



Types Strategic Capabilities And Their Impact On Achieving The Dimensions Competitive Advantage: A Case Study At Al-Waha Company For Soft Drinks, Juices And Mineral Water

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ABSTRACT

The research aims to identify the extent to which Al-Waha's Company for Soft drinks, Juices and Mineral water have strategic capabilities, as well as to demonstrate the impact of strategic capabilities with its sub-components (marketing capabilities, technological capabilities, market-related capabilities, information technology capabilities and management-related capabilities) on achieving competitive advantage in its sub-dimensions (cost, flexibility, quality, delivery). The research problem was determined by the question: Are there components of strategic capabilities linked to the dimensions of competitive advantage? In order to achieve the goal of the research, a questionnaire was prepared for each variable and was tested in Al-Waha Company for Soft drinks, Juices and Mineral water. The form was distributed to a sample of (31) managers in the company with different levels of management. The Statistical data were processed and the results were analyzed in the light of the outputs of the statistical program SPSS. The most important findings of the research is a strong effect correlation between the variables and the constants of the research hypotheses.

Keywords: Strategic Capabilities, marketing capabilities, technological capabilities, market-related capabilities, information technology capabilities and management-related capabilities, Competitive Advantage, cost, flexibility, quality, delivery

INTRODUCTION

Many researchers have tried to response the puzzling question of why some organizations excel and gain a competitive advantage over other organizations. Most of the answers to this question have been that there is something special about top organizations called strategic capabilities which helps them to adopt a more effective strategy than other organizations (turulja, bajqoric, 2016: 149) In order to achieve competitive advantage, the organization must also pay particular attention to its external position in the markets as well as its internal capabilities, as they are the sources of competitive advantage (Hakkak & Ghodsi, 2015: 300)

The search for competitive advantage is one of the fundamentals of strategic management where the characteristics of resources and capabilities are the main sources for achieving competitive advantage (Rose & etal, 2010: 160), so we find that most business organizations are looking for sources through which to achieve success in the competitive field, such as (the introduction of new products, the addition of knowledge or the use of technology in order to build strategic capabilities). The success of many organizations is based on the strategic capabilities of these organizations (Madsen & Desai, 2010: 452) These capabilities must be characterized by three important characteristics: (be valuable to customers, better than other competitors' abilities, and difficult to replicate by competitors). (Kumar, 2001: 364). (Al-Wondawi, 2012) showed that most organizations have a number of the basic capabilities and that these capabilities are those that enable organizations to manage their institution as the organizations' pursuit of success requires them to continuously improve their strategic capabilities in a way that helps them to meet the needs of customers (Al-Wondawi, 2012: 2). (Carpenter & Sanders, 2007) showed that the organizations can achieve differentiation based on the capabilities used to accomplish its work, from simple tasks to more complex tasks such as the design of advanced systems, creative marketing, the processes of manufacturing that they adopt to produce their products, research and development as well as work group work. These activities represent the capabilities of the organization and the strength and value of the organization (carpenter & sanders, 2007: 64) Abdullah and Subhi (2009) quoting (Al-Ma'adhidi), identified strategic capabilities "as referring to a set of accumulated experience, skills, attributes and internal resources accumulated over time that give the organization the power to enhance its competitive advantage and to identify its weaknesses" (Abdullah & subhi, 2009: 289) which means that the resources and capabilities that distinguish the organization of all other organizations are the main source of achieving outstanding performance and superiority over its competitors as to create distinctive value for the organization (rose & etal, 2010: 488). There are also multiple studies of experimental research in strategic capabilities. These studies focus on the resource-based view of capacity as the way organizations invest their resources to achieve a desirable goal, such as achieving sustainable competitive advantage (Baitao, 2009: 302). Wang, 2014, explained that the organization's capabilities are the sources of competitive advantage, while esources are the sources of capacity, meaning that the capacity the organization uses to accomplish its activities creates a competitive advantage (Wang, 2014: 37). Popa & Etal, 2011 also explained that organizations can achieve competitive advantage if they offer high value products to customers as well as if they develop different products from competitors in addition to carrying out research and development activities, manufacturing activities, marketing sales and logistics services, indicating the importance of the brand as well as the importance of low total costs that can be invested in research

and development activities, as well as the announcement of the organization (popa & etal, 2011: 62).

Scientific Methodology:

First: the problem of the research

The concept of strategic capabilities and their impact on competitive advantage worth some research and study. Organizations strive to excel and remain strong and competition among organizations grows in the business environment, requiring the use of all tangible and intangible capabilities to ensure survival. And because some organizations suffer from a lack of knowledge in strategic capabilities, they are threatened by their failure against competitors and the delay in growth and ultimately leave the market. In the light of this problem, the research will try to response the following question:

1. Are strategic capabilities components (marketing capabilities, technological capabilities, market-related capabilities, information technology capabilities and management-related capabilities) linked to the dimensions of competitive advantage (cost, flexibility, quality, delivery)?
2. Is there an impact of strategic capabilities components on the competitive advantage?

