

## INFORMATION LOGISTICS AS MEAN OF SECURITY OF COMPETITIVENESS OF COMPANIES

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**Abstract:** This article is concerned with analyze and with possibilities of increasing of competitiveness of companies within the Europe via means of information logistics. The article is targeting especially European logistical association (ELA), which expressively contribute to the increasing of awareness and competitiveness of the companies in the Europe, within analyze of the problem. After the detailed analyze of the companies, which belong into this association, it is possible to come to the certain assumptions, which should small and middle companies in Slovakia meets, so that they would integrate into this significant association. The part of the synthesis is not less interesting. The article solves project of information security of the companies, by which it is possible to reach competitiveness of the companies at the international level.

### 1 Introduction

Information represents an inseparable part of everyday life. Their value increases mostly when they are exactly formulated and when they have considerably explanatory ability, they come in right time and on the right place.

Nowadays are information the source of wealth, they allow fast reaction of the company to abruptly changing market and they mutually help to increasing of competitiveness of business subjects. Every company, which wants to survive on the market, have to promptly reacts to environs influences, which are acting on it and especially it has to know how to adapt to new conditions of marketing environment.

During the increasing of competitiveness there also helps European logistical association (ELA) – major company that brings together subjects across the logistic field across the whole Europe and helps them to develop, continual advancement and dissemination of information in logistics. Due to the fact that Slovak republic has no representative in this association, this diploma thesis is focused on this association and tries to identify the environment, in which it acts and what assumptions must company fulfills to become a member, since membership in this organization would be a huge benefit to the further development of logistics in Slovakia.

Based on the analysis of the environment, in which European logistical association (ELA), member associations, as well as companies in Slovakia act, it is possible to create an information security project, which contains solution at financial and information point in relation to the identified shortcomings and increasing the competitiveness of the companies.

### 2 Information

It is possible to include the information to the most important aspects that affect the decision-making and

management of the enterprise. Recently, they become the source of power and they are necessary for the realization of different functions in the management (control, planning, organization, leading of the people, etc.). They are the main condition for success in the work of managers and it is possible to consider them as important in the company as the material, various devices and equipment, personnel or time. They are very important because of the influence of efficiency of behavior and communication of the managers.

Information is frequently used term in any area of life and has a wide range of interpretations. The term information comes from the Latin word *informo* – *informatio* – *informare*, which means moving of messages, notification but also describing of something.

“In the most general understanding is the term information understood as something, that is notified, i.e. perceivable image of the known or assumed content of the facts available in adapting of the man to the environment“[1].

Based on the different understanding of the term information, it is possible to classified three basic groups that illustrate delimitation of the definition the best [1]:

- Mathematical delimitation – definitions belonging to this specific group focus on the information that acts as a parameter. This parameter is trying to decrease or eliminate entropy (uncertainty), resp. uncertainties in the recipient,

- Practical delimitation - is based on the possibility, where the information are mainly used practically in various decisions, which basically means that information are used during decision-making process,

- Technological delimitation - focuses more on the relationship between data and information. The definitions, which make up this group, say nothing about

**INFORMATION LOGISTICS AS MEAN OF SECURITY OF COMPETITIVENESS OF COMPANIES**

Daniela Pristačová

reducing uncertainties or about the fact how to use the information during decision-making process.

“The definition of the information should be based on the fact of its unique resolving power from the other terms, which processes of change notification and results of objects and units interaction transfer“[2].

**3 Benefits and risks of information support**

When putting of information support into the practice, it is necessary “think one step ahead“. If the information support is applied globally in each company, it can bring many benefits. The introduction of such support in the processes in logistics can help companies to improve all processes in the company. These can become less demanding and so the possibility of removing of the weak parts appears.

Information systems can assist in minimizing the threat of loss of goods or materials, thus helping to permanently reduce the cost of operation of the business.

Transparency of information support in terms of benefits in logistics process can mean the transparency of the process, e.g. in businesses related to transportation. Among the important contribution it is possible to include

limitation of error rate that results from failure due to human factor [3].

Integration represents joining or even blending of all the information (data) into the one group. Integration can accelerate or made work more effective at any stage of the logistics process. Among the important benefits belongs also the archiving of internal and external documents or increase of productivity as well as reduction of laboriousness. One of the benefits that require a greater emphasis is to increase the quality and customer service.

When using information support (Figure 1) in the company as efficiently as possible, it is possible to achieve not only increase of the working efficiency with employees but also multiply the customer satisfaction of the company.

