

Capability Management And Competitive Advantage Of Selected Brewery Firms In Anambra And Edo State, Nigeria

EBOKA, Maureen Chikwalumuzor

Delta State University Business School, Abraka Nigeria

Abstract: *The study examined the effect of Capability Management on competitive advantage of selected brewery in Anambra and Edo State, Nigeria. The study made use Dynamic Capability Theory to explain the study phenomena. The cross-sectional survey research design method was used in this study. Data for the study were collected via primary and secondary sources with the aid of a well-structured questionnaire instrument. Krejcie and Morgan table was used to determine the sample size of two hundred and seventeen (217) respondents. Collected data were analyzed using Pearson Correlation and regression analysis as analytical tools. Findings revealed that leadership capability has significant effect on competitive advantage with ($\beta = 0.204$, $P = 0.01 < .05$), structure capability has significant effect on competitive advantage with ($\beta = 0.144$, $P = 0.010 < .05$), and information technology capability has significant effect on competitive advantage with ($\beta = 0.144$, $P = 0.001 < .05$). The study found that capability management indices enhanced competitive performance of an organization, and also enhance the opportunity for determining deficiencies in firm's competitive advantage. The study recommends that appropriate training and development programmes of leaders to ensure high value impacted on leadership capability. The study also recommends that breweries should establish and adopt workable capability management system that would enable performance in giving them an edge over other competitors. The study contributed to knowledge by establishing a framework of capability management and how they are related to competitive advantage.*

Keywords: Capability Management, Leadership Capability, Information Technology Capability and Competitive Advantage

1.0 INTRODUCTION

1.1 Background to the Study

Organizations operate in a competitive environment, and they must overcome several obstacles to survive in the present market. These obstacles have a negative impact on their performance. For instance, poor planning, cultural issues, financial issues, rewards and compensation issues, administrative issues, business strategy issues, environmental uncertainty issues, leadership issues, capability issues, and issues with cybernetic controls are challenges that organisations must deal with. Companies operate in an environment characterized by rapid changes brought about by technological advancements and globalization of the world. In order to be competitive over the competition, firms are therefore called upon to swiftly align their operations if they are to maintain their competitive position (Imbambi, 2018). The manner in which firms attain competitive advantage position which can be sustained over a period of time is of great importance to strategic management field.

Due to its growing significance in the explanation of strategic advantages, the capability management framework has become the new touchstone in the field of strategic management (Nair, Rustambekov, McShane, & Fainshmidt, 2020). These qualities help companies overcome the obstacles created by environmental dynamism, which would otherwise endanger and supersede the current capabilities. An essential aspect of this strategy for strategic management is that a company would have to concurrently improve both its capacity for utilising new resources and its capacity for replenishing existing capabilities and resources (Agbim, Zever, & Oriarewo, 2019). Competitive advantage is a benefit a firm has over rivals by giving customers more for their money, either through lower pricing or by better products and services that make a higher price more reasonable (Ganguly, Nilchiani, & Farr, 2024).

Manufacturing companies are recognising that in order to survive, they must refocus upstream on the value chain in more developed nations like Nigeria (Bititci, Mendibil & Maguire, 2016). This will allow them to compete on value innovation, process excellence, and sustainability instead of price (Bititci, et al, 2016). Even after gaining independence, several African nations' political developments continued to affect the rate and magnitude of their industrial sectors' expansion. It has not been possible to continue this politically motivated sectoral expansion (Adenikinju, Söderling, Soludo, & Varoudakis, 2017).

A competitive position is normally one of the elements that provide a competitive edge to a business over and above the competition that it faces. Possession of strategic capabilities enable a firm to directly improve its value offering to the market or customers in terms of products or services which are a result of possession of core competencies (Wanjiku, 2017). Core competence describes an organization specific capability which helps it stand out from the rest in the industry. It is the asset that defines the essence of the firm's business in terms of core capabilities which make it possible for the firm to compete with other firms in the industry effectively. At the centre of the growth and rapid expansion of these firms are unique resources both financial and human resources, intellectual capabilities among other strategic capabilities. Despite expectations that Nigeria's brewery industry would be a major contributor to foreign exchange profits, many companies have either shut down or moved their operations overseas as a result of environmental circumstances beyond their control.

1.2 Statement of the Problem

Manufacturing firms in Nigeria face many issues, challenges in growth, high failure rate and high competition. Currently, the manufacturing industry is overcrowded with many firms developing products that are highly imitable. At the same time, there is high competition in the industry where new products enter the market from time to time thus leading to saturation and making the market a red ocean

These firms encounter a variety of difficulties, including high production costs, a lack of trained labour, outdated technology, a lack of training programmes, labour shifts to other nations, subpar manufacturing processes, and weak management skills. Breweries in Nigeria face a number of problems with capability management as a whole (leadership structural controls, information controls), which lower performance and prevent them from standing out from competing businesses.

Examining relationships like these is crucial because, despite capacity management's acknowledged negligible direct influence on an organization's performance outcomes, managers who possess certain skills do not necessarily possess higher talents. Although the human factor has largely been ignored, the capacity management literature is restricted in that it tends to focus on the company rather than its personnel. In addition, literature has urged for further research on structural capacities, and studies have often focused on companies other than brewing enterprises that are in the industrial sector. As a result, there has been a need for greater study from many groups and sectors. These altogether warranted the need for the current study in assessing the effects of management capabilities on firm competitive advantage.

Additionally, certain research revealed that the Nigerian brewery sector has problems that affect its performance, which is declining. Therefore; the study intends to examine the effect of capability management on competitive advantage of selected brewery firms in Anambra and Edo State, Nigeria.

1.3 Objectives of the Study

The general objective of the study is to examine Capability Management and Competitive Advantage of selected Brewery firms in Anambra and Edo States, Nigeria. The specific objectives are as follows:

- i. to ascertain the effect of leadership capability on competitive advantage of selected Brewery firms in Anambra and Edo States, Nigeria.
- ii. to determine the effect of structure capability on competitive advantage of selected Brewery firms in Anambra and Edo States, Nigeria.
- iii. to ascertain the effect of information technologies capability on competitive advantage of selected Brewery firms in Anambra and Edo States, Nigeria.