Second: Research Objectives:

The research aims to achieve the following:

- A) To test the correlation between strategic capabilities and competitive advantage in the organization
- B) To test the effect relationship between strategic capabilities and competitive advantage in the organization.
- C) Knowing which of the strategic capabilities are important to the company in question.

Third: Research hypothesis

In the light of the problem encountered and for the research to achieve its objectives, the following hypotheses were formulated:

First hypothesis:

There is a significant correlation between strategic capabilities and competitive advantage. In light of this hypothesis, the following sub-assumptions were derived:

- 1- There is a significant correlation between marketing capabilities and competitive advantage (cost, flexibility, quality, delivery).

2 - There is a significant correlation between technological capabilities and competitive advantage (cost, flexibility, quality, delivery).

3 - There is a significant correlation between market-related capabilities and competitive advantage (cost, flexibility, quality, delivery).

4 - There is a significant correlation between information technology capabilities and competitive advantage (cost, flexibility, quality, delivery).

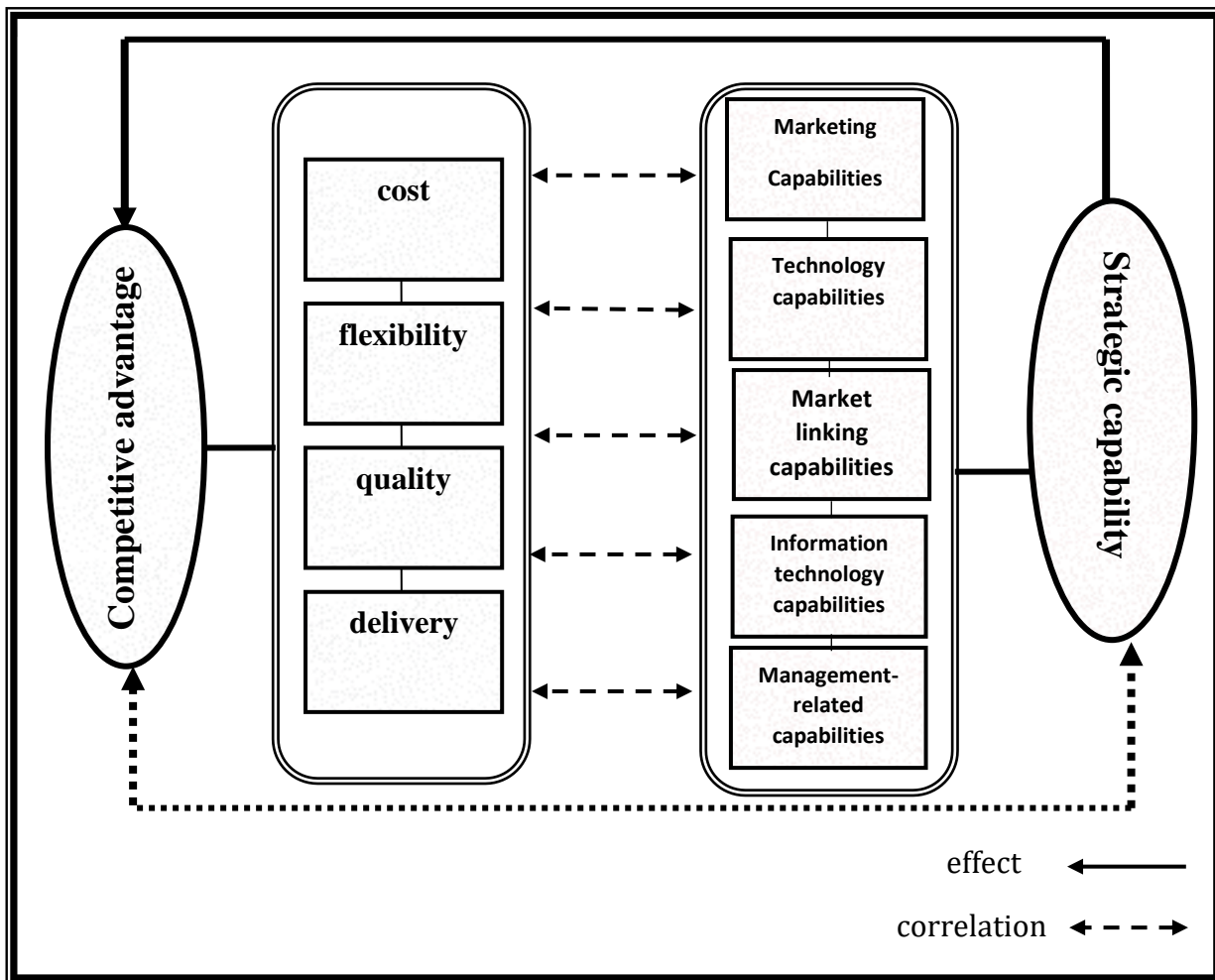
5 - There is a significant correlation between management-related capabilities and competitive advantage (cost, flexibility, quality, delivery).

