COMPETITIVE STRATEGIES, TECHNOLOGICAL CAPABILITIES AND ORGANIZATIONAL PERFORMANCE: EVIDENCE FROM NIGERIAN MANUFACTURING INDUSTRY

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Abstract:
This paper examines the effect of competitive strategies and technological capabilities on organizational performance with emphasis on the Nigerian manufacturing industry. A cross sectional survey design with a well structured questionnaire was adopted in collecting data from the respondents and thereafter, the data was analyzed using a descriptive and a simple regression analyses on statistical package for social science (SPSS). The result suggests that there exists no significant effect of the differentiation type of competitive strategy on organizational performance, while the cost leadership has a highly significant effect on organizational performance. It further revealed that technological capabilities go a long way in influencing the performance of organizations.

Keywords: Competitive strategies, Resource based view theory, differentiation, cost leadership, technological capabilities, and performance.

1. INTRODUCTION
The resource-based view (RBV) theory of strategy has been extensively apply by researchers to show how the type of resources and capabilities that a firm possesses can lead to competitive advantages and guarantee abnormal profit for the organization (Barney, 1991; Wernerfelt, 1984). Organization will achieve competitive advantages only if their resources and capabilities are scarce, rare, valuable, treasured and cannot be substituted (Barney, 1991). Consequently, technological capabilities are seen as one of the most important element in achieving a
sustainable competitive advantage over direct and indirect competitors (Coombs and Bierly, 2001, 2006) of which numerous research have highlighted its effect on firm performance (Acha, 2000; Etemad and Lee, 2001; Lee et al., 2001; Afuah, 2002; Schoenecker and Swanson, 2002; Vanhaverbeke et al., 2002; Tsai, 2004; Zahra et al., 2007).

Competitive strategy, on the other hand, ensures the relevance of taking advantage of the strategic position (competitive advantage) in the strategic actions of the organizations (Porter 1980, 1985). It is with these planned actions that organizations achieve a low cost competitive advantage or differentiation competitive advantage which is the two basic types of competitive advantage (Porter, 1985). Porter (1985) has also identified a niche positioning called the focus strategy. There is a great effect of competitive strategies generally, and competitive tactics particularly on the performance of an organization (Ansoff, 1965; Andrews, 1971; Spanos et al., 2004). Barney (2002:13) defined competitive tactics as ‘the establishment of an organization’s strategy developed by some certain actions’. These tactics consequently reflect the firm’s strategic orientation and form the basis of its competition (Covin et al., 2000).

This paper follows the view of Mahoney and Pandian (1992), and Spanos and Lioukas (2001) which asserts that there is a relationship between competitive strategy and resource-based view perspectives in the explanation of organizational performance. Nevertheless, it is dissimilar to past studies of Spanos and Lioukas (2001), whose attention was shifted to the mediating effect of capabilities. It is equally important to investigate the controlling role that technological capabilities have on the relationship between competitive strategies and organizational performance in a developing economy because there can be a positive effect on the characteristic of the kind of capabilities which could influence the competitive strategies on the performance of the organization. This could be examined bearing in mind the features of a developing economy like Nigeria which is monolithic, unstable internal and external environmental variables and much uncertainty. Thus, the study emphasizes the corresponding relationship between the technological capabilities and the competitive strategies developed by the organization.

This research purposely looks at the influence of competitive strategies and technological capabilities on organizational performance and also helps in analysing the controlling role of technological capabilities on the relationship between competitive strategies and organizational performance. It is in this process that the seemingly contradictory point of the Porter’s research of competitive strategy and the resource based view theory can come together to better explain the organizational performance. Studies by past researchers only examine the direct effect of technological capabilities on organizational performance, whereas this study not only examines the effect of the variable but also adds another variable in the form of competitive strategy to the performance of the organization in a developing economy, thus integrating different competitive factors together. One of the main contributions of this research therefore is that it examines different facets of the differentiation and the low cost strategies leading to an important suggestion for the controlling role of technological capabilities.

