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Management Innovation Dimensions and Sustained Competitive Advantage of Listed Deposit Money Banks (DMBS) in Nigeria

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Abstract

The banking industry is going through significant changes due to technological advancements and evolving customer expectations. To stay competitive, banks need to modernize and improve their offerings. Large banks are adopting a more centralized structure with centralized decision-making and integrated business units. However, despite their crucial role in the economy, banks are facing suboptimal returns and slow growth. While studies have established a clear link between innovation and performance, fewer studies specifically explore the relationship between management innovation and competitive advantage. More so, most of the extant research focus on developed countries than developing countries, such as Nigeria. Hence, the study examined the effect of management innovation dimensions such as management structure, culture, and practices on sustained competitive advantage of listed DMBs in Nigeria. Survey research design was adopted. The population was 403 directors and top-level management staff of listed DMBs in Nigeria. A sample size of 341 was determined using Cochran's formula. Simple random sampling technique was adopted. A validated questionnaire was adopted for data collection. Cronbach's alpha reliability coefficients for the constructs ranged from 0.74 to 0.98. The response rate was 85%. Data were analyzed using descriptive and inferential (multiple) statistics. Findings revealed that management innovation dimensions had significant effect on performance of listed DMBs in Nigeria (Adj.$R2$ = 0. 641; F (4,335) = 152.405, $p < 0.05$). The study concluded that management innovation dimensions affected sustained competitive advantage of listed DMBs in Nigeria. The study recommended that consistently communicating the change and motivating new habits that support the desired culture will be required to sustain any competitive advantage that a firm has acquired.

Keywords: *Management culture, Management innovation, Management practices, Management structure, Sustained Competitive Advantage.*

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Background to the Study

The banking industry is undergoing significant disruption due to technological advancements and changing customer demands, requiring banks to modernize and enhance their offerings to remain competitive. McKinsey & Company (2018) reports that large banks are adopting a more centralized structure with centralized decision-making and integrated business units. Despite the critical role of banks in the economy, the industry is experiencing less than optimal returns and sluggish growth. Global banking revenue grew by 10% from 2017 to 2019, driven largely by retail banking, but new compliance layers and functions have offset cost improvements (McKinsey Global Banking Annual Review, 2020). In the USA, increased competition has led banks to offer more attractive products and services while embracing technology, resulting in higher customer satisfaction scores (Federal Reserve Bank of St. Louis, 2022). In Europe, there is a consolidation of the banking sector, increased competition from fintech startups, and challenges with profitability (European Banking Transformation, 2020). The UK banking sector is dominated by a few large banks, which have reported strong financial results, but the COVID-19 pandemic has impacted profitability (Bank of England, 2021). Asia's banking sector is growing at a faster rate than Europe and North America, driven by increasing middle-class populations and digitalization, but profitability and margins are under pressure (McKinsey, 2021).

African banks have shown promising returns on equity, but there are challenges with declining banks, tightening regulations, and mergers (Platt, 2020). In Nigeria, the banking sector faces macro challenges, declining real GDP growth rates, and increased competition from non-bank challengers, but has seen growth in non-core banking activities (Kola-Oyeneyin & Kuyoro, 2020). Banks face challenges in fully leveraging technology investments to drive growth, and management innovation is crucial for improving competitiveness and performance (Deloitte, 2020). Despite the increasing awareness of the importance of management innovation dimensions for competitiveness, the empirical basis for measuring management innovation is still patchy and weak (Armbruster et al., 2008). While several studies have tried to draw a clear link between innovation and performance in terms of its ability to generate some distinct competitive advantage (Ciocanela & Pavelescu, 2015; and Feldmann et al., 2019), others have not been able to ascertain so (Johannes, 2014). There are even fewer studies that try to determine the relationship between management innovation and competitiveness especially at the organizational level (Hamel, 2006; Mol and Birkinshaw, 2006; Birkinshaw et al., 2008). There is need to substantiate how often and under what circumstances management innovation creates firm-specific competitive advantage.

