CORRELATION BETWEEN EMPLOYEE COMMITMENT AND ORGANIZATIONAL CAPAbILITIES OF NIGERIAN BOTTLING COMPANY

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Abstract: Purpose: This study focused on employee commitment and organizational capabilities of Nigerian Bottling Firms, South-East. Research Methodology: The study adopted correlational survey design and questionnaire as instrument for data collection. The total population of the study comprised of 610 participants from the cadre of senior level managers, middle level managers, and lower-level staff/subordinates of the firm. The sample size was determined using Taro Yamane formula and calculated as 242. Simple random sampling technique was adopted in the distribution of the survey. Out of 242 questionnaires administered only 226 were filled and returned while the remaining 16 were not utilized for the study. Result: The results of hypothesis confirmed a strong correlation between employee motivation and organizational competitiveness. Limitations: The data collected from the field survey are limited to Owerri and Enugu production plant. Contributions: The researchers contribute to knowledge in the literature through the use of new concepts in the research objective, use analytical tool, industry of study and geographic coverage. Practical Implications: The researchers recommend managers to routinely re-evaluate their organizational strengths and weaknesses and work with the human resources department to fill competency shortages. Novelty: The researchers developed a mathematical model representing employee commitment and organizational capabilities in the methodology.

Keywords: Employee Commitment, Motivation, Organizational Capabilities, Organizational Competitiveness.
INTRODUCTION

Employees' specialized expertise have greatly aided the Nigerian Bottling Company, allowing for smarter business planning and execution. Capabilities are not just found in manufacturing firms, but also in the education sector, where teachers often use digital technology (the internet) to conduct research in order to provide their students with a more well-rounded education. Students at all levels of education have benefited from the dissemination of cutting-edge research findings and the widespread adoption of digital learning tools. The experience and skill of their employees are firm specific asset.

Competence problems are plaguing businesses of all types and sizes, and organizations everywhere are being pressed to do more with less (Nabukeera, Ali, & Raja, 2015). Because of these issues, it is more important than ever for enterprises in countries that practice global integration to improve their efficiency. Most businesses have sought for methods to improve their innovative and value creation capabilities Kylliäinen (2019); Tanner, 2020; Mind-Tools, 2021).

The level of dedication shown by employees are frequently touted as a major component in determining a company's success. This is because dedication, job satisfaction, motivation, and involvement are crucial to a company's success (Bronwyn, 2019). Employees that are devoted to their work are more likely to go above and beyond in their efforts to benefit their employer. Employee commitment, as defined by the author, is the bond between an employee and his or her company.

A number of authors have emphasized the value of employee dedication. According to Park, Christie, and Sype (2014), committed employees are more likely to engage in organizational citizenship action (OCA), which are extra-role behaviors like invention or creativity that give businesses a competitive edge.

Despite this, previous studies have discovered a robust connection between employee commitment and organizational effectiveness. Ekienabor (2018)found that all three types of commitment—emotional, normative, and continuous—had a substantial effect on organizational performance. Another study by Berberoglu (2018) confirms the importance of dedication in predicting an organization's success. Other studies by Racheal, Gabriel, and Chinyere (2020) found a strong connection between employee dedication and company success.

The study's connecting problem statement is outlined in full below. Inadequate wages and working conditions are also significant variables affecting employee commitment. When an outstanding performer departs a key department or division, it weakens the team's overall strength, creativity, and competitive edge. A company can gain an advantage over its competitors by making better use of its human resources. Employee morale,
productivity, and dedication to the company's mission can all take a hit if they are not compensated fairly. Failure to manage staff motivation, excessive employee turnover, competitive compensation, and opportunities for training and development can have a significant negative impact on a company's operational success Ugwu & Ofor (2023). The establishment of the company's core values and the attainment of its objectives may be hampered as a result.

The study is required deal with the above issues. The specific aim of this study is to examine the correlation between employee motivation and firm capabilities in Bottling Firms in Nigeria. The researchers are motivated to embark on research to examine whether employee motivation contributes to organizational competitiveness. These unexplored areas, is the research gap the study intend to fill.