The organization of this paper includes the introduction, the literature review and the hypotheses connecting competitive strategies, technological capabilities and organizational performance, followed by the methodology adopted, and the procedure used in testing for the hypotheses. The preceding sections further discuss the report, and the implication of the results to management. The paper however ends with some limitations and future research direction.
2. LITERATURE REVIEW

2.1. Resource-based view of competitive advantage

It is the assumption of the resource-based view of strategic management that resources and capabilities are significant in gaining competitive advantage and thus very important to achieve a greater performance at the end (Barney, 1991; Peteraf, 1993). The RBV argues that the organization resources and capabilities generate the competitive advantage instead of the activities of the product market thereby bringing about different organizational performance which are not explained by the factors of the industry. At a fundamental level, the resources of the organization and its capabilities have been the focus of RBV (Teng and Cummings, 2002) leading to the ways by which organization can obtain, uphold and develop their resources and capabilities in a way that will preserve their competitive advantage (Berman et al., 2002; Knott, 2003; Zott, 2003; Ahuja and Katila, 2004). This has made Barney (1991:102) to emphasize that “an organization is said to have a competitive advantage when it is implementing a value-creating strategy not simultaneously being implemented by any current or potential competitors”. This can only be maintainable if “the advantage resists erosion by competitor’s behaviour” (Bharadwaj et al., 1993: 84).

The term ‘resource’ is frequently viewed as the amount of assets (measurable or immeasurable) which an organization owns or has access to (Warren, 2002). However, resources can be classified into tangible/visible assets which include facilities and technology and intangible/invisible assets such as patents, reputation, trade secret, and brand name (Hall, 1992). Amit and Schoemaker (1993:43) further described resources as “the stocks of available factors (tangible and intangible) which are owned or controlled by an organization”.

Capability, on the other hand, can be said to be the ability of an organization to organize and reconfigure the available resources in order to improve productivity and achieve strategic goals (Makadok, 2001; Teng and Cummings, 2002). A capability could be lower-order such as functional, relational, operational or technical capacity that may be further subdivided into specific (individual) skills or specialized capabilities. Capability is embedded in the skill of an individual, a specialized kind of knowledge and the social relationship which can be found in an organization’s communication process, managerial positions, and cultural background (Pandza et al., 2003).

2.2. Competitive strategy and performance

It has been argued by Porter (1980, 1985: 12) that ‘the organization’s capacity to attain one of the two basic types of competitive advantage which include the low cost or differentiation competitive advantage may lead to a high performance in the long run in which arises from the structure of the industry’. Since the organization’s particular objective is to sell its product at a cost above production cost in order to make a profit, the organization can then decide to either differentiate its product from others so as to achieve a superior price or rather engage in the production that is of low cost compared to its competitors. Choosing the best strategy, according to Porter (1985), all depends on the structure of the industry. An industry that is more competitive will curb the power of an organization in influencing the price of the product thereby bringing about a low cost competitive strategy, while an industry that supports price inflation will be best for organization to go with a differentiation competitive strategy.

The relevance of being at an advantageous strategic position through the activities of the organization have not only been suggested by Porter’s (1980, 1985) competitive strategy but also by Barney (1991) in his RBV theory (Bharadwaj et al., 1993). It is by this means of development that organizations improve the efficacy of a customer by helping the organization’s supply to
respond to the needs of the consumers. Furthermore, an organization’s resources and capabilities can greatly affect its competitive strategy, that is, an organization has a greater capacity to develop a competitive strategy which will allow for a competitive edge depending on how it is able to gather more valuable resources.

It was debated by Porter (1980, 1985) that organizations that operate in a comprehensive market segment can choose from one of the two generic strategies which include: cost leadership or differentiation strategies, whereas organization looking to enter the contracted market segment can look towards the focus strategy in order to achieve both advantage which include the cost-focus vs. differentiation-focus. Any organization with a problem of effectively selecting and executing one of these three strategies can be seen as “stuck in the middle”.

Porter (1990) selected the cost leadership strategy as the vibrant of the three strategies and stresses that the reason of being at an advantage to others is in its ability to achieve cost leadership without undermining the basis of differentiation which implies that the cost leadership strategy must produce similar products with its competitors but at the advantage of producing it at a lower cost (Dess and Davis, 1984; Coeurderoy and Durand, 2004).

Looking differently at the differentiation strategy which asserts that “an organization seeks to be unique to its industry along some dimensions that are widely valued by buyers” (Porter, 1985: 14), it is not astonishing that elements like brand identification, control of distribution channels, innovation in marketing techniques and advertising are found in the differentiation strategy (Dess and Davies, 1984). Thus, organizations adopting this strategy must organize themselves in the sense that the gains must be more that the cost of the strategy.