1.4 Research Questions

The following questions guided the research objectives

- i. what effect does leadership capability have on competitive advantage of selected Brewery firms in Anambra and Edo States, Nigeria?
- ii. what effect does structure capability have on competitive advantage of selected Brewery firms in Anambra and Edo States, Nigeria?
- iii. how does information capability affect competitive advantage of selected Brewery firms in Anambra and Edo States, Nigeria?

1.5 Research Hypotheses

To guide the study, the following hypotheses were formulated:

- Ho₁: There is no significant effect of leadership capability on competitive advantage of selected Brewery firms in Anambra and Edo States.
- Ho₂: Structural capability has no significant effect on competitive advantage of selected Brewery firms in Anambra and Edo States.
- Ho₃: There is no significant effect of information technology capability on competitive advantage of selected Brewery firms in Anambra and Edo States.

1.6 Significance of the Study

This research will assist the manufacturing industry and its stakeholders in understanding the role that capability management plays in gaining a competitive edge, enhancing brewery performance and customer satisfaction. It's critical to enhance revenue, customer happiness, and most importantly, consumer attraction. Informed judgements regarding implementing disruptive technology may be made by management. Governments and decision-makers will have useful information on the effects of capability management and the manufacturing firm's competitiveness.

Governments will be assisted by this study in creating disruptive technology-related policies. The difficulties and gaps in the existing regulatory system will also be covered, along with how they impact the operations of the brewing enterprises. This study is significant because it helps managers better understand innovation strategies and how such strategies might enhance the performance of various businesses.

Other managers will benefit from this research as they learn how to gather and use innovative techniques to enhance performance.

1.7 Scope of the study

The study's three key areas of focus are geography, content, and analytical unit.

The study's geographic focus is on the Nigerian Breweries in Anambra and Edo State as well as Intafact Beverages, Guinness, Premiere Brewery, International Breweries, and Life Breweries.

The variables, dependant variables, and independent variables employed in the study are all covered within the content scope. Capability management, which has sub-variables such as strategy capability, leadership capability, structure capability, information technology capability, and innovation capability, are independent variables. The organization's competitive advantage is the dependent variable. Employees of Intafact Beverages, Guinness, Premiere Brewery, International Breweries, Life Breweries, and Nigerian Breweries in Anambra and Edo State were the subject of the unit analysis.

The personnel (senior, middle, and junior staff) of the chosen breweries enterprises that carry out production of various breweries goods serve as the study's unit of analysis. It was assumed that these categories of individuals would be able to respond to the questionnaire's questions about the research region with better knowledge.

2.0 RELATED LITERATURE

2.1 Leadership Capability

Leadership capability corresponds to a strategy used by firms when they have abilities to produce at lower costs than the competitors, and so to get more profit when selling the products in high quantities. A company that pursues leadership capability aims to be the lowest-cost producer in the industry by exploiting economies of scale and other cost advantages (Haberberg & Rieple, 2008; Irungu et al, 2020). Because as long as it gets lower costs, to produce, it can provide lower prices to its customers, getting the valuable profit from a high level of sales, supported by a production process reinforced by economies of scale and experience curve effects; though it might be directed to a broad market, leadership capability strategy calls for cost efficiencies, close control of costs, advantage or preferential access to raw materials, components, labor, and some other important inputs; because as long as it gets lower costs, to produce, it can provide lower prices to its.

Leadership capability, or rather being able to offer a product to a market at the best price often involves the need for a high market share (Kiragu, 2014). Hilman and Kaliappen (2014) indicated that achieving the overall low-cost position involves the need for efficient scale facilities, often with high initial capital investment, as well as avoiding marginal customer accounts and minimizing costs in various areas of the business such as in research and development, advertising and service. The leadership capability applies industry-wide. Dulcicet *al.* (2012) looked at the five competitive forces that the leadership capability is constructed to defend against; a leadership capability position defends the firm against powerful buyers since buyers only can drive down prices to the level of the next most efficient competitor. It provides protection against supplier power giving a higher comfort zone in terms of dealing with higher input costs. Achieving a leadership capability involves activities that often form high barriers to entry, such as high initial capital investment, and protecting against new entrants (Waema, 2013).

Structure Capability

Structural innovation is a new organizational structure developed to change the way of organizational coordination, communication and contact as well as the distribution form of responsibilities and obligations. -e new organizational structure needs to maintain dynamic coordination with strategy, culture, process and technology (Liu, 2018). Structural innovation is an adjustment and optimization made to adapt to the internal and external environment of an organization. In the current highly dynamic market environment, structural innovation tends to be flat, decentralized and flexible. Structural innovation brings new information transmission methods and decision-making methods for enterprises, enabling enterprises to adapt and respond to the environment more quickly. Moreover, the reduction of management level and the increase of management range avoid meaningless management consumption, and at the same time fully mobilize the initiative of the organization, improve the overall work efficiency, reduce the operation cost, and improve organizational performance. From the perspective of transaction cost theory, structural innovation reduces the degree of enterprise centralization and is more inclined to collective decision-making, which can reduce the impact caused by managers' "bounded rationality" and "opportunism", thereby reducing transaction costs of enterprises to promote organizational performance (Wu & Xu 2019).

2.2 Information Technology Capability

Considering the growing importance of information in today's business environment, achieving competence and capability with regard to the tools and processes used to manage information has taken on a new urgency. This capability is known as IT capability. Most of the papers, analyzing IT capabilities, focus on IT infrastructure and IT skills necessary to exploit the potential of information technology (Chakravarty *et al.*, 2013). Based on it, firms' IT capability can be defined as the ability of firm to select, accepts, configures and implements information technology. In other words, IT capability includes IT infrastructure within the company, as well as the supporting processes and knowledge related to it.