The second main hypothesis:

There is a significant correlation between strategic capabilities and competitive advantage combined.

Planned outline of the study:

The design was developed based on the research problem, its variables and dimensions, as the capacities and components were formulated based on Atoche-Kong (2009) and Benedetto et al (2008). The competitive advantage was also developed and distanced based on (Wijetunge, 2016) (Großler, 2010)



Theoretical framework

First: the concept of strategic capabilities

Many researchers have addressed the concept of strategic capacity, some of these definitions are presented below, where R.T. Linz (1980) is the first researcher to clearly define the concept of strategic capability, he defined it as "the ability of the organization to do a successful job aimed at influencing its long-term growth and development and it indicates the overall capacity of the Organization" (Baitao, 2009: 303), Benedetto & etal, 2008 also defined it as "complex packages of accumulated skills and knowledge which enables companies to coordinate activities and get used of its assets" Benedetto & etal, 2008, (Abdullah & Subhi, 2009) as "one of the strengths of the organization and one of its main sources for achieving competitive advantage, it is the primary aid to organizations in practicing its business and ensuring success." Abdullah & subhi, 2009: 280). Ljungquist, 2008 defined it as " on of the strategic resources which consists of management, technological and marketing capabilities Ljungquist, 2008, "Wundawi, 2012 defined it as" group of strategic operations that distinguishes an organization from others (Al-Wundawi, 2012: 20), Carpenter& sanders,2007 defined it as "the capabilities of organizations that use their resources to create

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goods and services” Carpenter& sanders,2007. (Hubbard et al., 1997)defined it as a skill wglich an organization has which enables them to perform activities "(Simon & Kumar, 2001: 364), in light of definitions a LAH is possible to know the strategic capabilities of the organization as the power point, a group of accumulated skills, abilities and distinctive which are used to manage daily activities and the exploitation of resources efficiently to produce goods and distinctive services.

Strategic capacity components

Researchers have identified many different types of strategic capacity components, but the strategic capabilities of (Atoche-Kong, 2009) and (Benedetto & etal, 2008), which have been identified with five strategic capabilities, will be adopted from the point of view of the most important researcher:

1. Marketing capabilities: The availability of these capabilities of the organization makes it able to respond to market information related to the needs of customers as well as the interdependence of the activities of the marketing mix of product development, pricing, promotion and distribution as well as the advertising of the products of the organization and which have a role in the success of the organization (Morgan & etal, 2009: 910), also market segmentation and market targeting, these capabilities allow the organization to better execute its marketing programs (Benedetto & etal, 2008: 422).

2. Technological capabilities:

These capabilities indicate the organization's ability to develop technology and develop production processes to create unique goods and services that affect customer perceptions and value creation (eg, neill & etal, 2014: 78), as well as predicting technological change and logistics services. These capacities allow the organization to maintain costs and achieve differentiation among products. Technological capabilities often evolve in response to market challenges and external opportunities found in the competitive environment (Benedetto et al., 2008: 422).

3- Market - related capabilities

The availability of these capabilities in the organization is a necessity if the organization can increase its profits by sensing the markets and monitoring the customers and competitors and retaining the current customers as well as through which it can identify the sectors that suffer from lack of coverage and also know what the primary resources that are nominated to be decreased in markets in addition to the distinctive trade mark (morgan &etal,2009:285-286).

4- Capabilities of Information Technology

IT capabilities are of global importance as they are more important than the belief that IT is one of the sources of competitive advantage. Organizations are largely

investing in IT to create synergies with the organization's business strategies as well as to serve customers by keeping customer information and their locations, this requires software and database development, IT also includes hardware, software and communication technology (aduloju,2014:2). IT allows also to publish technical information effectively in all functional fields (Benedetto&etal,2008:422).

5- Management -related capabilities

These capacities include tiring administrative processes such as human resources management and financial management as well as predictability of profits and revenue and the interconnection between these administrative functions in addition to the application of the concepts of modern administration (Benedetto&etal,2008:422).

