

A Study of Key Success Factors for Enterprises. Analysis of selected companies.

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Abstract: *Each company has its way of success. There is no recipe for guaranteed success. It often happens that suddenly the company collapses, which according to outside observers had a reliable strategy. Nevertheless, there are some general assumptions help companies succeed. Entrepreneurs who can focus on key success factors understand these assumptions, but identifying these factors requires a deep understanding of both their enterprise, its environment and the success factors of companies that are leaders in their industries. The purpose of this study is to identify direct success factors based on a survey of companies that have already achieved success.*

Keywords: *key success factors, the strategy of an enterprise, business development*

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I. Introduction

Many methods can bring a company closer to success. A number of strategies have been developed, many scholars have devoted a lot of time to determine what exactly is the reason for success in the market. However, history shows that applying the same tips at two different times gives completely different results. There are no well-defined recommendations and strategies, the application of which guarantees success. However, it can be said with certainty that the successful company won the market. New recommendations are being formulated for companies that want to achieve success. However, this is not a straight path. The factors that make up this success are infinite. Their in-depth analysis can help them prioritize them, and their right combination creates a 'success strategy' for the enterprise. The implementation of appropriate strategies significantly helps in running a business. Nowadays, only companies that can fully meet the needs of buyers have a chance of success. So they must be the best at least in some way to attract customers. The chance for success is given by focusing on key success factors and achieving perfection in a particular field. This may mean specialization in the production of a specific product that is unattainable for others, the ability to adapt to the requirements of a particular segment of customers or create an advantage over competitors in a particular field of activity. Successful enterprises today are leaders in specific activities. Identification of key success factors is therefore integrally linked to the process of building an organizational strategy, because focusing on activities of a special rank and giving up involvement in less significant areas is only possible in a strategic dimension. However, the risk is an indispensable companion for business leaders. Managers often have to make decisions that determine the future of their companies. Sometimes these decisions are right, which bring the expected benefits and even outweigh them, but sometimes they cause a complete disaster or even the collapse of the company. The aim of the study is to show that by testing companies that have achieved success on the market, it is possible to identify specific factors that determined this advantage. The study uses the method of description and comparative analysis, elements of the SWOT method, key success factors and case study.

1. THE ESSENCE AND FACTORS CONDITIONING THE SUCCESS OF AN ENTERPRISE

In the case of an enterprise, success has a broad impact. The company's success or failure is a consequence of adapting its capabilities to the challenges it faces. You have to realize that there are no ready prescriptions or ready strategies that bring success. This cannot be because it would eliminate all competitive advantages. The foundations of a company's success are only relevant to it. Many factors contribute to their success. They are e.g. relations with stakeholders, which include investors, clients, suppliers, employees, managers, trade unions, the state. An effective company gives these relationships a character that maximizes their benefits [Al-Tit, 2017] Success is a very complex process and it is difficult to create a recipe for achievement. However, through in-depth analysis, we can distinguish certain factors that undeniably contribute to the success of the company. Enterprises prioritize their goals, which can be [Simpson, 2004]:

- the specific sales growth rate in individual product groups,
- maintaining share in a given market,

- the specific increase in share in specific markets (at a given time),
- becoming a market leader or dominant,
- entering a new domestic market or markets,
- diversification of markets,
- maintaining existing profitability or its certain increase in a given time to the average level in the industry,
- becoming a leader in the industry

Success is determined not so much by the amount of capital held as by the ability to create a certain idea or finding a specific idea for creating a company, the ability to create a certain vision and to transform it into a specific mission and strategy [Long, 2018].

II. Methods Supporting Strategy Formulation Company

To develop the right strategy, you need to know both the environment and the enterprise itself, identify possible future changes in the environment and adapt the company's response to these changes. It is the strategic analysis that is a set of activities and methods that diagnose the company and the environment, allow to assess the current state and forecast future activities and on the basis of which to develop correct strategies. Properly prepared and carried out analysis is necessary for every enterprise. It allows, if it is correct, to predict the future of the company. This image is obviously a bit blurred and not sure of success, but it allows you to prepare for constant changes taking place in the economy. The strategic analysis allows, therefore, to determine the strategic position of an enterprise by combining the opportunities and threats arising on the one hand from the environment, and on the other - shortcomings and advantages resulting from the internal shaping of its potential [Reijonen, 2007]. Two methods of strategic analysis are synthetically presented below, namely the SWOT method and the method of key success factors. They are very popular methods to show the company the way to success.