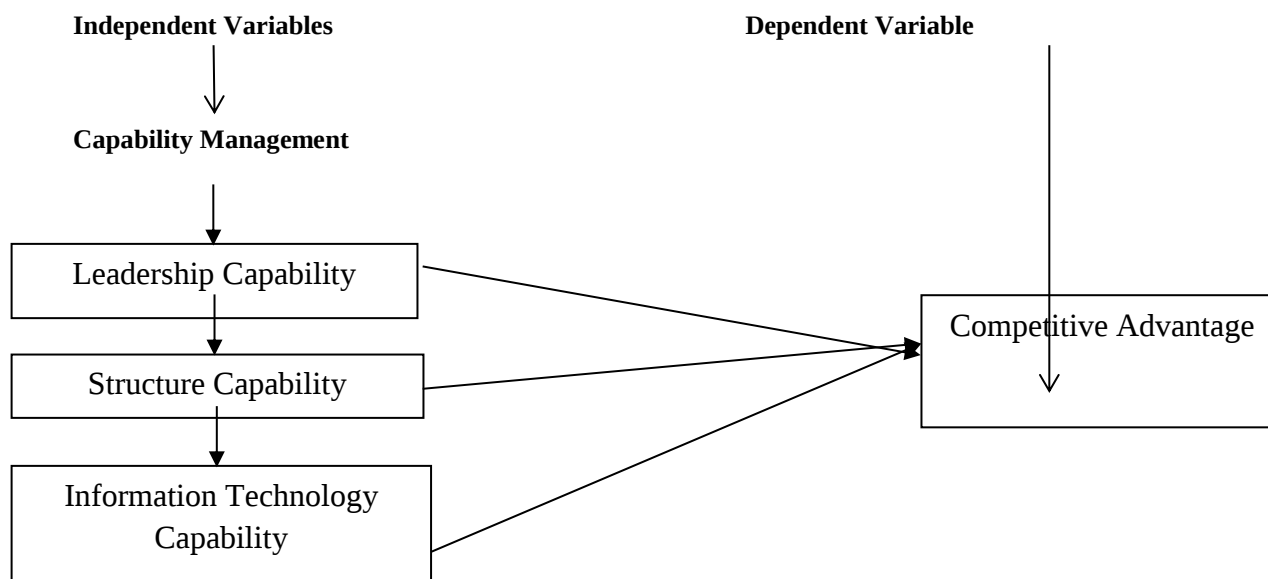
Scholars have viewed IT capability from different dimensions.

IT infrastructure capability is a firm's ability to deploy shareable platforms and captures the extent to which the firm is good at managing data management services and architectures, network communication services, and application portfolio and services for the firm's specific information system applications (Bharadwaj, 2000; Broadbent, Weill, & St Clair, 1999; Laudon & Laudon, 2013). Flexible IT infrastructure reinforces information generation and distribution together, which in turn improves a firm's ability to compete in turbulent environments that lead to competitive advantage (Lyver & Lu, 2018).

2.3 Competitive Advantage

Competitive advantage can be measured using indicators such as quality, cost, delivery, safety, and morale (Ambarwati, 2020); exploitation of market opportunities and the neutralization of competitive threats (Sigalas, et al., 2013); the nine-dimension Competitive Advantage Provided by an Information Application (CAPITA) by Sethi and King (1994); differentiation, cost, innovation, growth, alliance (Rackoff, Wiseman, & Ullrich, 1985); and customer retention, profitability, sales growth, and return on investments (Bhatt & Grover, 2005), was invented by (Sultan & Mason, 2010) who explained that the sustainability of a business is achieved through competitive advantage; whereby upon the formulation of business strategies, it is necessary to create values to customers. Such values may be in the aspect of leadership capability that presents products and services to customers at appropriate prices, the aspect of differentiation of products and services, or the aspect of better responsiveness to customer needs in the niche market than competitors in the same industry. Indeed, competitive advantage is regarded as the ability of the organization to differentiate itself from other competitors.

2.4 Conceptual Framework



Source: Researcher's Conceptualization (2024)

2.5 Review of Theories

2.5.1 Dynamics Capability Theory

The dynamical capability theory by Teece (1990) defined clearly the idea of Structural capabilities. He contends that businesses cannot thrive in a constantly changing environment with the same resources. In order to be successful and adapt to the quick changes, they must constantly reconfigure, re-build, and rejuvenate them. This is accomplished via structural capabilities, which quickly develop new kinds of competitive advantage by developing new skills.

Firms should examine the ever turbulent forces of the environment thus the need for strategies according to Teece (1990). This helps the firm to adapt, integrate and reconfigure the core competencies of the organization including the skills set and other resources in line with the rapidly turbulent environment. At the same time, Teece et al, (2007) conceived competitiveness in the rapidly changing forces of the environment as a form of Structural capabilities as oppose to rivalry in industry or the positioning. The term 'dynamic' was applied to refer to the need for as a firm to restructure their competences in order to align with the changing forces of the environment. Furthermore, Schumpeter (1934), according to Teece (1990), did not explain how larger enterprises were more competitive than comparatively smaller ones. The powers of a monopoly, where such enterprises were in a better position to use their expertise and provide a higher competitive advantage as opposed to smaller and new firms in the sector, served as the foundation for Schumpeter's theory.

According to Porter's Five Forces paradigm from 1990, the market structure is unimportant in the context of dynamic capabilities. Porter contends that under this paradigm, businesses increase their competitiveness by changing their internal systems and procedures in order to stay creative. Porter goes on to say that the dynamic capabilities framework takes into account and mandates the execution of analytical tasks and functions at the company level. Adopting this approach would thus have a substantial impact on competitiveness in the context of IT enterprises.

2.6 Review of Empirical Studies

Adriana, Wander, Eduardo, Roberto, and Roberto (2018) investigated the innovative capacity and competitive advantage of Brazilian firms. The study focuses on contributing to the discussion of how businesses can foster innovation development through their organisational cultures, resources, competencies, and use of interorganizational networks. The sum of these elements is referred to as inventive ability. To do this, a theme-based bibliographic review is undertaken, along with an exploratory case study regarding the innovation management processes of two businesses that are both regarded as innovative but belong to distinct industrial sectors. According to an examination of the empirical study's findings, various types of businesses operating in markets with varying degrees of technology may define the development of creative capacity differently. By better allocating their resources to capitalise on their inventive capacity and so create lasting competitive advantages, businesses may benefit from a better knowledge of how the development of innovative capacity develops across various industrial sectors.