Second: The concept of competitive advantage

Each organization follows a specific way to gain a sustainable competitive advantage, the important goal is to find a way to stay and be harmonized with the environment in a challenging competitive environment by getting a good position in the market (Hakkak &Ghodsi,2015:298), it is considered to be a competitive advantage and one of the concepts that has gained a lot of popularity in contemporary management, the reasons behind this change is the result of what the organizations faced today such as the complexity of the business, the changing needs of consumers, the intensity of competition and the information technology revolution (Moghli &etal,2012:2). The organization can gain a competitive advantage by offering more value to customers through its products, either through lower prices or by offering an additional value that is more distinctive than those offered by other competitors, the competitive advantage has been widely discussed in the business strategy (Attiany,2014:43), Soltani & etal, 2014, defines the competitive advantage as a factor or set of factors that makes the organization superior to other organizations in a competitive environment and cannot be imitated easily by competitors (Soltani &etal ,2014:100), Papulova& Papulova,2006 define it also as "It means that companies are able to fulfill the costumers' needs more effectively than competitors, this can be achieved when the real value of customers is added (Papulova& Papulova,2006:3). Wijetunge,2016 defines it also as "Competitive advantage can be achieved by offering products of higher value than competitors" (wijetunge,2016:721), Shahmansouri&etal,2013 as well defines it as " a unique position for the organization against its competitors with the efficient use of resources " (Shahmansouri&etal,2013:842), However, the most widely used definition of competitive advantage in organizational research by Bulankulama & Khatibi is Porter's definition of it as "a strategic goal which is a variable dependent that can arise through good performance" (Bulankulama & khatibi, 2012: 1817). In circle

of the above-mentioned definitions, we can know the competitive advantage is that the superiority of the organization to its competitors through its distinctive performance in the use of its available resources to provide products of high value to customers in a competitive environment.

Dimensions of competitive advantage

Many researchers have put forward dimensions of competitive advantage and the most common and most useful dimensions of search requirements will be adopted based on (wijetunge, 2016), (Großler, 2010) and it is as follows:

1. Cost:

The cost of dimension is one of the very important dimensions to ensure access to market share by offering products at competitive prices as well as focusing on the use of materials that are less expensive, which is reflected on the cost of the provided product. Although the reliance on the price of the product alone is not enough to achieve the Competitive advantage, but necessary, especially if the organization adopted more than one strategy such as leading cost or differentiation or focus (Ismail and long, 2008: 13).

2. The Flexibility:

Is the extent to which the organization's response to environmental changes and their capabilities in facing the changes that may be faced concerning changing the volume of demand or changing the product type or specifications, it is the extent of the ability to deal with the uncertainty and the extent of the ability to respond to these changes effectively without causing delay in work (awwad & etal , 2013: 7).

3. Quality:

The quality dimension is one of the important dimensions, a two-sided weapon, it ensures the competition of the organization with its competitors and ensure the fulfillment of the consumers' needs, desires and expectations because whenever the goods were reliable and long-term production and were awarded ISO certificate then the competitive position of the organization is strong. (awwad & etal, 2013: 7)

4. Delivery:

The delivery time dimension of the products is considered as one of the main dimensions of achieving competitive advantage for , where selecting the mean of delivering goods by the organization to the customers at the appropriate time and quantity is important in achieving customer satisfaction and ensuring their loyalty. (Bulankulama & khatibi, 2012: 1818)

Practical side

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In order to test the methodology adopted in the research and to determine the effectiveness of the default research plan and the validity of the hypotheses, a questionnaire was prepared for each of the basic variables (strategic abilities and competitive advantage) and distribute it on the employees at Al-Waha Company for Soft Drinks, Juices and Mineral water, and on those who work at the leading positions such as heads of departments and work units for their opinion, It is one of the pioneer organizations that have been able to prove their existence since 2003. The investigated sample reached (30) where the variables of the research were analyzed, the frequency, the mean and the standard deviation were calculated, the relationship of the link and correlation between the studied variables has been interpreted using SPSS statistical program as shown below:

First: the strategic capacity variable

Table (1) shows the weighted mean, standard deviation, and relative weight of strategic capabilities

| variables | arithmetic average | standard deviation | percentage weight |
|-----------------|--------------------|--------------------|-------------------|
| X ₁ | 77.77 | 77.77 | %73 |
| X ₂ | 77.77 | 77.77 | %73.6 |
| X ₃ | 77.77 | 77.77 | %68.4 |
| total | 77.77 | 77.77 | %71.7 |
| X ₄ | 77.77 | 77.77 | %79.4 |
| X ₅ | 77.77 | 77.77 | %78 |
| X ₆ | 77.77 | 77.77 | %73.6 |
| total | 77.77 | 77.77 | %77 |
| X ₇ | 77.77 | 77.77 | %81.2 |
| X ₈ | 77.77 | 77.77 | %78.8 |
| X ₉ | 77.77 | 77.77 | %81.2 |
| total | 77.77 | 77.77 | %80.4 |
| X ₁₀ | 77 | 77.77 | %80 |
| X ₁₁ | 77.77 | 77.77 | %80.6 |
| X ₁₂ | 77.77 | 77.77 | %78.8 |
| total | 77.77 | 77.77 | %79.8 |
| X ₁₃ | 77.77 | 77.77 | %79.4 |
| X ₁₄ | 77 | 77.77 | %80 |
| X ₁₅ | 77.77 | 77.77 | %78 |
| total | 77.77 | 77.77 | %79.1 |
| | 77.77 | 77.77 | %77.6 |

