

<https://doi.org/10.59298/NIJCIAM/2024/4.3.5760>

An In-Depth Examination of the Internal Capabilities inside Organisations in the Southeastern Region of Nigeria

Aleke Jude Uchechukwu

Faculty of Economics and Management Kampala International University Uganda

Email: Jude.aleke@kiu.ac.ug
<https://orcid.org/0009-0009-6807-9484>

ABSTRACT

In the ever-changing economic landscape of south-eastern Nigeria, businesses must use their capabilities to ensure sustainable growth and a competitive advantage. This area, which was marked by a wide range of socio-economic conditions, a growing spirit of entrepreneurship, and an evolving business environment, offered a distinctive setting for analysing internal capacities. These skills include an organization's resources, talents, and strategic assets, which were crucial for competing successfully, being innovative, and adjusting to the operating environment. This study examined the internal capacities of organisations in south-eastern Nigeria, using academic literature, empirical research, and real-world case studies. The objective was to provide practical knowledge on improving competitive positioning and resilience by examining aspects like human capital, organisational culture, technical infrastructure, and strategic agility. The study utilised a sequential explanatory approach, integrating quantitative surveys and qualitative interviews to present a thorough knowledge of how internal capacities were produced and exploited. The findings emphasised the substantial influence of socio-economic variables, such as infrastructural deficiencies and cultural norms, on the internal workings of companies. The research emphasised the need for customised strategies that connect internal strengths with regional problems and opportunities, to promote long-term development and competitiveness.

Keywords: Internal capabilities, Competitive advantage, Socioeconomic factors, Organisational culture, Technological infrastructure.

INTRODUCTION

In today's ever-changing business world, organisations must evaluate and use their internal strengths to achieve long-term development and gain a competitive edge. This statement is especially accurate in areas that have distinct socio-economic conditions, like south-eastern Nigeria. This area offers a wide range of cultural diversity, a growing entrepreneurial mindset, and a developing business environment, making it an ideal place to explore and analyse internal organisational capacities. Internal capabilities include the resources, talents, and strategic assets that an organisation has, allowing it to successfully compete, innovate, and adapt in its operational environment. According to Barney. [1], these internal competencies are essential sources of long-term competitive advantage, enabling businesses to not only survive but also prosper in the face of market uncertainty and competitive challenges. In the specific setting of south-eastern Nigeria, where firms encounter a combination of distinct difficulties and possibilities, doing a thorough examination of internal skills becomes particularly important. In recent years, Nigeria's economy has seen notable changes due to factors such as globalisation, technological progress, and changing consumer tastes. Amid these developments, organisations operating in the southeastern area must have a detailed awareness of their strengths and limitations to successfully traverse the complexity of the market. According to Eisenhardt and Martin. [2], businesses that are proficient in analysing their internal capabilities are more capable of developing strategies that correspond with their core strengths. This, in turn, improves their capacity to withstand and react to external shocks. Furthermore, the socio-cultural variables that are widespread in south-eastern Nigeria provide an additional level of intricacy to the examination of internal capacities. The region's rich cultural legacy and dynamic