In their study of the relationship between Strategic Leadership Capabilities and Sustainable Competitive Advantage in Private Universities in India, Omar, Islam, and Mahomoud (2021) found that literature has consistently shown that a hypothesis must be formed in order to accomplish a particular goal. The approach utilised in this study was a quantitative survey design. SEM was utilised to examine the connection between the research variables using a deductive methodology. The statistical population for this study in Iraq was made up of 44 private universities. 525 academic leaders in diverse positions who are the replies are. The findings of the statistical analysis of this study indicate that SLC and SCA have a significant association. Results specifically demonstrated the necessity for private colleges to make use of, preserve, and grow the human and social capital of each institution in order to increase SCA.

Knowledge management was explored by Magutu, Kipchumba, Chepkuto, and Nyaoga (2020) as a source of long-term competitive advantage. According to the report, the private farms generated greater earnings than the ones owned by Egerton University. Private farms were more productive when it came to milk and agricultural production. The Egerton University farms were less informed than the private farms, which made the former more competitive. Only one component of strategic competencies was examined in this study. Second, while the present analysis was based on all private institutions in Kenya, the study was based on Egerton University, which is a public university.

Lu and Ramamurthy (2018) conducted an empirical analysis of business and information systems executives in 128 organisations to investigate the link between information technology capacity and organisational capability. The study's findings revealed a strong correlation between IT capabilities and market capitalising agility as well as operational adjustment agility. The study also found that while IT investment and capability had no impact on market capitalising ability, they had a favourable and large impact on operational adjustment agility. However, because this study was not industry-specific, it may not be inferred in the context of the current study. Furthermore, this study tried to ascertain the association between IT capacity and performance, whereas the previous study simply demonstrated the relationship between IT competence and organisational agility. As a result, the study's contextual and conceptual deficiencies were found.

A research on the effect of information technology capacity on the performance of the organisation in Sri Lanka was undertaken by Liu, Zhao, Wang, and Xiao in 2018. According to the findings, the organization's performance was positively influenced by IT capabilities. Another conclusion indicated that the link between the research variables was significantly impacted by the distinct cultures, IT capabilities, and performance measurements, but was unaffected by the various data sources. This study, however, was a meta-analysis of information technology literature without any supporting data. Thus, a methodological gap was identified in the study.

Chae, Koh, and Prybutok (2019) investigated the link between information technology capabilities and the performance of a company, and they found that there was no positive correlation between the two. The findings differed from those of past research that had looked at outcomes that had indicated a favourable association. Additionally, in the current study, the performance of the enterprises leading in IT competence was no better than the performance of the ones lacking IT capability. The findings of this study were based on information gathered between 1991 and 2007. As a result, given how much technology has advanced, the findings might not be relevant today. In addition, the study was based on the IT industry and the findings may not be applicable in the education sector in Kenya. The study identified both methodological and contextual gaps.

3.0 METHODOLOGY

The methods and processes for data collecting, research design, instrumentation, sample techniques, administration, and data analysis methodologies were covered in this chapter. This chapter also discusses the research's demographic, sample design, sampling methodologies, data gathering techniques, data collection methods, data analysis strategies, and data presentation techniques that were used in the study.

3.1 Research Design

The whole research strategy for the study is known as the research design, which is a blueprint or plan that specifies how data on a particular population should be gathered and analysed (Mark, Philip & Adrian, 2009). The study used a cross-sectional approach to its investigation. Because samples were taken from the population and data was gathered from the sample at a certain point in time, this methodology is thought to be pertinent to the research. The research is an inquiry into a social or human issue that is focused on

testing a theory utilising a variety of variables that are measured quantitatively and assessed statistically to see whether the analytical generalisations of the theory are accurate (Mark et al., 2009).

3.2 Population of the Study

Population refers to the whole of any group, individual, or thing that is identified by certain distinctive characteristics. Employees of the companies being studied Intafact Beverages, Guinness, Premiere Brewery, International Breweries, Life Breweries, and Nigerian Breweries located in the Nigerian states of Anambra and Edo make up the study's population. These companies are registered with the Manufacturers Association of Nigeria (MAN). The workers of the organisation under investigation make up the projected 500-person total population. Since it will be difficult and difficult to determine the total number of employees of the organisations under study, the researcher chose a purposeful population size of 500 employees, which was obtained from a pilot study of breweries firms in the states of Edo and Anambra. This population size is shown below on table 1. Table 1's list of breweries shows that these sectors share a distribution pattern and employ a variety of strategies to outperform their rivals.

Table 1: List of Selected Firms and Targeted Customers

S/N	FIRMS	LOCATION	NO OF EMPLOYEES	FREQUENCY
1	Intafact Beverages	Edo State	109	21.8%
2	Guinness Breweries	Edo State	97	19.4%
3	Premiere Brewery	Edo State	58	11.6%
4	International Breweries	Anambra	70	14%
5	Life Breweries	Anambra	59	11.8%
6	Nigerian Breweries	Anambra	107	21.4%
	Total		500	100%

Source: the Manufacturers Association of Nigeria (MAN) (2024)

3.3 Sample Size

The study's sample size was a percentage of people chosen from the general population in order to examine how capability management affects a firm's competitive advantage. Krejcie and Morgan (1970), which are mentioned in Kenpro's (2012) sample size determination table, were used to identify the subset of the population that is being investigated rather than the total population. There are about two hundred and seventeen (217) elements in this subgroup (see appendix I for clarification). In order to fairly reflect the consumers of the chosen businesses, the study uses a simple random sampling procedure to distribute the study's sample size of 217 to the chosen manufacturing enterprises.

3.4 Sampling Techniques

The simple sampling procedure refers to the sampling process used to choose the sample's components. There were two sampling techniques employed in this inquiry. The first are techniques for purposeful sampling, and the second are strategies for probability sampling. According to Schutt (2006), purposeful sampling involves an iterative process of selecting research subjects as opposed to starting with a set sampling frame (size and easy accessibility). Schutt stressed the significance of each sample component having its own specific place in relation to the research topic. To pick informants based on their special knowledge about and/or experience with the empirical issue under inquiry, researchers commonly use a purposeful selection technique. To achieve representativeness and impartial data collection, the sample units were chosen using the probability sampling approach. The study's many components each had an equal probability thanks to this sampling strategy. A proportionate apportionment technique was employed to figure out how many clients each business should have, as can be seen in table 3.2.

