degree of compliance with the PN-EN ISO 14001:2005 standard 2. Training: Requirements of Environmental Management System according to requirements of the ISO 14001: 2005 standard 3. Training: Identification of environmental aspects 4. Creation of Environmental Management System documentation 5. Training: for candidates for internal auditors 6. Consultations regarding the implementation of the EMS 7. Conducting an internal audit ended with a report 8. Support in Management review
6	05.2016–06.2016		Conducting an internal audit according to the PN-EN ISO 9001:2009 ended with a report

Number	Time duration	Life cycle	Scope of cooperation
7	05.2017 06.2017		Conducting an internal audit according to the PN-EN ISO 9001:2009 ended with a report
8	01.2018– 07.2018		<ol style="list-style-type: none"> 1. Diagnosis of applied Quality Management System (QMS) in terms of the degree of compliance with the PN-EN ISO 9001:2015 standard 2. Training: Requirements of Quality Management System according to PN-EN-ISO 9001: 2015, taking into account the context of the organization and risk management standard 3. Actualization of Quality Management System documentation 4. Consultations regarding the implementation of the QMS according to PN-EN ISO 9001:2015 5. Conducting an internal audit ended with a report 6. Support in Management review
9	06.2019– 07.2019		Conducting an internal audit according to the PN-EN ISO 9001:2015 ended with a report
10	06.2020– 07.2020		Conducting an internal audit according to the PN-EN ISO 9001:2015 ended with a report
11	05.2021– 06.2021		Conducting an internal audit according to the PN-EN ISO 9001:2015 ended with a report

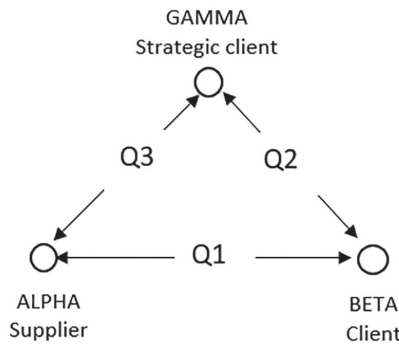
cont. Table 1

Number	Time duration	Life cycle	Scope of cooperation
12	06.2021–07.2022		<ol style="list-style-type: none"> 1. Training: Working conditions and human rights 2. Training: Health and safety policy 3. Training: Environment policy 4. Creation of documentation dealing with CSR/Sustainability 5. Conducting an internal audit based on PN-EN ISO 9001:2015, PN-EN ISO 14001:2015, PN-ISO 45001:2018 ended with a report 6. Supporting the client in fulfilment of assessment survey of key strategic client

Source: own study based on documentations of Alpha company.

In 2021, Gamma, strategic client for Beta, established new requirements related to corporate social responsibilities (CSR). Without fulfilling these new regulations, Beta would be unable to provide services to this strategic client. Based on the current cooperation between Alpha and Beta, a new subject of the cooperation arose, as illustrated in Figure 6.

Figure 6. Meeting the requirements of strategic client

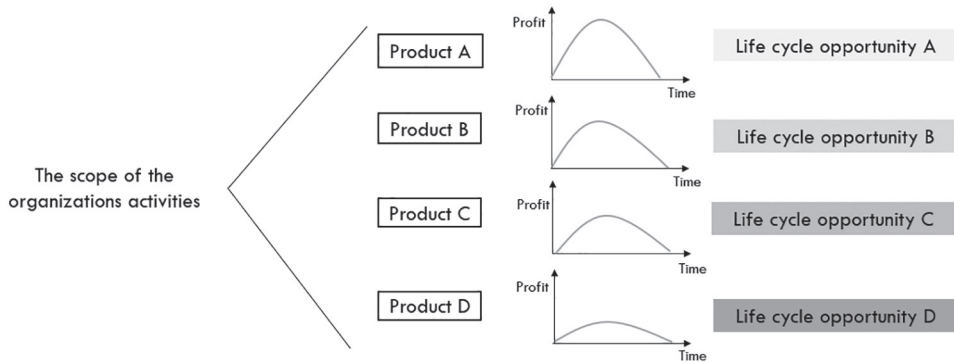


Source: own study based on documentations of Alpha company.

Due to experience of Alpha company in implementing various Quality Management Systems in enterprises, it was possible to fulfil the new requirements set by Gamma. As a result, Beta organization was able to complete the survey on the web page of the strategic client. With the positive feedback from the survey, it was possible to continue the cooperation with the strategic client.

The research done between 2012–2021 in the Alpha and Beta organizations included a wide scope of activities dealing with Quality Management Systems and corporate social responsibilities (CSR) – as illustrated in Figure 7.

Figure 6. Lines of the cooperation based on life cycle of the opportunity



Source: own study based on documentations of Alpha company.

Based on the conducted research, it was possible to establish four lines of the cooperation based on life cycle of the opportunity – as illustrated in Figure 7.