REVIEW OF RELATED LITERATURE

The Concept of Employee Commitment

Employees are a crucial resource for attaining business objectives and preserving competitiveness in the corporate environment, claims Andrew (2017). According to Riasat, Aslam, and Nisar (2016), organizations depend on devoted personnel to create and maintain competitive advantages and achieve exceptional performance. According to Helfat and Peteraf (2003), organizations work to achieve long-term organizational solutions by putting in place top-down organizational structures that concentrate on the creation and ongoing development of firm-specific capabilities in order to handle organizational issues in a flexible manner. Because of their organizational capabilities, businesses operate differently, and the level of employee commitment to the company affects corporate performance.

Princy and Rebeka (2019) describe employee commitment in terms of employee's dedication to their job. The authors contend that the success and productivity of a company would improve if investments were made to inspire personnel. When a company provides its workers with above-average wages, employment stability, and promotional possibilities, it attracts and retains a more dedicated workforce. On the other hand, disengagement is what happens when a company fails to provide a pleasant workplace for its employees. Motivated workers would rather contribute to the success of their company than pursue their own personal goals. Employees would be content in their employment because of their positive attitude and eagerness to learn. The authors propose that in order to increase productivity, businesses should make improving employee loyalty a top priority.

Employee Motivation as a Concept

Employee motivation is the propensity for employees to drive, seek,
and complete job goals and activities, according to Heathfield (2015). Workers are motivated to act and behave in a particular way, which may have an impact on their organization. Cash, travel, overtime, and extra compensation are all considered to be very important motivating factors for employees. Yousaf, Latif, Aslam, and Saddiqi (2014) claim that allowances play a crucial role in motivating employees. They are monetary incentives that help raise staff morale and foster a sense of community.

According to Agbajie (2017), employees are an essential component of any organization because they make up the workforce of any given establishment. The author urged companies to make sure that workers were sufficiently motivated if they wanted to prevent a gradual drop in employee performance levels. Employee motivation, in Agbajie's opinion, helps a firm succeed in retaining a competitive advantage over its competitors. In his own opinion, Aluko (2014) concurred that an organization is only as good as the personnel that manages it. Through employee motivation, there is a chance that employee morale will be high, resulting in improved performance, productivity, and output level.

Organizational Capabilities

According to Kelchner (2018), organizational capability refers to a company's capacity to efficiently manage resources, such as personnel, in order to outperform rivals. According to Dosi, Nelson, and Winter (2000), organizational competencies allow organizations to operate successfully in a firm-specific manner with important structural issues. It is well established that knowledge of an organization executing particular problem-specific activities is associated with organizational capabilities. It is generally acknowledged that only a small number of core competencies must be developed for a corporation to be competitive.

In Dubihlela's (2013) opinion, strategic firm capabilities contribute to the development of a firm's strength and its ability to stand out in the market and satisfy customers. The foundation for a company's ability to maintain a competitive edge over the long term is its capacity to adapt and build new capabilities in order to counter and control the changing business environment. Similar to this, a company's organizational structure and its capabilities allow it to modify its competencies in order to respond to environmental changes Teece et al., (1997).

Organizational Competitiveness

According to Anna (2020), a company's degree of productivity is determined by a set of strategies, policies, and other elements that make up its competitiveness. Cost leadership, differentiation, and focus are examples of strategies for gaining a competitive edge. These elements provide businesses an advantage in generating a distinctive and better product than
their competitors. The goal of the cost leadership strategy is to become the market's lowest-cost producer. This is accomplished by creating highly effective processes, mass production, continuous improvement, and establishing a selling price that cannot be matched by competing businesses (Corporate Finance Institute, CFI, 2015; Meyer, 2014).

Competitiveness, according to Twin (2021), refers to elements that enable businesses to create goods or services at prices lower than their rivals. In the authors' opinion, this is what sets apart an entity's products or services from those of its competitors. Cost structure, branding (differentiation), the caliber of product offerings, the distribution network, intellectual property, turnaround, internet services, and customer service are some of the elements that allow the producing entity to outperform its competitors in terms of sales or profit margins (Twin, 2021; Ugwu, Emerole, Duru, & Kekeocha, 2021).

Organizational competitiveness is the capacity of any entity (firm) to improve its competitive position by differentiate itself from others and maintain its market-leading position as a result of the advantages it has purposefully acquired via the development of superior and distinctive goods and services (Camison & Fores (2015); Orozco, Serpell, Molenaar & Forcael, 2014). Businesses can benefit from a distinct competitive edge when they produce goods or services more profitably than their competitors.