Literature Review

This section focused on concepts of management innovation, management structure, management culture, management practices and performance along theoretical, conceptual and empirical lines.

Management Innovation

Hamel (2006) defined management innovation as marked departure from traditional management principles, processes, and practices or a departure from customary organizational forms that significantly alters the way the work of management is performed. This change can arise in form, quality, or state over time of management activities in a firm especially where the change is a novel or unprecedented departure from the past. Birkinshaw et al. (2008) explained that the novelty can either be 'new to the state of the art' or 'new to the organization'. The former is considered to have no known precedents and analyzed at a management level or the world at large; while the latter is mostly discussed at the firm level. This study focused on the changes that are new to the organization. Organizations tend to take on practices that have previously been implemented elsewhere, but the success of new practices may depend on their adaptation to their distinctive context within the organization in which they are introduced (Ansari et al., 2010). Hence, Mol and Birkinshaw (2009) also described management innovation as the introduction of managerial practices that are new to the firm and intended to enhance firm performance. Management innovation should involve a change in the way an organization is being managed in terms of new practices, processes, structure, or techniques. The gains of management innovation can be substantial. Hamel (2006) stated that a management breakthrough can deliver a potent advantage to the innovating company and produce a seismic shift in industry leadership; allow companies cross new performance thresholds more than any other kind of innovation; and can create managerial processes and according to Birkinshaw and Mol (2006) are more likely to enjoy a sustained competitive advantage from successfully implementing management innovation. Therefore, for the purpose of this study management innovation is defined as a change in the managerial structures, practices and culture that is new to the firm/and or industry with the intention of sustaining competitive advantage. To this study, management innovation is measured via sub-variables of management structure, managerial practices and management culture which are discussed below.

Management structure refers to how organizations arrange communication, align efforts, and harness the capabilities of their members (Birkinshaw et al., 2008; Hamel, 2006). It encompasses the formal system of task and reporting relationships that control, coordinate, and motivate employees to achieve organizational goals (Tran & Tian, 2013; Underdown, 2012). A typical structure includes job positions, their relationships, and accountabilities, which can be visualized in an organizational chart (Andrews, 2012; Tran & Tian, 2013). According to Greenberg (2011), management structure is a formal configuration that allocates tasks, responsibilities, and authority within the organization, providing the framework for the business to fulfill its function in the environment. It defines the architecture of business competence, leadership, talent, functional relationships, and arrangement (Tran & Tian, 2013), thereby directing the nature of work, employee enthusiasm, and coordination between top management and subordinates for planning and goal achievement (Herath, 2007; Tran & Tian, 2013). The structure not only affects relationships, feelings, and work execution but also influences the attributes required of employees and their performance management (Teixeira, Koufteros, & Peng, 2012). Organizations must align their structure and processes with their strategy to achieve positive results. Early theorists, such as Taylor, Fayol, and Weber, recognized the importance of structure for effectiveness and efficiency. Later views suggested that organizational structure is an outcome rather than an artifact (Mohr, 1982), influenced by management strategies, behaviors, power distribution, and the environment (Lim et al., 2010).

Various management models, including Bureaucracy (Weber, 1984), Meritocracy (Young, 1958), and Adhocracy (Mintzberg, 1989), have shaped organizational structures to achieve goals (Birkinshaw & Ridderstrale, 2017). More recent forms include teams, virtual organizations, network and hierarchy-community phenotype models (Lim et al., 2010; Thareja, 2007, 2008).

Managerial practices encompass the symbolic and material activities that reflect changes in management work, including setting directions, making decisions, coordinating activities, and motivating people (Ansari et al., 2014). These practices involve setting objectives, establishing procedures, arranging tasks and functions, developing talent, and meeting stakeholder demands (Birkinshaw et al., 2008; Mol & Birkinshaw, 2009). The functions of managers, as summarized by Koontz and O'Donnel (1968), include planning, organizing, staffing, directing, and controlling. The best managerial practices, according to Bloom et al. (2012), involve continuously collecting and analyzing performance information, setting challenging short- and long-term targets, and rewarding high performers while retraining or terminating low performers. Managerial practices are not adopted as off-the-shelf solutions but tend to evolve and be adapted during the implementation process to contextualize them within specific organizational environments (Strang & Kim, 2006). They may be modified as they diffuse across networks, projects, and geographies due to a misfit between the practice and local context (Ansari et al., 2010; Fiss et al., 2012).