3.5 Research Instrument

The quantitative data for this inquiry was gathered using a self-administered structured questionnaire. Using a set of questions on the study variables that are printed or typed in a predetermined order, a questionnaire is a form of data collection instrument (Kothari, 2012). Each question tackles one or more components of the topic, but the questions as a whole cover every angle. The use of a questionnaire enabled a high number of respondents, a low administration cost, easy access to respondents, ample time for respondents to offer thoughtful replies, and objective findings (Yomere & Agbonifoh, 1999; Mark et al, 2009). Olannye (2017) asserts that a questionnaire is useful for gathering feedback on an object or measuring opinions about it. The use of questionnaires was made possible by the researchers' easier access to respondents and the wider coverage they provide (Kothari, 2012). The structured questionnaire that was utilised for the study has two pieces (A, B). Each respondent's general bio-data or demographic characteristics were intended to be captured by section A questions, while the data needs for each established hypothesis were intended to be covered by section B questions. The questions were scored using a modified Likert scale with a maximum of five points.

3.6 Validation of the Research Instrument

This emphasises the need for a high-quality measuring tool to guard against measurement inaccuracies. Particularly, instrument validation involves both validity and reliability.

Validity of the Research Instrument

The degree to which a measure accurately depicts the underlying concept that it is intended to measure is known as validity (Drost, 2011). The degree to which the instrument (questionnaire) measures what it is intended to measure is another definition of validity. In other words, how well it captures the right answers.

The content and construct validity were utilised to validate the research instrument addressed what needs to measure. When something is accepted at face value because it makes logical sense, it is said to have content validity.

The instrument was handed to management specialists to assess if the questions were sufficient to accomplish the study's goals. By thoroughly researching using the right tools and measuring the specific features in all of their manifestations, construct validity is achieved. It gives the ideas deeper significance. In order to establish if a measuring tool is connected to ideas and theoretical assumptions, construct validity may be acquired by tying the tool to a broad theoretical framework (Bhandari, 2022). The majority of the variables utilised in this study were from published literature and had already been pre-tested and verified by other investigations.

3.7 Reliability of Research Instrument

The consistency or accuracy of an instrument is what the term "reliability" refers to. Reliability is verified using statistical procedures, as opposed to validity, which is established by a value judgement. The dependability of the exam illustrates its consistency. Olannye (2017). The reliability coefficients of the constructs were examined to see if they were within acceptable bounds using Cronbach's Alpha. Good reliability is defined as a reliability value of 0.7 or above, while bad reliability is defined as a reliability coefficient of 0.6 or below (Sekaran, 2003).

Table 2: Reliability Statistics

S/N	Construct	Cronbach's Alpha	No of Items	No of Respondents
1	Leadership capability	0.879	4	24
2	Structure capability	0.776	4	24
3	Information technologies capability	0.866	4	24
4	Competitive Advantages	0.976	4	24

Source: Statistical package for social sciences, version 23

From the above table 2, a reliability coefficient of 0.815 and above, is high and is acceptable while a reliability coefficient 0.5 and below shows poor reliability (Sekaran, 2011).

3.8 Method of Data Collection

Primary data are facts gathered or acquired directly from an individual, a group, or a sample unit. A standardised questionnaire that was given to the respondents was used to collect the main data. The questionnaire was distributed to respondents from each of the businesses under investigation. In order to respond to the survey questions, respondents had to select from the following scales: One strongly disagrees, two disagrees, three disagrees, four agrees, and five agree. Because it is "excellent for evaluating behaviour and attitudes toward an object or getting the answer evaluation of an object," the five-point modified Likert scale questionnaire was used for this study (Yomere & Agbonifoh, 1999; Olannye, 2017). The questionnaire was distributed to the respondents in 217 copies overall (customers). With certain revisions to meet specific Breweries Firms in Anambra and Edo State, the capacity management and firm's competitive advantage questionnaire will be employed.

3.9 Sources of Data

The data that was used for this research study will come two main sources: primary sources and secondary sources.

3.9.1 Primary Sources

Here, the term "original firsthand data" refers to data or information collected by the researcher directly from sources such as questionnaires, focus groups, interviews, and observations. A standard questionnaire was utilised to collect data from primary sources for this investigation.

3.9.2 Secondary Data Source

A thorough analysis of the literature served as the secondary source of data. The information from the original source of data was supplemented with information from this source, giving the researcher more knowledge to undertake an objective analysis. Examples of secondary sources of information include textbooks, journals found in the organisation under investigation's library, newspaper and magazine articles, conference papers, empirical reviews, unpublished works connected to the study's topic, and internet extracts.

3.10 Method of Data Analysis

Using SPSS version 23, the statistical methods of Pearson correlation and multiple regression analysis were employed to analyse the data. Because it produces a steady and dependable outcome, the statistics selection is reasonable. Regression analysis was used with a significance level of 0.05 to test the hypotheses.

Descriptive statistics were used to assess the data collected. Frequencies, means, and standard deviation are used in descriptive statistics to describe how the sample responded to a certain issue. To determine if the variables were related, the hypotheses were put to the test using Pearson's correlation co-efficient analysis.

3.10.1 Correlation Analysis:

Where X = Independent Variable, Y = Dependent Variable, n = Number of variables

The range of value 'r' can take changes from +1 to -1 depending on the type of correlation specifically:

- i. The correlation would be perfectly positive if 'r' is equal to +1
- ii. The correlation would be perfectly negative if 'r' is equal to -1
- iii. The relationship between the two variables would be considered to be uncorrelated if 'r' is equal to zero.

With the use of multiple regression analysis, the hypotheses were evaluated. A change in the value of one or more independent variables can have an impact on a dependent variable, as shown by multiple regression analysis. Regression is a statistical method that uses one or more independent variables to forecast the value of a dependant variable (Kometa, 2007). It is also used to look at the relationships between various variables. To determine the strength of the association between the dependent and independent factors, regression coefficients were employed to assess the connection between the independent variables and the dependent variable.

4.1 RESULTS AND DISCUSSION

The presentation and analysis of data and information gathered through sets of questionnaire given to employees of certain industrial enterprises in the states of Edo and Anambra are the main topics of this chapter. The information supplied and examined in the study was divided into three sections; the first is a descriptive analysis of the profile of the respondents with associated percentage weighting. The second step involves correcting the research questions and the associated variables. The third step involves using multiple regression analysis to assess the study's hypotheses. One hundred and sixty-two (162) of the two hundred and seventeen (217) sets of administered questionnaires were returned, fifty-five (55) were incorrectly filled and were discarded, and one hundred and sixty-two (162) were useable. As a result, the analysis of the data was based on a sample size of 162 copies.