**Theoretical Framework**

**Theory of Leader-Member Exchange**

Dansereau, Graen, and Haga (1975) created the Leader-Member Exchange (LMX) theory which explains that the relationship between the superior and each subordinate accompanied by mutual trust, respect and devotion. According to the theory, leaders form different kinds of relationships with various groups of subordinates. One group, referred to as the in-group, is favored by the leader. Members of in-group receive considerably more attention from the leader and have more access to the organizational resources. By contrast, other subordinates fall into the out-group. These individuals are disfavored by the leader and receive fewer valued resources from their leaders (Erdogan & Bauer, 2015). Leaders distinguish between the in-group and out-group members on the basis of the perceived similarity with respect to personal characteristics, such as age, gender or personality. LMS fails to explain the particulars of how high-quality exchanges are created. It is objected on the grounds of fairness and justice as some followers receive special attention of leaders more than others in the workplace. Therefore, leader-member exchange theory is connected to study objective because leader-member relationship can enhance staff ability to
compete towards achieving organizational objectives.

**Empirical Review**

Shaban, Al-Zubi, and Alqotaish (2017) examined the impact of low morale and motivation on workers' productivity and competitiveness in Jordanian using industrial companies. 276 participants from chosen accounting and management employees made up the study's population. The instrument used to collect the data was a questionnaire. Partial least square was used to test and assess the hypotheses. The outcome demonstrated that productivity and competitiveness were severely impacted by low morale and motivation.

Ugwu, Emerole, Duru, and Kekeocha (2017) looked at Nigerian competitive advantage and technological adoption determinants. Students pursuing postgraduate diplomas, master's degrees, and doctoral degrees at the Federal University of Technology in Owerri, Imo State, made up the study population. A sample of 257 students served as the source of the primary data. A straightforward random sampling procedure was used to distribute the questionnaire. The Pearson Correlation method was used to evaluate the data and determine whether the variables were related. The findings showed that democratic characteristics, including educational attainment, household income, and internet usage, had a significant favorable impact on organizational inventiveness.

Dada, Alegbeleye, Ikonne, and Soyemi (2020) examined the relationship between employee commitment and organizational performance using university registries, South West Nigeria. Data were gathered using a questionnaire and a survey study design. Two thousand, two hundred and eighty-two (2,282) registrar employees from universities in South West Nigeria made up the population. A sample size of 340 registry staff members was examined using the Yamane formula. Simple percentages and frequency counts were used to assess the data that was collected. A straightforward regression analysis method was used to evaluate the hypothesis. Employee commitment has a substantial association with organizational effectiveness, according to the results of the hypothesis test.

Govender and Parumasur (2010) looked into the connection between job involvement and employee motivation in South Africa. 200 permanent and temporary employees from a variety of departments (acquisitions, automation, client’s operation, and collections) at a branch of a financial institution made up the study's population. A probability simple random sampling strategy was used to choose samples of 145 respondents. Both descriptive and inferential statistics were used to analyze the data. The findings suggest that job participation and employee motivation have a significant link.
METHODOLOGY

Research Design

The study employed Nigerian Bottling Company in South East Nigeria to examine the relationship between employee commitment and organizational capabilities. A correlational survey was used as research technique.

The Population of the study

There were 610 participants observed as study population. Both the organization’s temporary (110) and permanent (500) staff members are included in the population structure. To accomplish the goals of the study, the researcher chose two plants from Owerri and Enugu in the South-East Nigerian regions. A questionnaire was employed as a tool for gathering data. The distribution of the survey to 242 personnel from the cadre of senior level managers, middle level managers, and lower-level staff/subordinates of the firm was done using a simple random sample technique.

Table 1: The Population Distribution Statistics

<table>
<thead>
<tr>
<th>S/N</th>
<th>Location</th>
<th>Departments</th>
<th>Positions</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Onitsha Road Industrial Layout, Owerri Imo State</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Population

Temporary Staff = 110
Permanent Staff = 500
Total = 610

Source: (Personnel Records of Nigerian Bottling Plc).