1.1 Key success factors as the basis for strategy formulation company

The company's success is influenced by many different factors occurring both inside and outside the company, in its environment. The individual success factors of an enterprise are interrelated and cannot be considered in isolation. Therefore, it is assumed that a certain set of factors interacting with each other on the basis of synergy is decisive for the company's success. Different authors point to different success factors. However, you can find common elements in the presented statements that are important in further research. These include company strategy, innovation, quality and staff, including motivation and training. The concept of key success factors is an integral part of strategic management. It is used in the process of strategic analysis of the organization, which is defined as researching and identifying current and future changes as well as their trends in the environment and the organization's own potential in order to determine the possibilities of its development and future competitive position and strategy building. Therefore, it can be concluded that the identification of key success factors is integrally connected with the process of building the organization's strategy. This view is shared by many authors, emphasizing that nowadays key success factors should be used to support the entire strategic planning process and strategy building. It is the strategic analysis that is a set of activities and methods that diagnose the enterprise and the environment, allow to assess the current state and forecast future activities and on the basis of which to develop correct strategies. A properly prepared and conducted analysis is necessary for every enterprise. It allows, if it is correct, to predict the future of the company. Strategic analysis allows, therefore, to determine the strategic position of an enterprise by combining opportunities and threats from the environment on the one hand, and deficiencies and advantages resulting from the internal formation of its potential on the other. SWOT analysis, which includes, provides such possibilities with both external and internal analysis. External analysis, i.e. opportunities and threats, is an analysis of all factors affecting the business of an enterprise that is outside, outside its area of activity, over which it has no control. Internal analysis, i.e. strengths and weaknesses, is in turn, an analysis of the company's current potential and development opportunities. These events can bring new opportunities, incentives may arise to take risks, activate marketing and production activities. It may happen, however, that so far profitable areas of activity become unprofitable. The environment can bring both opportunities and threats. Opportunities are defined as trends and phenomena in the business environment that, when used properly, can become a development stimulus and weaken existing difficulties, while threats are all external factors that are perceived by them as barriers, difficulties, additional operating costs, and dangers. Internal analysis is aimed at identifying and assessing tangible and intangible factors that favor or inhibit the growth of an enterprise both now and in the future. The advantage of the SWOT analysis is also the distinction between factors on which the company has an impact and on which it should focus attention, and independent factors also very important for the company, which, however, has no impact, but which must be taken into account when designing the strategy. The method of analyzing strengths and weaknesses using a list of key success factors is a way of analyzing the company's resources and skills and an alternative to preparing a strategic balance sheet. The above approach consists in

limiting research to a group of criteria that we consider to be the most important, determining the competitive position and development opportunities company. We call this group of criteria the key success factors. Sectors in the economy differ from each other in the list of key success factors. Their list is, therefore, one of the characteristics of the sector and at the same time the answer to the question: what factors determine the success of an enterprise in a given sector. The sector leader meets the criteria contained in the list of key success factors to the greatest extent. While establishing a list of key success factors in sectors with small product differentiation and a homogeneous customer structure is not too difficult, in a situation where we are dealing with an international market with many customer segments, the situation of determining these factors is complicated. Different lists of key success factors should be developed for different segments of the sector. The list of key success factors contains the most important criteria, but not sufficient to gain a competitive advantage, and indicates in which areas and problems the company should focus its attention. The competitive strategy consists in choosing one or several key success factors, improving it and thus gaining an advantage over competitors. The benchmark in enterprise assessment can also be the assessment of a given enterprise with respect to a competition or strategic group. Such an assessment will be relative, but it does not allow objectively to determine the position of the company and its development opportunities, because the result of the assessment depends on who we compare with. Therefore, from a methodological point of view, it is more correct to compare the company to the ideal profile of key success factors. This method is more objective because by examining all enterprises in a given sector, we can create a ranking list and clearly define the best and worst prospering enterprises and the location of the examined company against them. Another perspective methodological problem that can be encountered when using the method of key success factors is the time perspective.