Table 3: Administration of Research Questionnaire (Respondents Profile)

S/N	Question	Response	Respondents	Percentage (%)
1	Gender	Male	83	51.2
		Female	79	48.8
		Total	162	100
2	Age	Below 30	21	13.0
		31 – 40	76	46.9
		41 Years and above	65	40.1
		Total	162	100
3	Educational Qualification	WAEC/GCE/NEO	25	15.4
		ND/NCE	11	6.8
		HND/B.Sc	103	63.6
		MBA/M.Sc	23	14.1
		Total	162	100
4	Marital Status	Married	104	64.2
		Single	58	35.8
		Total	162	100

Source: Analysis of Field Survey, 2024

From table above, 83 (51.2%) were males and 79 (48.8%) were females. This indicates that males were more in number than the female respondents.

From table 4.1 above, the age distribution of respondents which was spread across various age brackets show that the highest concentration of respondents fell within the age bracket of Below 30 years with 21 (13.0%) of respondents. The categories of respondents between 31–40 years accounts for 76 (46.9%). 65 (40.1%) of the respondents fell under 40 year and above. It shows from the above table showed that greater part of the respondents WAEC/GCE/NECO holders account for 25(15.4%), those respondents that possess ND/NCE were 11 (6.8%). 103(63.6%) of the respondents indicated that they were HND/B.Sc degree and those MBA/M.Sc and Others educations accounted for 23(%) of the respondent. It also indicates the marital status of the respondents. It was observed that 214 (68.2%) of the respondents were married while 100 (31.8%) were single.

Table 4: Correlation matrix studied variables

	Leadership Capability	Structure Capability	Information Capability	Competitive Advantage
Pearson Correlation	1	.133	.322**	.022

Leadership Capability	Sig. (2-tailed)		.093	.000	.779
	N	162	162	162	162
Structure Capability	Pearson Correlation	.133	1	.129	.291**
	Sig. (2-tailed)	.093		.101	.000
	N	162	162	162	162
Information Capability	Pearson Correlation	.322**	-.129	1	-.192*
	Sig. (2-tailed)	.000	.101		.015
	N	162	162	162	162
Competitive Advantage	Pearson Correlation	.022	.291**	.192*	1
	Sig. (2-tailed)	.779	.000	.015	
	N	162	162	162	162

The first variable being leadership capability correlated positively with firm's competitive advantage ($r = .022$, 0.01) and lastly with innovative capability ($r = .289^{**}$, 0.01).

The second variable being structure capability correlated positively with competitive advantage ($r = .291^{**}$, 0.01), with innovative capability ($r = .157^*$, 0.01).

The third variable being information capability process correlated positively with firm's competitive advantage ($r = .192^*$, 0.01) and innovative capability ($r = .206^{**}$, 0.01).

Table 5: Multiple Regression Analysis of Coefficients ^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.559	.490		3.180	.002
Strategy Capability	.025	.046	.031	.545	.002
Structure Capability	.121	.047	.144	2.599	.010
Information Capability	.101	.067	.086	1.507	.001

a. Dependent Variable: Firm Competitive Advantage

Table 6: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.754 ^a	.568	.554	.55068

a. Predictors: (Constant), Structure Capability, Information Capability, Strategic Capability,

The multiple regression analysis was adopted to test the relationship of Structure Capability, Information Capability, Strategic Capability and firm's competitive advantage. The results were shown in table. From the data shown, the correlation $R = .754$ means that the five (5) factors have high relationship with firm's competitive. In this regression, the independent variables at 56% ($R^2 = 0.568$), ANOVA statistics ($F = 41.039$, $p < .05$) indicated that the overall model is statistically significant. When considering the regression data of independent variables.

Table 7: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	62.225	5	12.445	41.039	.000 ^b
	Residual	47.306	156	.303		
	Total	109.531	161			

a. Dependent Variable: Firm Competitive Advantage

b. Predictors: (Constant), Structure Capability, Information Capability, Strategic Capability

The F-ratio in the ANOVA Table tested whether the overall regression model is a good fit for the data. The table showed that the independent variables (Structural Capability, Information Capability, Strategic Capability), significantly predict the dependent variable (firm's competitive advantage), since $F(5, 156) = 41.039$, $p < .005$, the regression model is good for the data.

4.2 Test of Research Hypotheses

The Decision Rule

If the probability value calculated is greater than the critical level of significance, then the null hypothesis will be accepted while the alternate hypothesis is rejected and vice versa. If the probability value is .000 is smaller than the critical value of 5% (ie $.000 < 0.05$), we conclude that the given parameter is statistically significant. In this situation, it is accepted that there is need to reject the null hypothesis and to accept the alternate.

Hypothesis One

HO₁: There are no significant effects of leadership capability on firm's competitive advantage of selected Brewery firms in Anambra and Edo States.

The coefficient showed the extent to which leadership capability positively affects firm's competitive advantage. Given the Beta value ($\beta = .204$, $p < .001$). The regression analysis for leadership capability and firm's competitive advantage on the test of hypothesis two, Table 4.11 indicated that the exact level of significant calculated (.001) is less than the probability of committing a type one error (.05). Giving the result, the null hypothesis was rejected to accept the alternate hypothesis thereby implying that, there is significant positive relationship between leadership capability and firm's competitive advantage.

Hypothesis Two

HO₂: Structure capability has no significant effects on firm's competitive advantage of selected Brewery firms in Anambra and Edo States.

The coefficient table showed the extent to which structural capability positively affects firm's competitive advantage. Given the Beta value ($\beta = .144$, $p < .001$). The regression analysis for price fixing process and firm performance on the test of hypothesis one, table 4.8 indicated that the exact level of significant calculated (.010) is less than the probability of committing a type one error (.05). Giving the result, the null hypothesis was rejected to accept the alternate hypothesis thereby implying that, there is significant positive relationship between structural capability and firm's competitive advantage.

Hypothesis Three

HO₃: There is no significant effect of information technology capability on firm's competitive advantage of selected Brewery firms in Anambra and Edo States.