From the interpretation of the data concerning the strategic capacity variable, which represents the view of workers in the leading positions of the company, we

notice that the variable has obtained an response of 77.6% and the weighted average of 3.88 and the deviation of 0.84, and we notice that the weighted average of all variables is greater than 3% The following is an explanation of each component of strategic capabilities, which is a total measure of this variable, as follows:

1- The rate of the intensity of the response to the marketing capabilities was 71.7%, and the variable that contributed to the increase in the intensity of the response to this component is the variable x2 by the intensity of response of 73.6, which states that “our marketing activities are characterized by completion any elements of the marketing mix” , and the weighted mean for this clause reached 3.86% with standard deviation of 1.16 which proves that the company has the potential to manage its marketing activities, the lowest intensity response was the variable x3 which was 68.4% and which states that (we have advertising programs to promote our products) and this needs focus on advertising.

2- The rate of the answers intensity to technological capabilities was 77%, which reached the highest score in this dimension was the attention given to paragraph x4, where the answers intensity was 79.4%, which states that “we have continuous communication in the technological changes in production), the mean is 3.97 and the deviation is 0.87, while the x6 variable has the lowest response strength of 73.6%, which means that we have the potential to develop technological capabilities (Research & Development) to produce unique products (although it is a good rate but the increasing interest will help raise these possibilities).

3- The rate of the answers intensity of the capabilities related to market was 80.4%, the paragraph that contributed to the increase of this rate is due to both variables (x7 and x9), which contributed to the enrichment of this type of capacity, which states that “we have the ability to monitor customers while retaining existing customers” and “ We have a good brand) with a mean of 4.06 and a standard deviation of 0.74 and intensity of response of 81.2%) which means that it has a distinctive trade mark and has the potential to monitor customers while retaining them. The lowest intensity of response was to the variable 8x with an intensity of response of 78.8%.

The rate of the intensity of the response to the capabilities related to the administration 79.1% and the paragraph that contributed to raise this rate is due to variable x14, which contributed to the enrichment of this type of capabilities, which we have the skills of financial management, where the mean of the calculation 4 and a standard deviation of 0.68 and strongly response 80%, the company depends on the cadre has the skill to manage its financial affairs either the lowest response intensity was the variable x15 strongly response 78%.

Table (2) Ranking of the relative importance of the components of the strategic capabilities

| strategic capabilities | arithmetic average | standard deviation | percentage weight | classification |
|-------------------------------------|--------------------|--------------------|-------------------|----------------|
| Marketing Capabilities | 2222 | 2222 | %71.7 | fifth |
| Technology capabilities | 2222 | 2222 | %77 | fourth |
| Market linking capabilities | 2222 | 2222 | %80.4 | first |
| Information technology capabilities | 2222 | 2222 | %79.8 | second |
| Management-related capabilities | 2222 | 2222 | %79.1 | third |

Table (2) shows that the capacities associated with the market have received the highest response rate (80.4%) by the leaders working at the organization and this is because the organization has high capabilities in this component which is one of the main reasons for its competitive advantage. As for the technological capabilities, it gained the second rank with an intensity of response of 79.8% which shows the extent of the administration's reliance on information technology, while the capability associated with the management gained the third rate of 79.1%, while the technological capabilities got the fourth rank among the components by 77% and the last component is the marketing capabilities received the last rank by 71.7. This means that the reason for this organization's distinctiveness from its competitors is its considerable capabilities (in terms of market-related capabilities and IT capabilities and capabilities associated with management)

Second: competitive advantage variable

Table (3) shows the weighted mean, standard deviation, and percent of service quality

| variables | arithmetic average | standard deviation | percentage weight |
|----------------|--------------------|--------------------|-------------------|
| y ₁ | 2222 | 2222 | %81.2 |
| y ₂ | 2222 | 2222 | %70.2 |
| y ₃ | 2222 | 2222 | %73.6 |
| total | 2222 | 2222 | %75 |
| y ₄ | 2222 | 2222 | %81.2 |
| y ₅ | 2222 | 2222 | %81.8 |
| y ₆ | 2222 | 2222 | %83.8 |

| | | | |
|--------------|------|------|--------|
| total | 4.04 | 4.04 | %82.2 |
| y1 | 4.06 | 4.06 | %81.2 |
| y2 | 4.06 | 4.06 | %81.8 |
| y3 | 4.06 | 4.06 | %83.8 |
| total | 4.19 | 4.19 | %82.27 |
| y4 | 4.19 | 4.19 | %86.4 |
| y5 | 4.19 | 4.19 | %84.6 |
| y6 | 4.19 | 4.19 | %80.6 |
| total | 4.04 | 4.04 | %83.87 |
| | 4.04 | 4.04 | %80.8 |