III. Case Study Of Selected Enterprises

3.1 Inglot - internationalization strategy as a path to success

Inglot was founded over 25 years ago in Przemysl, Poland. It was founded by Wojciech Inglot, a graduate in chemical studies at the Jagiellonian University. He started working in Krakow's Polfa in the research and development department. He dreamed of starting his own business. The first self-made product was a tape cleaning fluid, followed by a stick deodorant. A stay in the United States during the studies resulted in an idea to create colorful cosmetics. The first product of this type was nail polish. Going to the Inglot salon, you can equip from A to Z everything that is necessary for makeup. However, the most revolutionary is the so-called freedom system consisting in the fact that the client can choose any colors of shadows, lipsticks, etc. and compose them in an elegant mirror case. Thanks to this, your favorite cosmetics are in one place and you can take them everywhere with you. About 95% of all products are manufactured in Przemysl. The remaining 5% is, for example, eye pencils made by Faber Castel, glass containers imported from Italy, and plastic ones from China [Inglot; Burda 2008]. Inglot's international expansion began in Canada. Local shop owners of clothing accessories became interested in the island of Inglot in Warsaw. In this way, at the end of March 2006, the first salon in Montreal was opened. This is where the chain reaction began. The next store opened in Malta three months later. The Canadian Inglot store was noticed by an Australian investor and this is how the further development of the company's international career has progressed [Jasra, 2011]; Wojciech Inglot granted the franchise to foreign investors, but he also had his own showrooms. In July 2009, Inglot opened a showroom in New York - on Broadway, at Time Square. In February 2010, the Polish company took part in the prestigious makeup fair The Makeup Show in Los Angeles. It was during these fairs that Inglot gained a lot high rating and reputation of MAC's competitor [Alarape, 2007]. Currently, Inglot has seven salons in the United States (two in New York and Las Vegas, and one in New Jersey, Miami and Newport Beach). In addition, his salons can be found in the United Arab Emirates, Australia, Azerbaijan, Bahrain, Canada, Croatia, Denmark, England, Finland, India, Ireland, Italy, Kuwait, Lithuania, Malta, Malaysia, the Netherlands, Oman, Qatar, Russia, Saudi Arabia, Serbia, SRA, Spain, Turkey and Ukraine. It is worth noting that Polish products are sold abroad at a much higher price than on the domestic market, but they are perceived as specialized products. Interestingly, their cost is still considered small compared to other brands of colored cosmetics. The company's sales revenues have been increasing since 2005, but profit has increased since 2006. It is not difficult to associate this year with the date of the company's internationalization. As you can see, the company is profitable, and internationalization serves it. Now the question should be asked what did Wojciech Inglot do to win over foreign markets. First of all, he offered an interesting, eye-catching product, characterized by high quality and a relatively low price. A woman entering the Inglot salon is delighted with the number of colors gathered in one place and the possibility of any selection of cosmetics under the freedom system, which is an innovative idea. An important advantage of Inglot salons is the service - employees focus on advising clients, there is also the possibility of performing a testing makeup. A positive feature is also the spaciousness of the salons and, in some locations, combining them with the beauty salon. It is, among others, thanks to good product features and a good distribution channel that Inglot has been successful in foreign markets [William, 2009].