The focus strategy meanwhile is divided into two parts which are the cost leadership and the differentiation strategy. These two strategies are different from the ones earlier discussed in the sense that they focuses on the contracted market segment. For instance, in the case where the earlier discussed differentiation strategy focus on the characteristics appreciated by many, the differentiation strategy under the focus strategy focuses its attention on the specialized market segments. Same applies with the cost leadership strategy under the focus strategy which aims to penetrate a narrow market segment at the lowest cost possible (Dess and Davies, 1984). Other than being “stuck in the middle”, the pursuit of either a differentiation or a cost leadership strategy can lead to positive performance outcomes, where a differentiation strategy is characterized by a strong marketing and/or quality orientation and a cost leadership strategy by a cost and/or process improvement orientation. Thus leading to the following hypotheses:

**H1:** A differentiation strategy has a significant effect on organizational performance in a developing economy.

**H2:** A cost leadership strategy has a significant effect on organizational performance in a developing economy.

### 2.3. Technological capability and performance

Teece et al (1997:521) describe a “technological capability” as “the ability to perform any relevant technical function or volume activity within the organization including the ability to develop new products and processes and to operate facilities effectively”. Technological capability have been an integral strategic resources used by organizations to achieve competitive advantage in the industry over the past era (Duysters and Hagedoorn, 2000). This is known from McEvily et al. (2004) study which argues that organizations that have higher technological skills appear to perform at the highest level, and also tend to be more innovative and creative. They achieve a great efficiency gain by inventing process innovations (Teece et al., 1997), and also
engage in high differentiation strategy by creating products to respond to the evolving market (Teece and Pisano, 1994; Verona, 1999).

It was suggested by Porter (1985) that the ability of an organization to employ and develop a high technology for its product goes a long way in determining the strategic position to adopt whether it is that of the differentiation position or the cost leadership position. Further speaking, he argues that the ability of an organization to be able to lead and maintain technological change in the industry eventually give such organization a justifiable competitive advantage over others. The ability of technological capability to control the ability of the organization to perform should be a positive step for the organization to gain the competitive edge over others. For instance, for an organization that adopt the cost leadership strategy, there can be the enjoyable positive advantage of the relationship between the strategy adopted and performance if it has a significant technological capabilities. This implies that technological capabilities will help the organization to efficiently produce more products at the lowest cost possible thereby enhancing its economies of scale (Porter, 1985:178). Correspondingly, a higher technological capability also helps in achieving competitive advantage adopting the differentiation strategy by improving the quality of the product, adding new features and values to the product, and also improving the economies of scale of the organization (Porter, 1985:178).

Much theoretical research have been focused on technological capabilities, however, there have been less research on its relationship with organizational performance (Tsai, 2004). Among researchers that have studied its relationship with organizational performance include Aw and Batra (1998). They looked at the relationship between technological capability and firm efficiency in Taiwan’s manufacturing industry using total expenditure on R&D and on-the-job training as the proxy variables for technological capability. Their result found out there exist a positive correlation between technological capability and firm efficiency. Consequently, Acha (2000) in his work replaced technological capability with R&D expenditure, publications and patents and discovered that there is also a positive correlation between those elements and firm’s operational performance. Tsai (2004) simultaneously studied the relationship between these two variables using a seven year panel dataset of 45 large manufacturing firms quote on the Taiwan stock market as empirical evidence. The result indicated that technological capability is an important determinant of a firm’s performance in the electronic field. It is then suggested from these points of views that technological capabilities have a positive effect on organizational performance. (Etemad and Lee, 2001; Lee et al., 2001; Afuah, 2002; Schoenecker and Swanson, 2002).

H3: Technological capabilities have a significant effect on organizational performance.

3. METHODOLOGY
A cross sectional survey design was adopted to examine the effect of competitive strategies and technological capabilities on organizational performance in Nigeria. This study also follows a regression research strategy and helps in looking at the effect of the independent variables to the dependent variable, thus justifying the use of survey research. Data was generated from respondents of manufacturing firms in Nigeria on a wide basis relating to competitive strategies, technological capabilities and organizational performance.

The population adopted for this study included manufacturing firms in Nigeria, while the population sample was restricted to manufacturing firms based in Lagos, since there exist more than average percentage of Nigeria’s manufacturing firm in Lagos State, thus making the state a good representation of manufacturing firms in Nigeria.
The field research assistants helped in administering the questionnaire on manufacturing firms in Lagos state. Firms in this state established the sample frame which was considered as a representative of the population from which the sample was drawn. The questionnaire targeted top managers and chief executives of the selected firms which were approached and persuaded to fill the questionnaire. Firms that did not participate were uninterested or hesitant to release information to the researcher, while others premised their refusal on the management policy in the organization.