If there is information support implemented into the logistical process correctly then significant functional improvement of this logistics process occurs. This consists in improving the quality, not only in services but also in the quality information in economic field as well as in the actual access to information, whereas, in today’s terms is this age called as information age. It is important, for information systems and information, to create some transparency and integration in order to allow information, that are in required amount, to specific users.

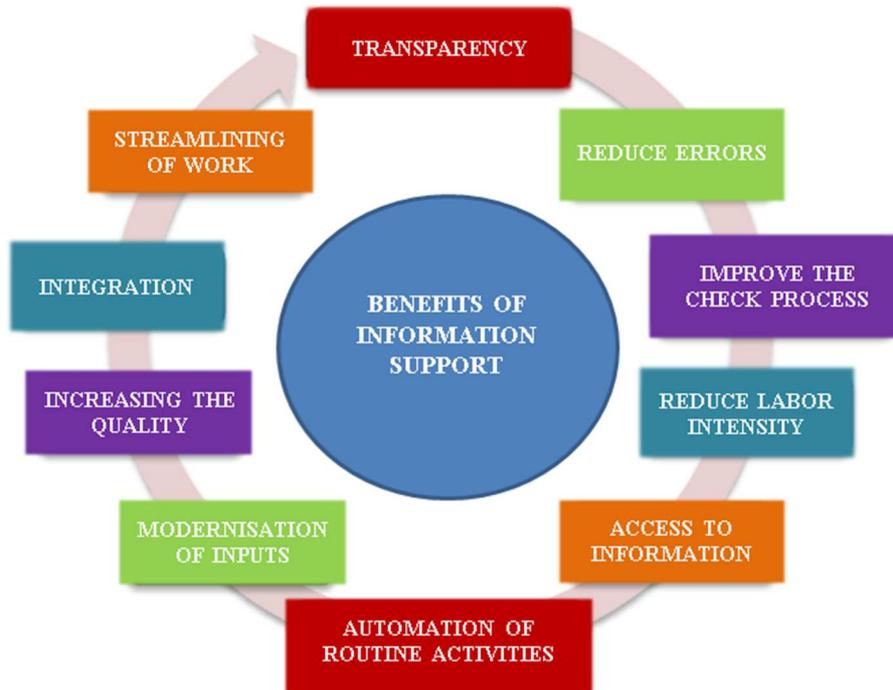


Figure 1 Benefits of information support [4]

**4 ELA, European Logistics Association**

ELA, European Logistics Association, is an association founded in 1984 and is based in Brussels, Belgium. The Association brings together 30 national

organizations of Central and Northern Europe. The aim of ELA is to provide a public discussion on the cooperation of individuals or companies dealing with logistics within Europe, thereby furthering the development of industrial production and trading in Europe.

**INFORMATION LOGISTICS AS MEAN OF SECURITY OF COMPETITIVENESS OF COMPANIES**

Daniela Pristačová

European Logistics Association has created a comprehensive system of rules (standards) for the field of supply chains management and logistical systems - In order to increase the qualification level of European logistics experts and their implementation at national and European level. It has introduced a Europe-wide certification program for those logistics workers which satisfy this standard [5].

European Certification Board for Logistics (ECBL) manages the certification program at European level. It represents to independent bodies of ELA member countries that voluntarily agree to apply uniform qualification standards and adhere to established certification procedures to ensure the necessary quality of certification process. National certification centers

operating certification at the national level, ECBL is methodically managing and re-examining them [5].

Information flows (Figure 2) extend between single subjects constantly, through various means of information support, for example: internet – internet applications in the form of web pages, electronic mail – mail communication, telephone networks – established hotlines. Information also take place in the form of various published materials, brochures, magazines or technical literature provided by the company to the general public. But also by organizing of congresses, various lectures, where individual companies may exchange the information and skills in the logistics field. Some feedback between organization and member associations is also creating there.