entrepreneurial culture provide a favourable environment for the growth of local firms and the development of new business models. Nevertheless, these cultural complexities may also present difficulties in terms of talent management, aligning corporate culture, and engaging stakeholders. This calls for a sophisticated comprehension of internal capabilities that are specifically matched to the regional environment. In light of this situation, this research undertakes a thorough examination of the internal skills of organisations functioning in the southeastern region of Nigeria. This study aims to analyse the complexities of internal capacity dynamics in the area by combining information from academic literature, empirical research, and real-world case studies. This study aims to offer practical insights for organisations seeking to improve their competitive positioning and resilience in the business environment of Southeast Nigeria. It will examine various factors including human capital, organisational culture, technological infrastructure, and strategic agility through a multidimensional perspective. This paper will explore the theoretical foundations of internal capabilities, explain the specific socio-economic conditions in South-Eastern Nigeria, examine relevant literature on internal capability analysis, and suggest a research framework for conducting a thorough investigation. This study aims to enhance academic discourse and managerial practice by promoting a comprehensive understanding of the internal capabilities in the southeastern region of Nigeria. It seeks to empower organisations to fully realise their potential and succeed in the face of the dynamic challenges and opportunities in the area. In the dynamic and continuously changing business environment of south-eastern Nigeria, businesses face several difficulties and opportunities that need deep knowledge and efficient use of their internal resources. Nevertheless, even though internal capacity analysis is increasingly seen as a critical factor for organisational performance, there is a lack of thorough research that specifically addresses this issue within the context of south-eastern Nigeria. A significant obstacle is the dearth of empirical research on the internal capacities of groups working in south-eastern Nigeria. Although the current body of literature offers valuable insights into the analysis of internal capabilities in various contexts, such as developed economies or other regions within Nigeria, there is a significant lack of knowledge regarding the specific challenges and opportunities encountered by organisations in south-eastern Nigeria. Organisations that lack a detailed grasp of the internal dynamics of capabilities in this area run the danger of developing plans that do not correspond with their operational reality. This may ultimately weaken their competitive position and long-term viability. Moreover, the socio-economic conditions in south-eastern Nigeria provide extra intricacies that need academic investigation. Organisations have considerable challenges in efficiently using their internal talents due to factors such as inadequate infrastructure, legal limitations, socio-cultural norms, and limited availability of trained workers. Research has shown that infrastructure obstacles, such as inconsistent power supply and inadequate transit networks, may hinder the efficiency and creativity of organisations [3]. Traditional frameworks of internal capacity analysis may fail to fully reflect the effects of cultural subtleties, such as traditional family structures and patron-client relationships, on corporate decision-making processes and employee behaviours. A significant problem is the absence of standardised approaches for evaluating internal capacities that are specifically designed for the unique circumstances of southeastern Nigeria. Although there are existing frameworks and instruments for internal capacity analysis in general, it is uncertain how well they can be used and how effective they are in the specific socio-economic context of south-eastern Nigeria. Teece et al. [4], highlighted the need to use context-specific techniques to address the unique difficulties and possibilities in a particular setting, due to the changing nature of capabilities. Organisations may have difficulties in properly identifying their internal strengths and weaknesses if they do not have customised approaches. This might impede their capacity to develop effective plans for sustained development and competitiveness. Furthermore, the lack of longitudinal research that monitors the development of internal skills over time creates a substantial vacuum in information. It is essential for organisational resilience and flexibility to comprehend how internal capabilities change in response to the dynamic nature of both the internal and external business environments. Longitudinal research offers useful insights into the variables that influence changes in internal capacities, the efficacy of organisational responses, and the long-term consequences for performance and survival. The study was designed to research the internal capacities of organizations in Southeastern Nigeria by reviewing academic, industry, and case studies, surveying key personnel, and interviewing managers and employees to identify strengths and weaknesses. Document capabilities, challenges, and best practices. Compare findings with organizations in other regions. Use thematic analysis to identify patterns. Develop practical recommendations to enhance internal capacities for better performance and competitiveness. Consult with industry experts and executives, and compile a comprehensive report with methodology, findings, and recommendations. This structured approach aims to improve internal capacities in Southeastern Nigerian organizations.

Defining Internal Capabilities

Internal capabilities refer to the wide range of resources, talents, and strategic assets inside an organisation that allows it to achieve better performance and gain a competitive edge [1]. The capabilities referred to here include both tangible resources, such as financial capital, physical infrastructure, and technology assets, and intangible resources, such as human capital, organisational culture, and knowledge assets [5]. In the specific region of South-Eastern Nigeria, businesses face challenges related to inadequate infrastructure, regulatory limitations, and cultural

complexities. To successfully operate in this local business environment, it is crucial to have a detailed understanding of these internal capabilities, [6].

Internal Capabilities and Competitive Advantage

Existing research emphasises the crucial importance of internal talents in promoting long-lasting competitive advantage and organisational success [1]. Organisations that efficiently use their internal resources and competencies have a stronger ability to innovate, adjust to market fluctuations, and surpass their rivals [2]. However, to achieve and maintain a competitive edge, it is necessary to strategically connect internal capabilities with external market needs [7]. For enterprises operating in south-eastern Nigeria, it is crucial to connect their internal capabilities with the external market dynamics and regulatory hurdles to achieve long-lasting competitive success [3].