The technique used in the selection of participating manufacturing firm was a simple random sampling technique in which a total of 220 copies of the questionnaire were distributed. 196 were completely filled and returned, thus representing a 90.54% response rate. Sampling according to Saunders et al. (2003) can be defined as a part of the entire population carefully selected to represent that population, while Grochenig et al., (2010) defined random sampling as a strategy of choice for learning an unknown function in a given class of functions. The reason for using a random sampling technique was justified as it eliminates every possibility of a biased sample by the favourite of the individual giving the sample (Bordens and Abbott, 2002). It also justifies how necessary it is when one wants to apply research findings directly to a population. (Mook, 1983).

The units of analysis were constituted by the participating manufacturing firms, while the adoption of primary data method was justified as it is the quickest and simplest of the tools to use, if publication is the aim (Bain, 1995).

4. EMPIRICAL RESULTS
4.1 variables and measures
4.1.1 Competitive strategies
This study initiated four items using a five-point likert scale which ranged from strongly agree to strongly disagree to access questions on network resource combination. The results of the respondents rating on the five items were looked into, added up and averaged to generate the mean of competitive strategies. Competitive strategies is considered high if the index is equal to or greater than 5.0 while it is considered low if less than 5.0. The Cronbach alpha of the items was calculated to be 0.76 suggesting that the items are highly reliable.

4.1.2 Technological capabilities
This study initiated four items using a five-point likert scale which ranged from strongly agree to strongly disagree to access questions on network resource combination. The results of the respondents rating on the five items were looked into, added up and averaged to generate the mean of technological capabilities. Technological capabilities is considered high if the index is equal to or greater than 5.0 while it is considered low if less than 5.0. The Cronbach alpha of the items was calculated to be 0.76 suggesting that the items are highly reliable.

4.1.3 Organizational performance
A five-point point likert scale of 4 items was also generated for firm performance. The scales ranged from strongly agree to strongly disagree. The result of the items were added and averaged to determine the mean index. Organizational performance is considered high if the index is equal to or greater than 5.0 while it is considered low if less than 5.0. The Cronbach alpha of the items was calculated to be 0.76 suggesting that the items are highly reliable.
4.2 ANALYTICAL TOOLS AND HYPOTHESES TESTS AND RESULTS

To study the intentions of this study, and develop an important connotation to the data generated, the data gathered were analyzed using statistical package for social sciences (SPSS) as well as the following descriptive and inferential statistical techniques.

Mean frequencies and percentages which are descriptive statistics were engaged to determine the demographic attributes of the respondents. These statistics however were not meant to tackle the research hypothesis, but rather to summarize the characteristics of the sample size. Simon (2002).

In testing for the effect of competitive strategies and technological capabilities on organizational performance, the amount of variations in the dependent variable (organizational performance) which can be associated with the changes in the value of the independent variables (competitive strategies and technological capabilities) is being tested using regression analysis.

Table 1 revealed that many of the respondents were male which constituted 75% of the total respondents. Respondents who were less than 37 years were calculated at 39.8%, while those who were above 36 years, but below 46 years were calculated as 40.3%, those who were above 47 years and above were summed up at 19.9% of the entire sample size.

The marital status of the respondents revealed that many respondents were married at 65.3%, which was followed by those that were single at 24.5%, the once that have other marital challenges had a low percentage at 10.2%.

The table also revealed that majority of the respondents has an msc/mba degree at 39.8%, followed by Bachelor’s degree or equivalent at 35.7%, while those with nce/ond degree stood at 19.4% and those with other kind of degree contributed a percentage of 5.1% of the respondents.

The table finally revealed that majority of the respondent has had a 5 to 10 years’ experience on the job; they contributed a percentage of 55.1%, while those less than 5 years’ experience constituted a 29.6% and those with a more than 10 years’ experience with a percentage of 15.3%.