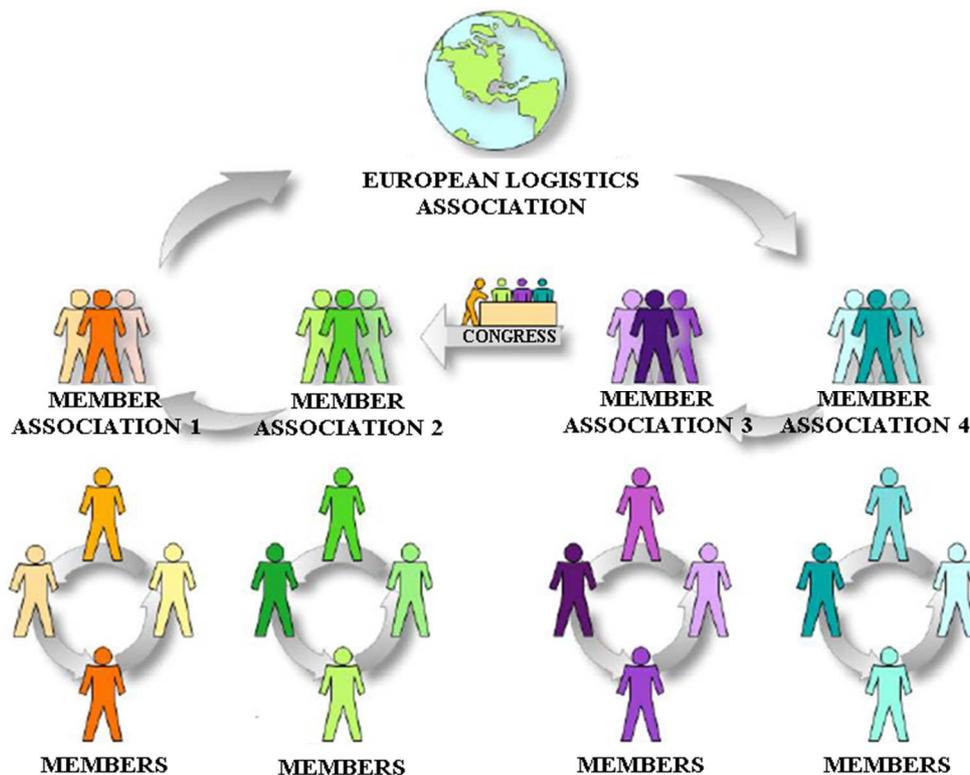


Figure 2 Information flow in ELA [4]

**5 Information security of companies dealing with the logistics, ensuring the competitiveness**

In Slovakia, there is a weak network of companies, which would be competitive in its field and within the Europe. Companies in Europe are economically more developed and therefore it is necessary that state authorities in Slovakia would make greater contribution to increasing the competitiveness of companies and the economic stability of companies.

As mentioned earlier, ensuring of competitiveness at the international level is possible with Slovakia's

membership in ELA (European logistical association). So that Slovakia, which so far does not belong to the association, could become a member, it must fulfill certain fundamental conditions of membership:

- to find a company that has the same features as ELA, thus, the company focused exclusively on logistics, which have legal form: association,
- to set out the area for which the company will offer certification,
- to file an application for membership in the deadline, which will be published on the website of the association,
- to pay an annual membership fee and registration,

**INFORMATION LOGISTICS AS MEAN OF SECURITY OF COMPETITIVENESS OF COMPANIES**

Daniela Pristačová

- to actively contribute to the development of the logistics, to disseminate information about the logistics, to educate in the given field,

- to support its members and ensure them professional help in dealing with logistical problems,

- it is not necessary to follow the structure of educational programs of ELA, preparation of training programs and courses is based on satisfying the needs of local candidates.

The terminology of the individual companies in Slovakia is disunited. Inconsistency in terminology worsens the access to the professional or scientific knowledge; it makes it difficult to subjects to communicate in professional as well as in everyday speech.

If the terminologies becomes established and unite, naturally there occurs a situation where minimizing synonymous variants of terms and many other terminological problems and barriers in communication will be destroyed.

One of ways how to align terminology is to choose from Slovak companies the one that will actively participate in its creation and unification. This fact can be provided for example by creating of register or a database of terms that will be mandatorily applicable for all the other companies in Slovakia.

The problem of varied terminology could be also removed through the membership in ELA (European logistical association) organization, which seeks to ensure the uniform terminology. The company takes the terminology over from association, which is recognized worldwide and by the usage of uniform terminology at the international level it is ensured that it would avoid errors, false, respectively misinterpretation of the terms.

## 6 Information support of companies

Internet nowadays represents a dynamic and the fastest growing market in which if the company wants to push through, it requires to present itself through the websites. Through the creation of webpage, it is possible to increase the market potential of the company and also to make company more attractive to the new, potential members and customers of the company. Nowadays this is one of the means, as you can share information easily, continuously and especially fast. The structure of the web presentation can be defined in terms of content and technical (design) page:

- Section "About us" provides brief information about the company and its history. It is necessary to describe what activities the company deals with, what goals and opinions holds the company, what is its primary mission. It is also important to write who are the target customers. This area may also include the organizational structure of the company as well as the general provisions in the form of a statute or code of ethics. This section provides information flow in relation to society and the general public, as well as in relation to the associated companies.