From the interpretation of the data of the variable competitive advantage, which represents the view of the leaders in the company, where we note that the variable completely obtained the intensity of the response 80.8% with a weighted average 4.04 and a standard deviation of 0.74 and We note that the weighted average of all variables is greater than 3%, which is larger than the mean of 3%. The following is an explanation of each dimension of the competitive advantage, which is a measure of this variable, as follows:

1. The rate of the intensity of the response to the cost dimension was 75%. The highest score for this dimension was the variable y1 with a rate of 81.2% which states that “ The price of our products is competitive” , then the weighted arithmetic mean of this paragraph reached 4.06 and a standard deviation of 0.63 which means that the company is following an appropriate pricing policy that is compatible with the cost of the used materials as well as the operational cost, while the y2 has received the lowest response rate of 70.2%.

2- The response rate was 82.2%, which is very high rate, where the highest score in this dimension was given to the vertex y6 which was 83.8%, which states that” the possibility of changing the product total volume according to the strength of demand”. This indicates the company's flexible capabilities in dealing with changes of product volume. The mean is 4.19 and the standard deviation is 0.79, while the y4 variable is the lowest response level 81.2 which means that the machines used in the production process have the ability to perform many operations.

3- The percentage of intensity of the response was 82.27%, where the highest percentage was obtained in this dimension of the paragraph y9 which contributed to enrich this type of dimensions which states that “we seek to reduce the size of our damaged and defective products” and this helps to reduce the total costs that affect the size of the results, the mean showed 4.19% and the standard deviation was 0.70% with a response of 83.8%. The lowest intensity of response was the

variable y7 which states that "we offer products with a long production term" which is a rate that is considered accepted somewhat.

4. The intensity of the response to the delivery period was 83.87%. The variable that contributed to the importance of this dimension is y10 for the intensity of its response was 86.4%, with a weighted average of 4.32 and a standard deviation of 0.54 this paragraph states that "products are delivered to customers according to dates agreed upon) which is very high because of its importance to keep customers. The lowest response was y12, which states that " we depends on the safety storage to meet the changing demands".

Table (4) Sorting the competitive advantage by relative importance

| competitive advantage | arithmetic average | standard deviation | percentage weight | classification |
|-----------------------|--------------------|--------------------|-------------------|----------------|
| cost | 2.222 | 2.222 | %75 | fourth |
| flexibility | 2.222 | 2.222 | %82.2 | third |
| quality | 2.221 | 2.222 | %82.27 | second |
| delivery | 2.222 | 2.222 | %83.8 | first |

From Table (4) we notice that the delivery dimension has received the first rank in terms of importance which reached 83.8%, this indicates that the first rank in achieving the competitive advantage is due to the commitment to the specified times with the customers to ensure keeping them while the quality dimension has gained the second rank in terms of importance in the achievement of respiratory advantage from the leaders' point of view, this indicates their awareness of the importance of quality and the extent of its return on the customer to keep them which comes after the flexibility dimension to achieve competitive advantage which reaches 82.2%. We can say that the difference between the quality and flexibility dimensions is very simple in terms of its importance, while the cost dimension rate reached to 75%, this requires Al-Waha Company to reconsider its cost and tries to decrease it.

Third: Testing Correlation Relationship

To complete the analytical processes and the test hypotheses, Table (5) reflects the test of the first major hypothesis, which states that there is a significant correlation between strategic capabilities and competitive advantage, to determine the strength of the relationship between the two main variables.

Table (5) Relationship between Strategic Capabilities and Competitive Advantage

| | |
|------------------------|---------------------------|
| The dependent variable | Competitive Advantage (y) |
| Independent variables | |

| | | | | |
|--------------------------|-----------------|-------------|----------------|-----------|
| Strategic Capabilities x | Correlation (R) | P-Value (t) | Calculated (t) | Table (t) |
| | 976** | .000 | 10.606 | 2.750 |

(**) Means the correlation is significant at the level of ($\alpha=0.01$)

The table above confirms the validity of the main hypothesis that there is a strong positive correlation between the strategic capabilities (x) and the competitive advantage (y) by 97% at the significance level of 0.01, it is a very strong and positive correlation calculated at (10.606) which is greater than its table value(2.750) which indicates the significance of the relationship between them, and the decision is to accept the hypothesis in order to fulfill it.