<table>
<thead>
<tr>
<th>Table 1: Demographic profile of the respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td>27-36</td>
</tr>
<tr>
<td>37-46</td>
</tr>
<tr>
<td>47 and above</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Marital Status</td>
</tr>
<tr>
<td>Single</td>
</tr>
<tr>
<td>Married</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Educational qualification</td>
</tr>
<tr>
<td>Nce/ond</td>
</tr>
<tr>
<td>Hnd/bsc</td>
</tr>
</tbody>
</table>
4.2.1 HYPOTHESES TESTING

**H1**: A differentiation strategy has a significant effect on organizational performance.

### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.247(a)</td>
<td>.061</td>
<td>.056</td>
<td>1.17494</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), my organization's product is different from others

### ANOVA(b)

<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>1 Regression</td>
<td>17.431</td>
<td>1</td>
<td>17.431</td>
<td>12.627</td>
<td>.000(a)</td>
</tr>
<tr>
<td>Residual</td>
<td>267.814</td>
<td>194</td>
<td>1.380</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>285.245</td>
<td>195</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a Predictors: (Constant), my organization's product is different from others

b Dependent Variable: my organization's market shares have increased over the years

### Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>2.612</td>
<td>.258</td>
<td>10.124</td>
<td>.000</td>
</tr>
<tr>
<td>my organization's product is different from others</td>
<td>-.444</td>
<td>.125</td>
<td>-3.553</td>
<td>.000</td>
</tr>
</tbody>
</table>

a Dependent Variable: my organization's market shares have increased over the years

The effect of competitive strategies (differentiation strategy) on organizational performance was investigated using regression analysis. Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. The result indicated that the decision parameter which is $b = -.247$ showing a weak insignificant effect on organizational performance. It further revealed that the correlation coefficient which is $R = .247$. This implies that the relationship between the two variables is at 24.7% which is too weak. Thus Hypothesis 1 which states that differentiation strategy has a significant effect on organizational performance should be rejected.

**H2**: A cost leadership strategy has a significant effect on organizational performance.
Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.954(a)</td>
<td>.909</td>
<td>.909</td>
<td>.22106</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), my organization tend to produce its products at a very low cost

ANOVA(b)

<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>1</td>
<td>Regression</td>
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<td>1</td>
<td>95.229</td>
<td>1948.755</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>9.480</td>
<td>194</td>
<td>.049</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>104.709</td>
<td>195</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a Predictors: (Constant), my organization tend to produce its products at a very low cost

b Dependent Variable: there have been rapid increase in the profitability rate of my organization over the years

Coefficients(a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant) my organization tend to produce its products at a very low cost</td>
<td>-.032</td>
<td>.046</td>
<td>-.954</td>
</tr>
<tr>
<td></td>
<td>.990</td>
<td>.022</td>
<td>44.145</td>
<td>.000</td>
</tr>
</tbody>
</table>

a Dependent Variable: there have been rapid increase in the profitability rate of my organization over the years

The second element for testing the effect of competitive strategy on organizational performance which is the low cost strategy was equally tested using the regression analysis. The result indicated that the decision parameter .954 which implies a very significant effect of cost strategy on organizational performance. Looking forward at the correlation coefficient, it showed that there exist a 95.4% relationship between the two variables, thus, hypothesis 2 should be accepted.

**H₃**: Technological capabilities have a significant effect on organizational performance.

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.000(a)</td>
<td>1.000</td>
<td>1.000</td>
<td>.00000</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), the machines used in my organization are of low standards

ANOVA(b)

<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>1</td>
<td>Regression</td>
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<td>1</td>
<td>224.097</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>.000</td>
<td>194</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>224.097</td>
<td>195</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a Predictors: (Constant), the machines used in my organization are of low standards
The third hypothesis which is technological capabilities have a significant effect on organizational performance was likewise tested using regression analysis. The results showed that technological capabilities have a perfectly strong significant effect on organizational performance at $b=1.000$. It also revealed that the relationship between the two variables is a perfect relationship showing form the correlation coefficient at $R=1.000$. Thus hypothesis 3 should also be accepted.

5. CONCLUSION AND IMPLICATION FOR MANAGEMENT

The results above indicate that there exists no significant effect of the differentiation type of competitive strategy on organizational performance, while the cost leadership has a highly significant effect on organizational performance. It further revealed that technological capabilities go a long way in influencing the performance of organizations. Thus, organizations are advised to take into cognizant the cost of production in which they should try to produce their products at the lowest cost possible, while still producing the required quality desired by their consumers, and further engaging in high technological changes and improvement so as to ensure that they remain competitive and also gain a competitive advantage over others. By doing this, organizations are assured of a high performance, which include profit making, efficiency and effectiveness in the industry.

5.1 LIMITATIONS AND FUTURE RESEARCH DIRECTION

This study as only focused on firms in Nigeria and in particular Lagos State. In the findings of the study it is been revealed that the study has not been tested on a broad scale to achieve greater generality. Future studies however might also consider other elements of competitive strategies apart from differentiation strategy, and the cost leadership strategy on organizational performance.

References


