

Are human resources in the firm . . .

Valuable?	Rare?	Difficult to Imitate?	Supported by Effective Management?	Competitive Implications	Performance
No	—	—		Competitive Disadvantage	Below Normal
Yes	No	—		Competitive Parity	Normal
Yes	Yes	No		Temporary Competitive Advantage	Above Normal
Yes	Yes	Yes		Sustained Competitive Advantage	Above Normal

Exhibit 1-2 Human Capital and Competitive Advantage

Source: Adapted from J. Barney and P. Wright. 1999. "On Becoming a Strategic Partner," *Human Resource*