Sampling Size and Sampling Technique

The sample size was determined statistically using Taro Yamane formula for a finite population. It is stated mathematically as follows:

\[ n = \frac{N}{1 + N(e)^2} \]

Where: \( n \) = Sample Size; \( N \) = Population Size; \( e \) = Error of significance 5% (0.05); \( 1 \) = Constant

\[ n = \frac{610}{1 + 610(0.05)^2} = \frac{610}{1 + 610(0.0025)} = \frac{610}{1.1525} = 522.14 \]

Therefore, the sample size is 242 personnel.
Thus, the sample size was calculated as 242 participants. Thus, probability simple sampling method was applied using face-face method in administering of structured questionnaire. This method was employed to allow every population to be selected and represented in the survey. The three levels of management such as; senior level manager, middle level manager, and lower-level staff/subordinates were adequately represented in the survey. This would ensure a better coverage of the population. The study population Owerri and Enugu State were selected using simple random probability sampling techniques. The reason is that Owerri and Enugu plants were only two states that represents entire South-East Nigeria. Simple random probability sampling was adopted in the distribution of the survey using face-to-face method.

Validity and Reliability of the Instrument

An authority in the field of management was consulted to carry out both face and content validity checks to make sure the instrument adequately covers the subject in which the researcher is interested. To make sure the instrument has appropriate items that correlate with the subject matter examined, senior lecturers and professors were consulted. In order to find any flaws in the design or instruments, a pilot test of the questionnaire was done on five people.

<table>
<thead>
<tr>
<th>Table 2: Reliability Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cronbach’s Alpha</td>
</tr>
<tr>
<td>.9251</td>
</tr>
</tbody>
</table>

The Cronbach’s alpha coefficient was used to conduct the reliability test. Given the foregoing, an overall result of the test was determined as 0.9251. However, the test result was above 60%, proving the instrument’s high level of dependability.

A basic regression or ordinary least squares model and analysis of Variance (ANOVA) was used as analytic tool to statistically test and analyze research hypothesis to generate result. For research hypotheses one, a decision rule was used to determine whether to accept or reject the null and alternate (H₀, Hₐ) hypotheses depending on whether the p-value was less than or larger than the crucial value at the 5% level of significance.

Model Specification

Employee commitment was proxy to employee motivation. In linear regression, the model specified below describes the influence of employee
commitment on organizational capabilities in Nigerian Brewery, South East (Ugwu, 2023). The model equation is stated below:

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \]

Equation (2)

\[ Y_{(OC)} = \beta_0 + \beta_1 X_{(EM)} + e \]

Equation (3)

where: \( X \) is a function of, \( X_1, X_2, X_n \) representing independent variables (employee commitment - motivation), and \( Y \) represent dependent variable organizational capabilities - competitiveness; while and \( \beta_1, \beta_2, \ldots, \beta_n \) are the coefficients of the regression equation.

\( Y = \) Organizational Capabilities (\( Y_1 \)); \( X = \) Employee Commitment; \( \beta_0 = \) parameter constant; \( e = \) Error term.

RESULTS AND DISCUSSION

Data Presentation and Description

Statistical Package on Social Science (SPSS Version 20) was used to gather, tabulate, and analyze the data. Only 226 of the 242 copies of the questionnaire that were given to the respondents were filled out and returned; the 16 unreturned copies were used in the analysis.

**Table 3: Schedule of Questionnaire Administered and Returned for Selected Nigeria Bottling Firms, South East, Nigeria**

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>% of Questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returned Questionnaire</td>
<td>226</td>
<td>93.39</td>
</tr>
<tr>
<td>Unreturned Questionnaire</td>
<td>16</td>
<td>6.61</td>
</tr>
<tr>
<td>Total number of Questionnaire Administered</td>
<td>242</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: (Field Survey, 2022).

Analysis of Research Question One

How does employee motivation impact an organization's ability to compete?

Table 4 displays the responses from participants using five-point Likert scales to research question 1.

Instruction: Please mark () a response with the following values: strongly agree (SA=5), agree (AG=4), uncertain (UN=3), disagree (DA=2), and severely disagree (SD=1) to express your own opinion.

**Table 4: Investigative Questions on Employee Motivation and Organizational Competitiveness**

<table>
<thead>
<tr>
<th>S/N</th>
<th>Statements</th>
<th>SA</th>
<th>AG</th>
<th>UN</th>
<th>DA</th>
<th>SD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td><strong>Employee Motivation (Independent Variable, X1)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>I have no complaints in my current position.</td>
<td>102</td>
<td>99</td>
<td>21</td>
<td>1</td>
<td>3</td>
<td>226</td>
</tr>
<tr>
<td>2</td>
<td>Working with this company would help me advance professionally and find a better career.</td>
<td>98</td>
<td>93</td>
<td>28</td>
<td>4</td>
<td>2</td>
<td>226</td>
</tr>
</tbody>
</table>
3. My company gives me the chance to be successful in my line of work.