The coefficient table showed the extent to which information technology capability positively affects firm's competitive advantage. Given the Beta value ($\beta = .086$, $p < .001$). The regression analysis for evaluation process and firm performance on the test of hypothesis four, table 4.9 indicated that the exact level of significant calculated (.010) is less than the probability of committing a type one error (.05). Giving the result, the null hypothesis was rejected to accept the alternate hypothesis thereby implying that, there is significant positive relationship between information technology capability and firm's competitive advantage.

The coefficient table showed the extent to which information technology capability positively affects firm's competitive advantage. Given the Beta value ($\beta = .720$, $p < .001$). The regression analysis for innovation capability and firm's competitive advantage on the test of hypothesis four, table 4.9 indicated that the exact level of significant calculated (.000) is less than the probability of committing a type one error (.05). Giving the result, the null hypothesis was rejected to accept the alternate hypothesis thereby implying that, there is significant positive relationship between innovation capability and firm's competitive advantage.

4.3 Discussion of Results

From the results of data analyzed in table 4.9 it was reported that the overall positive correlation coefficient values among variables of capability management is indicative that they are appropriate indicators and dimensions. It showed the extent to which strategic capability accounted for change in firm's competitive advantage ($\beta = .031$, $P < 0.01$). This shows that there is significant positive relationship between strategic capability and firm's competitive advantage. Table 4.10 showed that the Adjusted R^2 reported .568(56.8%) of the change firm's competitive advantage is explained by strategic capability. This result agreed with the findings of Chuang et al., (2015) who established that HR capabilities significantly influenced effectiveness in organizational context. Muhura (2012) who showed that the dynamic capabilities of the firm enabled it to effectively compete in the industry. The capabilities include efficient networks of distribution, competent staff and technology adoption, innovation and brand. There were adequate measures of safeguarding these capabilities of the company.

The result from the regression on table 4.8 revealed that Structural capability has significant positive effect on firm's competitive advantage. It showed that the ($\beta = .144$, $P < 0.01$) shows the extent to which price fixing process accounted for change in organizational performance. In table , it showed that the Adjusted R^2 reported .568(56.8%) of the change firm's competitive advantage is explained by structural capability. More so, the result of hypothesis tested showed that there is significant positive relationship between structural capability and firm competitive advantage. The result is in line with the finding with of Audu and Timothy (2014) whose study was on effect of structural capability and firm's competitive advantage on productivity in firm in Nigeria. The coefficients of all the variables of this study were positively signed and in consistent with the theoretical expectation of the study.

From the results of data analyzed in table 4.9, it was revealed that the overall positive correlation coefficient value among variables of information technology is indicative that they are appropriate measures of evaluation process. It showed the extent to which engagement process accounted for change in organizational performance ($\beta = .086$, $P < 0.01$). This shows that there is significant positive effect between engagement process and organizational performance. Similarly, in table, it showed that the Adjusted R^2 reported .568(56.8%) of the change firm's competitive advantage is explained by information technology capability. The result of

hypothesis tested reported that there is significant positive relationship between information technology capability and firm's competitive advantage.

4.4 Summary of the Findings

The general objective of the study was to assess the effects of capability management and firm's competitive advantage of selected brewery firms in Anambra and Edo State.

The result revealed that Leadership capability has a positive and significant effects on firm's competitive advantage of selected brewery firms in Anambra and Edo States ($\beta = 0.204$, $P < 0.01$).

It was observed from the study that Structure Capability has a positive and significant effects on organizational performance of selected brewery firms in Anambra and Edo States ($\beta = 0.144$, $P < 0.010$).

It was found that Information technology capability has a significant and positive effects on firm performance of selected manufacturing firms in Anambra and Edo States ($\beta = 0.144$, $P < 0.001$).

It was found that Information The result of the hypotheses testing revealed that indeed, general view of capability management accounted for firm's competitive advantage. Therefore, giving the Adjusted R^2 reported .568 (56.8%) of the change in firm's competitive advantage is explained by capability management.

5.0 Conclusion and Recommendations

5.1 Conclusion

Based on the findings of the study, the following conclusions were made.

The study found that strategy capability enhanced performance of an organization. This will further enhance the opportunity for determining deficiencies in firm's competitive advantage.. Although no consensus has been reached on the definition, scholars agreed that innovation is beneficial to firm competitive advantage. Also, The capability to generate new ideas which lead to higher performance, create new opportunities, increase future capacity, technological leadership as well as increased knowledge base through managing technological changes

Management, on the one hand, must understand that the correlated and complementary components of information capabilities should not be considered in isolation. However, on the otherhand, they also need to keep in mind that while cultural attributes greatly influence information oriented processes, the major source of firm competitiveness rests in its ability to effectively exploit and apply integrated knowledge based resources, therefore, more efforts should be put in developing and utilising these factors.

5.2 Recommendations

In accordance with the review of the findings and conclusion of the study, the following recommendations are made:

- i. Human resource managers should design, formulate and implement strict selection strategies in order to enhance the attainment of overall organizational goals with a view of getting the best performance from the organizational workers.
- ii. The study recommends that brewery firms should establish and adopt workable capability management system that would enable effectively established performance in giving them an edge over others competitors.
- iii. The organizations should not only provide their employees with great infrastructure and other facilities but also freedom to make their work exciting and also are providing them an environment wherein they can say good-bye to a monotonous work.

References

- Adriana, M.M., Wander, D.L., Eduardo, V.B., Roberto, S., & Roberto, M (2018) Innovative Capacity and Advantage of Brazilian Firms, *Revista de Administracao e Inovacao*, 5(2) 57-72.
- Agbim, K. C., Zever, T. A., & Oriarewo, G. O. (2019). Assessing the effect of knowledge acquisition on competitive advantage: A knowledge-based and resource-based study. *Information and Knowledge Management*, 4(11), 131–142.
- Akram, M., Goraya, M., Malik, A., & Aljarallah, A. (2018). Organizational performance and sustainability: Exploring the roles of IT capabilities and knowledge management capabilities. *Sustainability*, 10(10), 1-20.
- Ali, A., & Christofferson, K. (2019). *Internal Internationalization—A peek into the Black Box*. Gothenburg, Sweden: University of Gothenburg.
- Chae, H. C., Koh, C. E., & Prybutok, V. R. (2019). Information technology capability and firm performance: Contradictory findings and their possible causes. *Mis Quarterly*, 38(1), 305-326.
- Chakravarty, A., Grewal, R., Sambamurthy, V. (2013), "Information technology competencies, organizational agility, and firm performance: Enabling and facilitating roles. *Information Systems Research*", Vol. 24 No. 4, pp. 976–997.
- Chen, J. S., & Tsou, H. T. (2012). Performance effects of IT capability, service process innovation, and the mediating role of customer service. *Journal of Engineering and Technology Management*, 29(1), 71-94.
- Cordes-Berszinn, P. (2020). *Structural capabilities: How organisational structures affect knowledge processes*. London, UK: Palgrave Macmillan.