Management culture refers to the ways in which things are done in an organization, encompassing systems, beliefs, norms, ideologies, myths, and rituals (Schneider, 2000). It is a set of shared notions that distinguish one organization from others, shaping organizational behavior (Rajaee Pour & Lafti, 2010). Culture can be observed at three levels: artifacts, which are visible manifestations of cultural assumptions; espoused values, which are shared values and philosophies of the organization; and basic underlying assumptions, which are the invisible reasons behind group members' perceptions and feelings (Schein, 2004).

An innovation-supportive culture is valuable for organizations, and it depends on value profiles, value congruence, and value practice interactions (Khazanchi et al., 2007). The emphasis on values and corresponding norms allows senior management to influence employee behavior (Mumford et al., 2002; Tellis et al., 2009). Numerous studies highlight the role of management culture in innovation and management innovation (Crossan & Apaydin, 2010; Martins & Terblanche, 2003; Khazanchi et al., 2007). Innovation culture encompasses various dimensions, such as the organization's intensity to develop and sustain innovation, employee engagement in innovation, infrastructure for learning, creating value in the market, and adaptability to changes (Dobni, 2008a, b). Management culture plays a crucial role in organizations, influencing behavior, innovation, and effectiveness. It is important for organizations to foster a culture that embraces diversity, promotes innovation, and supports continuous learning and improvement (Kras´nicka et al., 2018). Hence, this study adopted the definition of management culture given by Kras´nicka, et al. (2018), as the culture supportive of innovation and understood as the social and cognitive environment of an enterprise, shared views about the reality, shared convictions and systems of values that are reflected in consistent employee behaviour.

Sustained Competitive Advantage

Amadeo (2016) describes competitive advantage as what gives an upper position over competing firms in customers' minds. Porter (1985) outlined the three primary ways companies can achieve a sustainable advantage: cost leadership, differentiation, and focus. Cost leadership can occur when a company finds ways to produce goods at a lower cost through the perfection of production methods or utilising resources more efficiently than competitors (Lewis, 2000). According to Lewis (2000), businesses can compete defensively by differentiation and cost leadership. The advantage gained by this type of strategy is that it allows the business to further distance itself from its competition by, in some sense, maintaining a competitive advantage it has gained. Little competition in even the least competitive industries can be positive. Sustaining them is essential to build a brand and avoid constantly seeking out new, short-term opportunities. Sustained competitive advantages generally result from a company's foundational assets, such as loyal customers, trusted suppliers, or efficient operational systems. All of these can be the catalyst of competitive advantage. Loyal customers are, by definition, hard to steal away. Core supplier relationships give you trusted allies. Efficient systems in internal operations go beyond the right tools and equipment. They develop through work processes and cost-effective or revenue-generating activities. Perhaps the most inherent factor in sustaining competitive advantages is difficult to copy. If your product, service or operation strength is easy to replicate, the advantage is not sustainable (Richardson, 2008). Richardson (2018) posited that businesses are always looking for a way to stand apart from the masses and offer something just right for a specific target audience. Effective business strategy begins with focusing on the needs of a target audience. Businesses that identify an audience and meet their needs better than their competitors will find themselves with a clear competitive advantage.

