Is your advantage in what you sell — or in what you own?

The ***Resource-Based View*** analyzes a company through its resources, alongside the products and markets it competes in.

WHY IT MATTERS

Market-position tools such as Five Forces ask where to compete. The Resource-Based View asks what you compete with — the brand, know-how, data and relationships a rival cannot quickly acquire.

BY THE NUMBERS

1984
Wernerfelt names the view (Wernerfelt, 1984)

1991
Barney develops it (Barney, 1991)

2
tools proposed: resource position barriers and resource-product matrices (Wernerfelt, 1984)

HOW IT WORKS

Map your key resources against the products they support — Wernerfelt's resource-product matrix. A resource that feeds several products, and that rivals struggle to acquire, can create what he called a resource position barrier — the resource-side counterpart of an entry barrier (Wernerfelt, 1984). Barney (1991) later set out the attributes such resources need; see the VRIO primer.

Resource-product matrix

	Product A	Product B	Product C
Brand	●	●	●
Know-how	●	●	●
Data		●	
Network			●

A resource feeding several products is a candidate for a resource position barrier.

ILLUSTRATIVE: rows, columns and marks are examples

WHEN TO USE IT

- When deciding which capabilities to invest in
- Before diversifying — to check which resources carry over
- When a strong market position starts to erode

Where Horizon12 uses it: HorizonNorth — paired with HorizonAxis — cites the Resource-Based View.

GO DEEPER

Credit. Named by Birger Wernerfelt (1984) and developed by Jay B. Barney (1991). Both build on Penrose's *The Theory of the Growth of the Firm*.

Penrose's book is dated 1959 in Wernerfelt's reference list and 1958 in Barney's.

References

Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management, 17*(1), 99–120. https://doi.org/10.1177/014920639101700108

Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal, 5*(2), 171–180. https://doi.org/10.1002/smj.4250050207

BOTTOM LINE

Knowing what you own is half the answer. The other half is where it wins. Run HorizonAxis and HorizonNorth free, then book a Strategy Blueprint ($5,000–$9,500) to turn the gap into a signed-off plan.