- Section "News" is dedicated to innovations in the field of logistics. It is possible here to provide information about events or changes in the association as well as information about events in the world in the past year. It is possible to provide information about the deadlines or for congresses, lectures, issuing new publications, etc. News allow the flow of information in relation to Member Company and ELA, as well as the company - customer.

- Section "Certification" provides the necessary information to companies that want to become qualified in their field. In this section it will be possible for the general public to provide information about the deadlines of the tests, the possibility of signing on, in what areas it is possible to perform the certification exam, which conditions must the company meet for granting of the certificate as well as a list of already certified companies and links to their websites. Information flows with connection to certified companies and also to customers who are interested in certification are provided by certification. It also allows the flow of information between the company and ECBL - European Certification Board for Logistics.

- Section "Projects" contains an overview of the projects solved by association. Focus can be on the following functions: are of the project focus, start and end dates of the project or even the content part of the project or persons responsible. It is possible to include here also references from companies where the individual projects take hold and how they have contributed to the improvement of production process as well as logistics within the given company. This section provides information flows between the company and the customer, who is interested in improvement of processes in production as well as the activities of her/his business.

- Section "Education" focuses on the forms of education that are organized by society for the general public, as well as other organizations and member associations. It should include a brief description of courses, seminars, conferences and workshops, as well as date for holding, necessary information related to the event logging in.

- Section "Career" solves the employment area where there will be briefly described job offers for candidates of each of the member companies, which conditions for employment applicants must meet and terms of the interviews in the given organization. This area provides information flows in the link between members of the association and individuals who are seeking employment in member companies.

- Section "Publication" solves the familiarization of the general public with information in the form of conference proceedings which are aimed at professional articles and contributions negotiated in conferences, congresses and lectures. It can also provide information about publishing of professional literature as well as the possibility of signing up in the newsletter withdrawing, where the public can find out always up to date news in the field of logistics as well as in world affairs. This section allows

**INFORMATION LOGISTICS AS MEAN OF SECURITY OF COMPETITIVENESS OF COMPANIES**

Daniela Pristačová

the flows of information between the authors of the articles with each other as well as in Relation Company and the general public which is interested in the logistics branch.

- Section "Contact" provides in case of doubt by visitor of webpage and allows answering any questions. It is possible to contact the competent persons to arrange a meeting with them. For this option there are necessary contact information: the site of action of the organization, an e-mail address as well as telephone number or also office hours. This section provides information flow in Relation Company - competent persons that provide the information and the general public that asks for information.

**Conclusions**

This article provides a brief overview of opportunities, how to ensure the competitiveness small and medium businesses in Slovakia by the membership in a professional organization grouping similar companies in the logistics industry. Membership in the association ELA can help companies to become a leader in its field, and thus increase their awareness within Europe. After analyzing the problems, it is possible to identify major benefits of the integration of the company into the European Logistics Association (ELA) namely:

- company, that will integrate into the association, may have permanent access to current, free status information and events in the fields of logistics, which can be obtained from available sources from abroad,
- membership will provide, to the company, the opportunity to actively participate in all activities organized by the association, to contribute to professional and scientific articles in the issuance of publications (proceedings), books or magazines,
- to obtain mutual recognition and to increase awareness of companies across Europe,
- to participate in the establishment of certain common profile for logistics managers,
- by membership it can achieve unification of terminology contained in this field,
- to participate in the delegating competencies and skills in the logistics field between member companies within whole Europe,
- possibility to obtain a vocational competence to provide certification fitting to standards, which are ensured by ELA.

Increasing of the competitiveness of small and medium-sized enterprises can be done by the enriching changes in the field of information logistics, which is closely related with the information support. It is clear that an essential condition for the seeking of information is accessibility and transparency of information resources in the form of web pages. By the fulfilling of the required conditions, it is possible to not only respond to a request for information, but also to meet the need, and then enable the relevance of the information flow. By the realization

of modern methods of web communication of companies in Slovakia, it is possible to raise customer awareness about the services offered to the general public and especially to ensure competitiveness within the national as well as the international environment in which companies act.

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