Table (6): Testing the correlation between marketing capabilities and the competitive advantage

| The dependent variable Independent variables | The dimensions of competitive advantage (y) | | | |
|---|---|-------------|---------|----------|
| | cost | flexibility | quality | delivery |
| marketing capabilities (R) | .981** | .936** | .909** | .626** |
| Calculated (t) | 2.497 | 6.180 | 5.453 | 3.814 |
| P-Value (t) | .018 | .000 | .000 | .001 |

(**) The correlation is significant at the level of ($\alpha = 0.0001$)

Table (7) reflects the results of measuring the correlation between marketing capabilities and the dimensions of competitive advantage. It is clear that there is a strong correlation between the marketing capabilities and each dimension of competitive advantage (cost, flexibility, quality, delivery). The calculated value of T is greater than the table, which indicates a great significance, except if the cost was calculated less than the table value, therefore the hypothesis is accepted for being achieved

Table (7) The correlation between technological capabilities and the dimensions of competitive advantage

| The dependent variable Independent variables | The dimensions of competitive advantage (y) | | | |
|---|---|-------------|----------|----------|
| | cost | flexibility | quality | delivery |
| technological capabilities (R) | 0.999999 | 0.999999 | 0.999999 | 0.999999 |
| Calculated (t) | 0.999999 | 0.999999 | 0.999999 | 0.999999 |
| P-Value (t) | 0.9999 | 0.9999 | 0.9999 | 0.9999 |

(**) The correlation is significant at the level of ($\alpha = 0.0001$)

Table (7) reflects the results of measuring the correlation between technological capabilities and the dimensions of competitive advantage. It is clear that there is a strong correlation between technological capabilities and each dimension of competitive advantage (cost, flexibility, quality, delivery). The table value indicates a great significance, except if the cost was calculated less than the table value, therefore the hypothesis is accepted for being achieved

Table (8): The correlation between market-related capabilities and the dimensions of competitive advantage

| The dependent variable Independent variables | The dimensions of competitive advantage (y) | | | |
|---|---|-------------|---------|----------|
| | cost | flexibility | quality | delivery |
| market-related capabilities (R) | .927** | .948** | .948** | .691** |
| Calculated (t) | 4.574 | 3.013 | 3.013 | 2.072 |
| P-Value (t) | .000 | .005 | .005 | .047 |

(**) The correlation is significant at the level of (a .0000000)

Table (8) reflects the results of measuring the correlation between market-related capabilities and the dimensions of competitive advantage. It is clear that there is a strong correlation between market-related capabilities and each dimension of competitive advantage (cost, flexibility, quality, delivery) The calculated value of T is greater than the table, which indicates a great significance, except for the flexibility and delivery, where the calculated value is less than the scale. therefore the hypothesis is accepted for being achieved

Table (9): The correlation between the information technology capabilities and the dimensions of competitive advantage

| The dependent variable Independent variables | The dimensions of competitive advantage (y) | | | |
|---|---|-------------|---------|----------|
| | cost | flexibility | quality | delivery |
| information technology capabilities (R) | .927** | .948** | .948** | .691** |
| Calculated (t) | 4.574 | 3.013 | 3.013 | 2.072 |
| P-Value (t) | .000 | .005 | .005 | .047 |

(**) The correlation is significant at the level of (a .0000000)

Table (9) reflects the results of measuring the correlation between information technology capabilities and the competitive advantage dimensions. It is clear that there is a strong correlation between information technology capabilities and each dimension of competitive advantage (cost, flexibility, quality, delivery). The

calculated value of T is greater than the table, which indicates a great significance, except if the delivery was calculated less than the table value, therefore the hypothesis is accepted for being achieved

Table (10): The correlation between management-related capabilities and the dimensions of competitive advantage

| The dependent variable Independent variables | The dimensions of competitive advantage (y) | | | |
|---|---|----------------------|----------------------|----------------------|
| | cost | flexibility | quality | delivery |
| management-related capabilities (R) | 0.9222 ^{**} | 0.9222 ^{**} | 0.9222 ^{**} | 0.9222 ^{**} |
| Calculated (t) | 22.222 | 22.222 | 22.222 | 22.222 |
| P-Value (t) | 0.002 | 0.002 | 0.002 | 0.002 |

(**) The correlation is significant at the level of ($\alpha = 0.002$)

Table (10) reflects the results of measuring the correlation between management-related capabilities and the competitive advantage dimensions. It is clear that there is a strong correlation between the management-related capabilities and each dimension of competitive advantage (cost, elasticity, quality, delivery). The calculated value of T is greater than the table, which indicates a great significance, except if the delivery was calculated less than the table value, therefore the hypothesis is accepted for being achieved.

Fourth: Test the impact relationship

The objective of this section is to test the effect of the independent variable (strategic capabilities) in the dependent variable (competitive advantage) by relying on the simple regression analysis and the adoption of the F test by ANOVA to determine the significance of the simple regression, as explained in table (11).