Management Innovation Dimensions and Sustained Competitive Advantage

Despite management innovation being widely recognized as a potential source of competitive advantage (Battisti & Iona 2009; Birkinshaw et al., 2008; Hamel 2006), studies on it are scarce, but growing (Battisti & Stoneman, 2010; Damanpour 2014; Volberda et.al., 2013, 2014; Mol & Birkinshaw 2014; Fiss et. al., 2012; Vaccaro et. al., 2012; Walker et.al., 2011). Battisti and Stoneman (2010) explained that simply adopting technological innovations alone is insufficient to gain competitiveness. Rather, the full benefit of those technologies is only achieved if they are accompanied by a cluster of related innovations in production, organization, customer and supplier relationships and new product design. From their study of the UK industry, using a profitability-based decision model, they were able to identify three clusters characterized by below average, intermediate, and highly intensive use of both technological and organizational innovations. They found that the companies within a cluster with highly intensive use of both innovations enjoyed the synergistic benefits thereof. This is supported by another study carried out by Evangelista and Vezzani (2010). They showed that firms that introduce both technological and organizational innovations have a clear competitive advantage over both non-innovating firms and those introducing technological innovations only.

Nonetheless, organizations that can implement new management innovation also face issues related to standardizing this new form of innovation to ensure sustainability of the gained advantage, to continuously reap the future benefits and offer some form of legitimacy to the innovation. This can be achieved using consultants according to the study of Wright et al., (2012). Their study revealed that consultant-led management innovation involves significant standardisation through standardised agendas and methods, and the resulting processes of conflict, negotiation, and adaptation. Within large-scale organisations, the two (innovation and standardisation) are much more closely intertwined and supportive. In similar vein, Mol and Birkinshaw (2014) identified three forms of external involvement that generate new Managerial Practices including external change agents, external experiences, and external knowledge sources. These forms were found to be substitutes than compliments and may have some impact on a firm's competitive advantage depending on the efforts required to develop innovation across different functions and complexity levels. More so, the complexities within organisations can effectively affect the success and gestation period for receiving the benefits of management innovation. Alexander et al. (2016) on the case of Nespresso, revealed that achieving competitive advantage through innovation can take a long time. In the case of Nespresso, the company came close to failure several times before attaining a unique market position from a well aligned strategy. Meuer (2014) was also not able to draw conclusions about the performance implications of management innovation due to unique complexities noticed in the Chinese biopharmaceutical industry. The findings showed that firms in the Chinese biopharmaceutical industry did not only copy existing management instruments but instead rapidly and effectively developed and introduced new ones. In a broader sense, Feldmann et al. (2019) discussed innovation and its effect on global competitiveness using 138 countries identified in the Global competitiveness report 2016/2017 (2016 World Economic Forum). The study proved that best Managerial Practices mediate the relationship between innovation and competitiveness in companies or nations.

Research Conceptual Model

The study was conceptualized as shown in the model below:

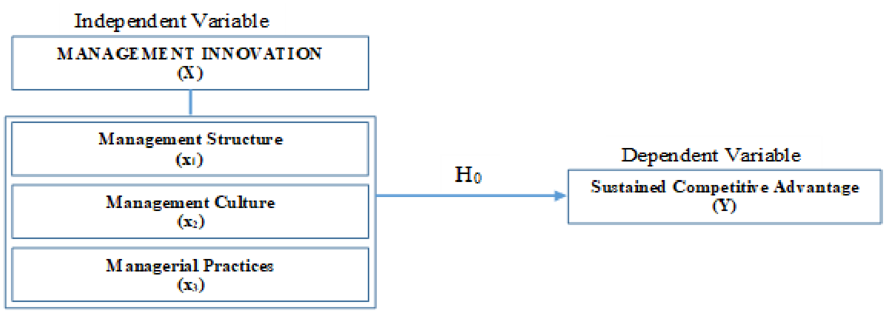

Figure 1: Research Model (2023)

Figure 1 above shows the research model which indicates the interaction between the independent variable of management innovation dimensions (management structure, management culture and management practices) and the dependent variable of sustained competitive advantage.

Theoretical Review

The Configuration theory was propounded by (Walker & Ruekerts, 1987) and advanced by O'Cass and Ngo (2007). Configuration theory posits that there is need for a strategic fit between a firm's strategic focus and internal organization characteristics and which should lead to improved performance. The configuration theory appreciates that a firm's level of leverage will influence its ability to build, integrate and reconfigure internal and external capabilities to address the rapidly changing business environments. Configuration theory therefore refers to an organization's ability to produce new and innovative forms of competitive advantage given market positions and path dependencies (Johnson et al., 2008).

