ABSTRACT
As global economy becomes more and more liberal, the small & medium enterprises in Taiwan are facing more and more competitors from domestic and foreign markets. In a new and dynamic economic environment with keen competition, How to maintain the sustainable competitive advantage is a big problem for the small & medium enterprises in Taiwan. Based on this, this paper reviews theoretical and empirical research about our research topic. We explain the impact of core technical competence, dynamic capability and core rigidity on the sustainable competitive advantage from the perspective of resource-based view, competence-base view and dynamic capability view. With the purpose of using quantitative methods to test the research hypothesis of this paper, we use the data that using questionnaire to collect to fit the structural equation model, and we find that, the core technical competence is the source power of the sustainable competitive advantage, but the core technical competence could well evolve into core rigidity because of the rigidity defect in itself under the influence of the dynamically changing external environment. Fortunately, the dynamic capability maintains the sustainable competitive advantage besides overcomes the core rigidity to some extent, thus it adjusts the relationship between the enterprise and external environment, and makes the enterprise match the external environment. Moreover, we also find that, the negative impact of the core rigidity on the sustainable competitive advantage is not significant, this reflects the character of the small & medium enterprises which in a resource-constrained environment. Further research indicated that, the core rigidity is not the validity mediate variable of the core technical competence and dynamic capability. This further illustrates that, SMEs determine to change the existing knowledge system, and even organizational routines to cope with the changing needs of the market, but they are still difficult to change its position on the market. So they are more willing to using the existing core technological capability to win the market share. In the end of this paper, we discuss the research implications and future researches of this paper.

Keywords : Core Technical Competence、Dynamic Capability、Core Rigidity、Sustainable Competitive Advantage


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Resources, Capabilities, Core Competencies, Invisible Assets and Knowledge Assets: label proliferation and theory development in the field of