3.2 Nike - running for success

Nike has undoubtedly been successful on the market, and certainly successful in pushing the sport into the background. Her story presents the mechanisms of branding and its ability to remove everything in the shadows. This group even swallows cultural space, is a model of the '90s of the 20th century. It shows a characteristic of branding striving to blur the boundaries between the sponsor and the sponsored. Here is a running footwear manufacturer who has set himself the goal of getting rid of professional sport, Olympic games and even famous athletes to become the only binding definition of sport [Willigan, 2015]. Nike CEO Phil Knight started selling shoes in the 1960s, but he really made a fortune when sports professional footwear became an indispensable prop for the "jogging madness" that engulfed America. When fashion ceased in the mid-1980s, other sports companies dominated the market. However, the brand did not introduce any other type of sports footwear at the time, it "left" it to Adidas and Reebok. According to Knight, Nike was to transform into "the best sports and fitness company in the world" [Willigan, 2015]. Nike was said to be a sports company formed by a ripped pack of men who love sport and have great respect and admiration of the great athletes. In fact, the Nike brand development process was more complicated. "We can distinguish three basic guidelines followed by Nike bosses. The first: make a selected group of sports superstars in Hollywood style, which will be associated not with their teams, and sometimes not even with their discipline, but with some pure ideals associated with sport as such, for example, crossing barriers or perseverance - in other words, with the Greek-Roman ideal of the athletic male body. Second: exhibit Nike's "pure sport" and a team of sports superstars against the obsessed with compliance with the ossified world of the traditional sport. Third and most important: emboss your logo on everything, as if your life depended on it "[Willigan, 2015]. The brand decided to create a superstar. For this, she used Michael Jordan's extraordinary basketball skills, which elevated Nike to the heights of popularity. Interestingly, even though Jordan was known, it was the commercials of this brand that made him a global superstar. It's true that athletes such as Muhammad Ali or Babe Ruth, enjoyed popularity even before the rise of Nike, but none of them climbed to the heights of popularity, as Jordan did. "Sports stars of the pre-Nike era, no matter how talented and adored they, could not tear themselves away from the ground [Klein 2004]." 1985 was a breakthrough year that introduced sport to the world of entertainment. Nike brand advertisements with Michael Jordan were simply amazing: freeze frames, amazing close-ups, fast cuts - all this made Jordan appear to be able to fly. "The idea of using the technology of producing sports footwear to create a higher being - Michael Jordan flowing in the air in slow motion - is an excellent example of the" myth-forming method [Klein 2004,]. In many of its advertisements, Nike has used superstars to express the idea of sport and opposed it to merely portraying them as the best players in a given discipline. An example is the professional baseball player and American football player - Bo Jackson - in the advertising campaign "Bo knows", who was taken out of his disciplines and pushed into the role of an excellent universal trainer. In the snapshot interviews with celebrities such as Jordan and McEnroe, it is suggested that Jackson knows his disciplines better than they do. "Because he knows tennis", "Because he knows basketball" etc. Nike Town is not only ordinary shops - they are almost temples that are the destination of pilgrimages of the faithful. "Nike is the king of the supermarkets. The Nike icon resembles a check mark ("Nike pipe"). This "pipe" can be seen practically everywhere: in company showrooms, on T-shirts, socks, underwear, hats. Company employees tattoo this icon on their body to show that they belong to a brand. Undoubtedly, this is an expression of the huge role that Nike plays in the minds of its supporters. Nike has undoubtedly been a staggering success. The sport superstars used the company to create its image. The synergy effect that the company obtained in its activities exceeded all expectations. However, Nike is not going to rest on its laurels. He boldly declares that "in the future, Disney will compete with the company, not Reebok [Klein, 2004]". The plans are ambitious and time will show what will result from these intentions and how the further career of the "Nike pipe" will go.

IV. Conclusion

Success is an extremely complicated process. You cannot specify a specific list of factors that will definitely allow us to achieve it. However, their study allows observing certain regularities that are very useful for enterprises. There are infinite factors that contribute to success. Their in-depth analysis can help to prioritize them, and their appropriate combination can create a "success strategy" for the enterprise. Currently, only enterprises that can fully satisfy are likely to succeed needs of buyers. Therefore, to attract customers, they must be the best at least in some respects. Focusing on key success factors and achieving perfection in a specific field is a chance for success. This may mean specializing in the production of a specific product that is unattainable for others, the ability to adapt to the requirements of a particular segment of customers or creating an advantage over competitors in a particular field of activity. Successful enterprises today are leaders in specific activities. None of the companies discussed in the study would have reached their current position if they had not made a strategic choice of the key success factor and focused their activities on its use. Identification of key success factors is therefore integrally connected with the process of building the organization's strategy, because focusing on activities of a special rank and giving up involvement in less significant areas is only possible in a

strategic dimension. It can be seen that companies that were initially successful without strategic planning, had the characteristics and strength of charismatic leaders, as in the case of Nike.

Internationalization of the company and a good product may be the success factor. An example would be the cosmetic company Inglot, which has a good and interesting product offer has significantly facilitated the process of internationalization of sales. Product must attracts customers, but as you can see in the example of the aforementioned company, it can also attract foreign investors. It is, among others, thanks to good product features and a good distribution channel that Inglot has been successful in foreign markets. As can be concluded from the examples given, there are people who are not afraid of risk and infect others with their passion, stimulating them to act. They create the story, which tomorrow may turn out to be a legend and based on it young, inexperienced businessmen will build their own companies. Maybe this is the key to success. Mission, vision, strategy, strategic analysis - all these elements undeniably bring you closer to success. However, do not stop at them. Only by giving us all our knowledge and commitment will we achieve success.

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