According to configuration theory, synergy is a key element in combining the capacity of individual organizations across different organizations to enhance coordination. As business partners synergize to coordinate their businesses, they are seeking for more than just a mere exchange of resources. Rather, they are after the potential ability of the firms to enjoy value added advantages through the integration of individual firm resources so that the overall effect of sharing these resources is greater than the combination of individual organisational contribution. Eisenhardt and Martin (2000) explain the importance of configuration of the firm resources to adapt to the fast-changing environment; and generating a dynamic capability that improves a firm's level of competitiveness. This is because, they are considered a transformer for converting resources into improved performance.

Although the configuration theory appreciates the need for a firm to align its resources with a view to creating the necessary synergy, it fails to appreciate the role of adjusting the firm's operations to the demands of the market that are ever changing. The configuration of internal resources should be guided by the level of competition in the market and not only the available resources in the market. Pfeffer (1992) criticized the limited attention given to power dynamics and the influence of individuals within the configuration theory. In his view, it underscored the need to consider the political realities and the role of power in shaping organizational design and outcomes. Another criticism was oversimplification of the complexity of organizations and their environments which may not adequately account for the continuous changes and dynamic interactions between organizations and their external contexts.

Methodology

Survey research design was adopted. The population was 403 directors and top-level management staff of listed DMBs in Nigeria. A sample size of 341 was determined using Cochran's formula. Simple random sampling technique was adopted. A validated questionnaire was adopted for data collection. Cronbach's alpha reliability coefficients for the constructs ranged from 0.74 to 0.98. The response rate was 85%. Data were analyzed using descriptive and inferential (multiple) statistics. The hypothesis was tested using multiple regression approach. The principal factors investigated were measured on a six-point scale with anchors ranging from Very High (VH) to Very Low (VL), for the independent variables and dependent variable respectively. Multiple regression equation developed along the dependent and independent variables. Thus, the models can be represented as follows:

Functional Relationship

In this study, there are two constructs: dependent and independent variables. The independent variable is management innovation measured by management structure, management culture and management practices, while the dependent variable is measured from responses of all items added together to create an index for sustained competitive advantage. The operational model for the study variables is denoted in the equations below:

Y = f(X)

Y = Dependent Variable (Sustained Competitive Advantage)

X = Independent Variable (Management Innovation)

Where:

$X = (x_1, x_2, x_3)$

x_1 = Management Structure (MGTS)

x_2 = Management Culture (MGTC)

x_3 = Management Practices (MGP)

Regression Model

The model formulated for the hypothesis is written as:

Hypothesis

$SCA = \beta_0 + \beta_1 MGTS + \beta_2 MGTC + \beta_3 MGP + ei$ ………………………… Regression equation

Where:

βo = is the intercept

β_i= Beta coefficients

e_i = error term

Data Analysis, Results and Discussion

A total of 403 copies of questionnaire were administered to the directors and top-level management staff of Listed DMBs in Nigeria. Out of 403 copies of questionnaire that were distributed, 341 were correctly filled and returned, which represents 85%. According to Bryman and Bell (2011) a response rate of ≥50% is acceptable to analyse the results of a study.

Restatement of Research Objective and Research Question

Objective: investigated the effect of management innovation dimensions on sustained competitive advantage

Research question: What is the effect of management innovation dimensions on sustained competitive advantage?

The objective investigated the effect of management innovation dimensions on sustained competitive advantage. On a six-point Likert scale, the respondents were requested to rate their perception of various items about management innovation components (management structure, management culture and managerial practices) and sustained competitive advantage of Listed DMBs in Nigeria.

Restatement of Hypothesis

H0: The effect of management innovation dimensions does not significantly affect sustained competitive advantage.