- Helfat, C. E., & Peteraf, M. A. (2018). The dynamic resource-based view: Capability lifecycles. *Strategic Management Journal*, 24(10), 997–1010.
- Helfat, C. E., Finkelstein, S., Mitchell, W., Peteraf, M. A., Singh, H., Teece, D. J., et al. (2017). *Structural capabilities: Understanding Strategic Change in organizations*. Singapore: Blackwell Publishing.
- Hii, J., & Neely, A. (2000). Innovative capacity of firms: on why some firms are more innovative than others. 7th International Annual EurOMA Conference, 7, Ghent, Proceedings, Belgium. <http://dspace.lib.cranfield.ac.uk/handle/1826/3788>
- Hitt, L. M., and Brynjolfsson, E. (1996). “Productivity, Business Profitability, and Consumer Surplus: Three Different Measures of Information Technology Value,” *MIS Quarterly* (20:2), pp.121-142.
- Huang, X. Kristal, M.M. & Schroeder, R.G. (2020), “The impact of organizational structure on mass customization capability: a contingency view,” *Production and Operations Management*, 19(5), 515–530
- Iqbal, M. S., Shaikh, F. M., Mahmood, B., & Shafiq, K. (2010). Development of textile industrial clusters in Pakistan. *Asian Social Science*, 6(11), 123.
- Laudon, K. C., & Laudon, J. P. (2013). *Essentials of management information systems* (10th ed.). London: Pearson.
- Lawson, Benn, & Samson, Danny (2001). Developing Innovation Capability in organizations: a dynamic capability approach. *International Journal of Innovation Management*, 5(3), 377–400. <http://dx.doi.org/10.1142/S1363919601000427>
- Leonidou, L. C., Leonidou, C. N., Fotiadis, T. A., & Zeriti, A. (2019). Resources and capability as drivers of hotel environmental marketing strategy: Implications for competitive advantage and performance. *Tourism Management*, 35, 94-110.
- Liu, J. (2018), The system behavior and its complexity of organizational innovation in the information technology—based environment,” *Studies in Science of Science*, vol. 27, no. 4, pp. 598–603
- Liu, P., Zhao, R. Y., Wang, W. L., & Xiao, J. (2018). Information technology capability and firm performance: A meta-analysis. In *Service Systems and Service Management (ICSSSM)*, 2013 10th International Conference on (pp.719-724).
- Lu, Y., & Ramamurthy, K. (2018). Understanding the link between information technology capability and organizational agility: An empirical examination. *Mis Quarterly*, 931-954.
- Lyver, M. J., & Lu, T. J. (2018). Sustaining innovation performance in SMEs: Exploring the roles of strategic entrepreneurship and IT capabilities. *Sustainability*, 10(2), 1-
- Magutu, P. O., Kipchumba, S. K., Chepkuto, K. S., & Nyaoga, R. B. (2020). Knowledge management as source of sustainable competitive advantage. *DBA Africa Management Review*, 5(4).
- Mathooko, F. M., & Ogutu, M. (2014). Coping strategies adopted by public universities in Kenya in response to environmental changes. *Journal of Management and Strategy*, 5(1), 93.
- Mithas, S., Ramasubbu, N., & Sambamurthy, V. (2019). How information management capability influences firm performance. *MIS quarterly*, 237-256.
- Nair, A., Rustambekov, E., McShane, M., & Fainshmidt, S. (2020). Enterprise risk management as a capability management: A test of its effectiveness during a crisis. *Managerial and Decision Economics*, 35(8), 555–566.
- Njoroge, G. J. (2019). Effects of organizational resources, competitive advantage on firm's performance of mobile phone industry in Kenya (Doctoral dissertation, Kenyatta University).
- Omar, R.M, Islam, A.N & Mahomoud, K.A. (2021) Strategic Leadership Capabilities and Sustainable Competitive Advantage in Private Universities, *Academy of Strategic Management Journal*, 20(2), 1-23
- Rai, A., & Tang, X. (2014). Research commentary—Information technology-enabled business models: A conceptual framework and a coevolution perspective for future research. *Information Systems Research*, 25, 1–14.
- Sabherwal, R., & Kirs, P. (2020). The alignment between organizational critical success factors and information technology capability in academic institutions. *Decision Sciences*, 25(2), 301-330.
- Subramaniam, M., & Youndt, M. A. (2020). The influence of intellectual capital on the types of innovative capability. *Academy of Management Journal*, 48(3), 450-463.
- Tarutè, A., & Gatautis, R. (2014). ICT Impact on SMEs performance. *Procedia-Social and Behavioral Sciences*, 110(0), 1218-1225.
- Wang, N., Liang, H., Zhong, W., Xue, Y., & Xiao, J. (2012). Resource structuring or capability building? An empirical study of the business value of information technology. *Journal of Management Information Systems*, 29(2), 325-367.
- Wanjiku, G. K. (2017). Strategic Capabilities for Sustainable Competitive Advantage of Insurance Firms in Kenya.
- Wanjiku, G. K. (2018). Strategic capability for sustainable competitive advantage of insurance firms in Kenya. (Doctoral dissertation, school of business, university of Nairobi).
- Wu, W, Wu, B. & Xu, Q. (2019), “The course and law of enterprise organizational structure innovation,” *Scientific Management Research*, 17(6), pp. 1–4,
- Yomere G. O, & Agbonifoh B. A., (1999). *Research Methodology: in the Management and Social Sciences*, Benin City, Uniben Press.