4. My employer is aware of the additional effort I make at work.

5. My manager treats me with respect and dignity.

6. My current salary at work does not meet my needs.

7. I’m motivated to provide my all in order to meet the organization’s objectives.

8. People are suitably compensated for good achievement at my place of employment.

B. Organizational Competitiveness (Dependent Variable, Y1)

9. The workforce here is diversified.

10. Our employees are experts in their fields.

11. To satisfy our consumers, we place a strong emphasis on high-quality items.

12. We efficiently manage our resources to lower operating expenses and boost productivity.

13. Because our products are incomparably superior to alternatives, we have an advantage in the desirable markets.

14. High-skilled workers do a good job at their jobs.

15. Opportunities for career growth aid in employee development.

16. My firm is continuously looking for new business models in order to attain the intended outcome.

Source: (Field Survey, 2022)

Test of Hypothesis One

H_{A1}: Employee motivation significantly affects an organization’s ability to compete.

Table 5: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.998</td>
<td>.996</td>
<td>.995</td>
<td>5.48602</td>
<td>1.340</td>
</tr>
</tbody>
</table>

Source: (SPSS Version 20)

a. Predictors: (Constant), EM
b. Dependent Variable: OC

EM represents Employee Motivation
OC represents Organizational Competitiveness
Table 6: Analysis of Variance (ANOVA*)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>307112.234</td>
<td>1</td>
<td>307112.234</td>
<td>10204.296</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>1384.433</td>
<td>225</td>
<td>30.096</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>308496.667</td>
<td>226</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: (SPSS Version 22)

a. Dependent Variable: OC
b. Predictors: (Constant), EM

Table 7: Simple Regression Coefficients*

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td></td>
<td>(Constant) - .786</td>
<td>1.093</td>
</tr>
<tr>
<td>EM</td>
<td>1.011</td>
<td>.010</td>
</tr>
</tbody>
</table>

Source: (SPSS Version 22).

a. Dependent Variable: OC

The regression analysis can thus be restated as follows:

\[ Y (OC) = -0.786 + 0.998 \times EM \]  

Equation (4)

DISCUSS OF THE RESULT

In table 7, the regression method was used to conduct research hypothesis one. The outcome shows that the p-value (0.00) was below the 5% threshold of significance critical value. The null hypothesis, which claims that employee motivation has no effect on organizational competitiveness, was therefore rejected in favor of the alternate hypothesis, which states that employee motivation influences organizational competitiveness. Similar to this, the R-Square value of 0.996 in table above (model summary) shows that employee motivation accounts for 99.6% of the variation in the dependent variable, organizational competitiveness. As a result, we can conclude that the model is sound and the test result is valid.

Summary of Findings

The results of hypothesis showed a strong correlation between organizational competitiveness and employee motivation. R Squared = .996, F cal. = 10204.296, Durbin Watson = 1.340, and P (value) = 0.000 were the results of a simple regression analysis.

CONCLUSION

This study's main goal is to investigate the influence of employee commitment on organizational capabilities of Nigerian bottling company in South East Nigeria. The answer to research question one demonstrated that employee motivation greatly affects an
organization's ability to compete. This result is in accordance with studies by Dada et al. (2020) which showed that employee commitment has a substantial association with organizational effectiveness. The study conclude that employee commitment variable (motivation) exerts greater influence on organizational capabilities (competitiveness) of Nigerian Bottling Firms.

The main goal of this study is to examine the influence of employee commitment on organizational capacities of Nigerian Bottling Companies in the region of South East. Every academic assignment is incomplete and open to helpful criticism in order to advance knowledge. The data obtained from this study is limited to only two regions out of five regions in the South East Nigeria. Future research should increase the geographic coverage to five regions in order to achieve generalization. Further study is suggested on capability management and competitive advantage using order industries (including the banking, oil, and gas, and education sectors). In order to make generalizations, the researcher advises using a mix of study methods (quantitative and qualitative).

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