A multiple linear regression analysis was used to test the hypothesis. The independent variable was management innovation dimensions while the dependent variable was sustained competitive advantage. In the analysis, data for management innovation dimensions were created by adding together responses of all the items under the various components to generate independent scores for each component. For sustained competitive advantage, responses of all items the variable were added together to create index of sustained competitive advantage. The index of sustained competitive advantage (as dependent variable) is thereafter regressed on scores (index) of management innovation dimensions (as independent variables). The results of the analysis and parameter estimates obtained are presented in Table 1 below.

Table 1: Summary of Multiple Regression Analysis for Effect of Management Innovation Components on Sustained Competitive Advantage of Listed Deposit Money Banks in Lagos State, Nigeria

N	Model	*B*	T	Sig.	ANOVA (Sig.)	R	Adjusted R^2	F (4, 335)
307	(Constant)	1.489	1.843	.066	0.000^b	$.803^a$	.641	152.405
	Management Structure	.050	1.082	.280				
	Managerial Practices	.222	4.448	.000				
	Management Culture	.542	9.198	.000				
	a. Dependent Variable: Sustained Competitive Advantage							
	b. Predictors: (Constant), Management Culture, Management Structure, Managerial Practices							

Source: Researcher's Field Survey, 2023

Table 1 shows the multiple regression analysis results for the management innovation dimensions on Sustained competitive advantage of selected Deposit Money Banks in Lagos State, Nigeria as a case study. The results showed that managerial practices (β = 0.222, t = 4.448, $p<0.05$) and managerial culture (β = 0.542, t = 9.198, $p<0.05$) have positive and significant effect on sustained competitive advantage while management structure (β = 0.050, t = 1.082, $p<0.05$) has a positive but insignificant effect on Sustained competitive advantage of selected Deposit Money Banks in Lagos State, Nigeria. The results of the analysis revealed that two dimensions of management innovation (managerial practices and management culture) have significant effect on sustained competitive advantage of selected Deposit Money Banks in Lagos State, Nigeria. This indicates that managerial practices and management culture are significant determinants of sustained competitive advantage among the selected Deposit Money Banks surveyed in Lagos State, Nigeria.

The R value of 0.803 supports this result and it indicates that management innovation dimensions have a very strong and positive relationship with the sustained competitive advantage of selected Deposit Money Banks in Lagos State, Nigeria. This suggests that innovative cultures and practices can effectively sustain a firm's competitive advantage. The coefficient of multiple determination Adj. R2 = 0.641 indicates that about 64.1% variation that occurs in the sustained competitive advantage of selected Deposit Money Banks in Lagos State can be accounted for by the components of management innovation dimensions while the remaining 35.9% changes that occurs is accounted for by other variables not captured in the model. This indicates that, while management innovation is an important factor in determining sustained competitive advantage, other variables also influence sustained competitive advantage. The predictive and prescriptive multiple regression models are thus expressed:

SCA = 1.489 + 0.050MGTS + 0.222MGP + 0.542MGTC + Ui-------- (Predictive Model)
SCA= 1.489 + 0.222MGP + 0.542MGTC + Ui------ (Prescriptive Model)

Where:
MGTS = Management Structure
MGP = Managerial Practices
MGTC = Management Culture
SCA = Sustained Competitive Advantage

The regression model indicates that if management innovation factors were held constant at zero, the sustained competitive advantage of the selected Deposit Money Banks in Lagos State, Nigeria would be 1.489. From the analysis, predictive and prescriptive models both show that the dimensions of management innovation (managerial practices and management culture) except management structure have a significant positive effect on sustained competitive advantage. This means that DMBs in Lagos State should pay close attention to the two components of management innovation to enhance sustained competitive advantage. The prescriptive model further revealed that when these variables of management innovation dimensions (managerial practices and management culture) are improved by one unit, sustained competitive advantage would also increase by 0.222 and 0.542 respectively. The prescriptive models showed that an improvement in the management innovation variables, such as managerial practices and management culture would lead to an increase in the sustained competitive advantage of the selected Deposit Money Banks in Lagos State, Nigeria. In addition, the F-statistics (df = 4,335) = 152.405 at p = 0.000 ($p<0.05$) indicates that the overall model is significant in predicting the effect of management innovation dimensions on sustained competitive advantage which implies that management innovation plays a significant role in maintaining a sustained competitive advantage. Therefore, the null hypothesis (H_0) which states that management innovation dimensions have no significant effect on sustained competitive advantage was rejected.