1. **Product A** – initial implementation of the standard (number 1 on Table 1). The value from this line of the cooperations provided the possibility to establish long time cooperation between the supplier and the client, fulfill the strategic client requirements, generate profit for both organizations, and establish a comfort zone thanks to future orders from Beta to Alpha company.
2. **Product B** – new product implementations. The diverse scope of activities of Alpha enabled it to respond to the new needs of Beta (numbers 5 and 12 on Table 1). This allowed for the introduction of a new standard in the Beta organization, building competence related to the new implementation of corporate social responsibilities in Beta, and ensuring the continuation of cooperation between Beta and Gamma.
3. **Product C** – actualization of new standard requirements (number 8 on Table 1). This provided opportunities to conduct training courses for the staff of Beta on new regulations, introduce new documentation to Beta, fulfill the regulations of the standard, and meet the requirements of the strategic client related to the actual certification process.
4. **Product D** – service of implemented QMS (number: 2,3,4,6,7,9,10,11 on Table 1). This enabled Beta to concentrate on its core business by relying on the qualified external services of Alpha, objectively assess compliance within the Alpha organization with the standard, and build network relations between Alpha and Beta.

Based on the presented research it is possible to notice sustainable development of both organizations, Alpha and Beta. The research line dealing with life cycle of the opportunity could vary. It depends on the needs of the Beta organization and the ability of the Alpha company to meet those needs.

Conclusion

Opportunity is a favorable situation for the decision-maker, which may or may not be taken advantage of. Its implementation depends on the speed of reaction to events occurring in the company's environment, the ability to configure the necessary resources (own or external), and the goal itself. Opportunities can be divided according to the level of subjectivity, the space of the occasion, and the nature of the occasion [Królas, 2020].

Due to the duration, opportunities are limited and create a certain life cycle. From this point of view, it is possible to distinguish opportunities with a long and short life cycle. In the case of opportunities with a long life cycle, they are noticed by many market participants, giving enterprises time to gather and prepare resources to take advantage of the opportunity. On the other hand, short-term opportunities are perceived by few enterprises. Taking advantage of an opportunity with a short life cycle is related to the possession/availability of resources by the enterprise [Królas, Włodarkiewicz-Klimek, 2015].

Based on the presented research in the article, it is possible to confirm that the life cycle of the opportunity could be an element of game changer in a particular sector of the industry. It is possible to create cooperation between client and supplier based on the life cycle of the opportunity using QMS (research question 1 – Figure 6; Q1). In the presented research, the cooperation lasted from 2012 up to 2022. The future perspective of the cooperation between the organizations is also optimistic. A positive answer was found for the second research question regarding the possibility of using supplier competence to fulfill the requirements of a strategic client. Due to the competence of Alpha company, it was possible to introduce particular standards ISO 9001, ISO 14001, corporate social responsibilities (CSR), and annual internal audits (research question 2 – Figure 6; Q2). As a result, a positive answer was found for the third research question, which focused on creating a win-win strategy based on sustainable development of the organizations (research question 3 – Figure 6; Q1, Q2, Q3). Thanks to the implementation of QMS systems and internal audits, Alpha company was able to gain new skills that allowed them to introduce new CSR requirements in the client organization. This enabled Beta organization to continue its cooperation with Gamma organization (strategic client).

The presented research could serve as inspiration for further work on game changers based on the sustainable development of organizations through the life cycle of opportunities.

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SUSTAINABLE DEVELOPMENT OF THE ORGANIZATION BASED ON LIFE CYCLE OF THE OPPORTUNITY

Abstract

Changes taking place in individual sectors of the economy require organizations to adapt their operational and systemic activities to the requirements of the main players in the sector.

When an organization will not face the strategic clients' requirements the existence of the supplier organization could be at risk.

The main aim of the work was to present the changes taking place in a selected sector of the economy. The paper presents the results of assessment carried out in a consulting company dealing with pro-quality systems. Using the example of a selected customer from the automotive industry, the life cycle of the opportunity was presented based on the implemented systems as well as the chosen action of Quality Management Systems (QMS) applied in the organization. Thanks to this, the company from the automotive industry was able to meet the requirements of a strategic client.

KEYWORDS: LIFE CYCLE, OPPORTUNITY, QUALITY MANAGEMENT SYSTEMS, CSR

JEL CLASSIFICATION CODES: M14, P13, L15, L26

ZRÓWNOWAŻONY ROZWÓJ ORGANIZACJI W OPARCIU O CYKL ŻYCIA OKAZJI

Streszczenie

Zmiany zachodzące w poszczególnych sektorach gospodarki wymagają od organizacji dostosowania działalności operacyjnej i systemowej do wymagań stawianych przez głównych graczy w sektorze. W przypadku braku spełnienia wymagań strategicznych klientów istnienie firmy – dostawcy w danym sektorze może być zagrożone. Celem pracy było przedstawienie zmian zachodzących w wybranym sektorze gospodarki. W pracy przedstawiono wyniki badań, które zostały przeprowadzone w firmie doradczej zajmującej się systemami projakościowymi. Na przykładzie wybranego klienta z branży *automotive* przedstawiono cykl życia okazji w oparciu o wdrożone systemy oraz zastosowane działania projakościowe. Dzięki temu firma z branży *automotive* mogła spełnić wymagania stawiane przez strategicznego klienta.

**SŁOWA KLUCZOWE: CYKL ŻYCIA, OKAZJA, SYSTEMY PROJAKOŚCIOWE,
SPOŁECZNA ODPOWIEDZIALNOŚĆ BIZNESU**

KODY KLASYFIKACJI JEL: M14, P13, L15, L26