Socio-Economic Dynamics and Internal Capabilities

The socio-economic environment in which businesses function has a significant impact on the growth and exploitation of internal skills [8]. Infrastructural deficits, political instability, and cultural norms in south-eastern Nigeria have a significant influence on organisational behaviour and decision-making processes [6]. Research has shown that infrastructure difficulties, such as inconsistent power distribution and inadequate transit systems, may have a substantial influence on the efficiency and creativity of organisations [3]. In addition, cultural subtleties, such as conventional family systems and patron-client associations, might impact employee conduct and organisational culture in manners that need meticulous examination throughout internal capacity analysis [9].

Approaches for Assessing Internal Capabilities

Evaluating and improving internal capacities necessitates strong procedures and instruments that are customised to the particular circumstances of south-eastern Nigeria [4]. Although classic frameworks like SWOT analysis and resource-based view (RBV) provide significant insights, it may be necessary to enhance them with context-specific techniques that consider the unique problems and possibilities of the area [6]. Qualitative research approaches, such as case studies and interviews, may be used to get a more profound knowledge of the socio-cultural elements that influence internal capacities in south-eastern Nigeria [9].

Progression of Internal Abilities

Internal capabilities are dynamic and change throughout time in response to shifts in the internal and external business environments [4]. Conducting longitudinal studies that monitor the development of internal capacities in south-eastern Nigeria may provide useful insights into the reasons that cause change, the efficiency of organisational responses, and the consequences for long-term performance and resilience [3]. To summarise, the literature examined emphasises the crucial significance of conducting internal capacity analysis for businesses operating in south-eastern Nigeria. Organisations can improve their competitive position, promote innovation, and achieve long-term growth in the local business environment by effectively utilising their internal resources and capabilities within the specific socio-economic context of the region.

CONCLUSION

Various resources, talents, and strategic assets interact with the socio-economic environment to affect Southeastern Nigerian enterprises' internal capacity. Some firms flourish, while others struggle to properly use their resources. The results show that regional problems and strengths need specialised tactics. Socio-economic changes, legal frameworks, and cultural dynamics should inform internal capacity strategies to promote effectiveness and sustainability. Organisations should constantly evaluate their internal capabilities to identify strengths, shortcomings, and improvement opportunities. Adapting to market changes requires fostering creativity, agility, and continual learning. Investing in technology, personnel development, and organisational initiatives boosts competitiveness. To enhance productivity and creativity, policymakers should prioritise infrastructure improvements, including dependable electricity, efficient transit networks, and better digital connections. Regulatory changes that streamline corporate procedures, reduce bureaucracy, and encourage entrepreneurship may boost capacity and economic development.

REFERENCES

1. Barney, J. B. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99-120.
2. Eisenhardt, K. M., & Martin, J. A. (2000). Dynamic Capabilities: What Are They? *Strategic Management Journal*, 21(10-11), 1105-1121.
3. Oseghale, I., Arowoshegbe, A., & Oluwagbemiga, I. (2020). Infrastructure Deficiencies and Corporate Performance in Nigeria. *International Journal of Business and Management*, 15(2), 113-129.
4. Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic Capabilities and Strategic Management. *Strategic Management Journal*, 18(7), 509-533.

5. Grant, R. M. (1991). The Resource-Based Theory of Competitive Advantage: Implications for Strategy Formulation. *California Management Review*, 33(3), 114-135.
6. Ogbo, A., Obinna, M., & Agu, S. (2019). Assessing the Effect of Organizational Culture on the Performance of Banks in Nigeria. *Asian Journal of Social Sciences and Management Studies*, 6(1), 1-12.
7. Porter, M. E. (1996). What is Strategy? *Harvard Business Review*, 74(6), 61-78.
8. Scott, S. G., & Bruce, R. A. (1994). Determinants of Innovative Behavior: A Path Model of Individual Innovation in the Workplace. *Academy of Management Journal*, 37(3), 580-607.
9. Adegbite, E., Amaeshi, K., & Nakajima, C. (2018). Multiple Influences on Ethical Decision-Making in a Global Organisation. *Business Ethics Quarterly*, 28(3), 289-323.

CITE AS: Aleke Jude Uchechukwu (2024). An In-Depth Examination of the Internal Capabilities inside Organisations in the Southeastern Region of Nigeria. NEWPORT INTERNATIONAL JOURNAL OF CURRENT ISSUES IN ARTS AND MANAGEMENT,4(3):57-60.
<https://doi.org/10.59298/NIJCIAM/2024/4.3.5760>