Discussion

The multiple regression analysis of management innovation dimensions and sustained competitive advantage of listed Deposit Money Banks in Lagos State, Nigeria indicated that management innovation dimensions have a positive and significant effect on sustained competitive advantage. Thus, the combination of the independent variables was significant in predicting sustained competitive advantage of the listed DMBs. Thus, this finding provides implications conceptually, empirically and theoretically. From a conceptual standpoint, the definitions and explanations of the study's idea offer a clear conceptual perspective on the research.

Empirically, the results of this study are in congruence with the findings of earlier scholars. Lin and Su (2014)' study found a positive relationship between management innovation and competitive advantage partially mediated by market orientation. Li et al. (2018) found out that the positive effects of management innovation on firm performance were stronger in industries characterized by higher competition. Alexander et al. (2016) on the case of Nespresso, revealed that achieving competitive advantage through innovation can take a long time. In the case of Nespresso, the company came close to failure several times before attaining a unique market position from a well aligned strategy.

In a related but broader sense, Feldmann et al. (2019) discussed innovation and its effect on global competitiveness using 138 countries identified in the Global competitiveness report 2016/2017 (2016 World Economic Forum). The study proved that best managerial practices mediate the relationship between innovation and competitiveness in companies or nations. Birkinshaw and Mol (2008) found that operational innovation, which focuses on improving internal processes and efficiency, contributes to firms' competitive advantage by enabling cost reduction, quality improvement, and enhanced operational effectiveness. It allows firms to deliver products or services more efficiently, thereby gaining a competitive edge. The implication of the findings of this study in line with these previous studies is that management innovation plays a significant role in driving sustained competitive advantage and that companies should consider implementing effective practices and cultures to derive a sustained competitive advantage.

Theoretically, the findings are validated by configuration theory which is advanced by Walker and Ruekerts (1987). Over time, DMBs have made changes to their practices and culture to reflect how customers and employees want to be treated. This tendency to constantly reposition to match the internal to the external environment lays the foundation of the configuration theory. It would also seem that the costs of changing the structure within a bank are substantial and risky for most banks to easily adopt. Out of the listed banks, only four have successfully gravitated towards a holding structure. Yet, the long-term competitive advantage of this has not been clearly articulated. There is therefore an agreement among these studies and the result of this current research that management innovation has a significant effect on SCA, as the various studies reviewed supported the positive association that exists between management innovation dimensions and SCA.

Conclusion and Recommendations

This study examined the effect of management innovation dimensions towards sustained competitive advantage. The results showed that management innovation dimensions, especially management culture and managerial practices are statistically significant in influencing the sustained competitive advantage of a firm. From antecedents, the study discussed trends and directions of sustained competitive advantage within the DMB industry from global, African and Nigerian perspectives. Major problems faced by Nigerian DMBs and how they have affected the industry over the years were discussed. The reviewed literature covers the conceptual, empirical, as well as theoretical frameworks on the major variables of the study. Theoretically, the outcome of this study is in line with the configuration theory which is the baseline theory for this study. The configuration theory was adopted to guide the study variables because its perspectives are tied to the focus of the study and the variables that were investigated.

The result of this study contributes empirically to the body of literature in management innovation and competitive advantage as a measure of performance, which would also serve as a reference material for future researchers in management science and other related fields. It is recommended that a shift in employee mindset is a key step that arises from a change in the culture of the organisation. Communicating the change consistently and motivating new habits that support the desired culture will be required to sustain any competitive advantage that a firm has. Future researchers should consider the role of leadership in driving management innovation in firms. Similar study has been carried out by Vaccaro et al. (2011) in more developed country. However, providing empirical insights from an African context especially within the public sector will be worthwhile.

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