The second hypothesis is (the existence of a relationship of significant significance between strategic capabilities and competitive advantage)

Based on this hypothesis, a relationship between the real value of strategic capabilities and competitive advantage (y) was formulated. In light of this relationship, the following simple regression equation is formulated:

$$Y = a + \beta X$$

$$\text{competitive advantage} = 13.774 + 0.976 (\text{strategic capabilities})$$

Table (11) ANOVA table for strategic capabilities and competitive advantage

| Source of Contrast | Degree of freedom | Total squares | Average squares | Calculated F value |
|--------------------|-------------------|---------------|-----------------|--------------------|
|--------------------|-------------------|---------------|-----------------|--------------------|

| | | | | |
|--------------------|----|------------|----------|----------|
| Regression | 1 | 22222222 | 22222222 | |
| The error | 22 | 2222222 | 222222 | 22222222 |
| The error Total | 22 | 2222222222 | | |

N: 22

(Table 11) shows that the calculated value of F is very large compared to the table value of (2.469). This indicates a significant relationship between strategic capabilities and competitive advantage.

Table (12) Relationship between strategic capabilities and competitive advantage

| Sample | Non-standard transactions | | Standard transaction | R ² | Beta value | T |
|-----------------------------------|---------------------------|----------------|----------------------|----------------|------------|--------|
| | Beta coefficient | Standard error | Beta | | | |
| constant | 2222222 | 222222 | | | | 222222 |
| strategic capabilities (X) | 22222 | 22222 | 222222 | 22222 | 2222 | 222222 |

In the light of the regression equation, the constant (a = 13.774) indicates that there is a presence of competitive advantage (2.915) where the value of strategic capabilities is zero.

The value of the marginal propensity at the study sample was (B = 0.976) which accompanies (x). It indicates that a change of (1) in the strategic capabilities will result in a change of (0.976) in the competitive advantage.

The value of the coefficient of determination (R²) to a factor of (0.952) means that the strategic capabilities explains (0.952) of the discrepancy in the competitive advantage, which indicates the strength of the regression model and linear relationship as shown in Figure (3). Thus the second main hypothesis accepts the existence of an effect relationship between the strategic capabilities and competitive advantage.

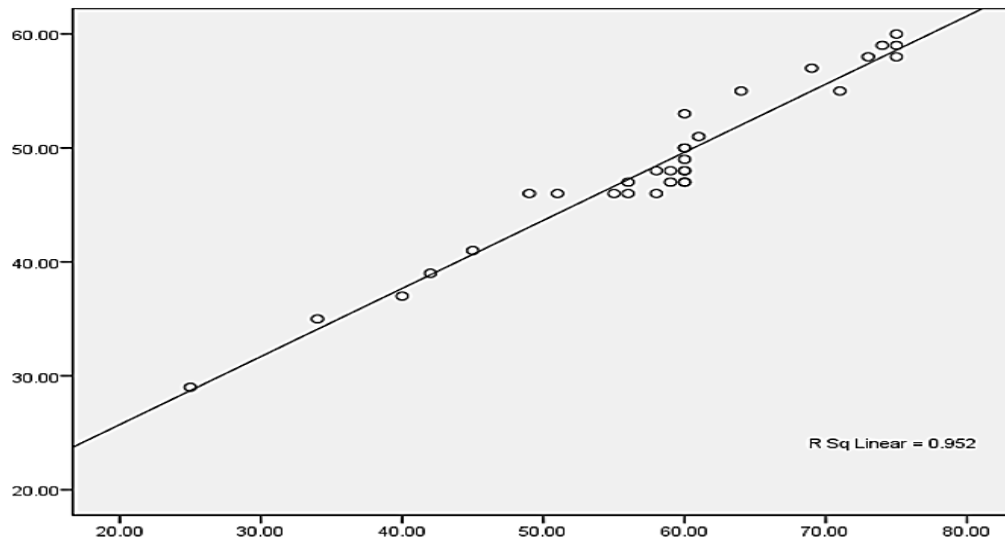


Figure (3) reflects the linear relationship between strategic capabilities and competitive advantage

fifth : Conclusions and recommendations

A. Conclusions

1. The company in question has the strategic capabilities that have given it a competitive advantage, which enabled it to face fierce competition.
2. There is a strong correlation and effect relation between strategic capabilities and competitive advantage, which is proven through impact processes.
3. Al-Waha Company has strategic capabilities of 77.6% with a competitive advantage of 80.8%
4. The company keeps pace with change but needs to support research and development more.
5. The company has high potential in the search for customers as well as its ability to retain them.
6. Al-Waha Company applies information technology and is based on it to achieve integration between all its units in addition to relying on it to maintain information and build a database.
7. Adopting an appropriate pricing policy helps to reduce costs.
8. Great attention to the agreed deadlines for delivery of orders to customers helps keep customers.

B. Recommendations

1. We recommend that companies give importance to strategic capabilities for being the main key to organizations to ensure the achievement of a competitive advantage because it takes all dimensions
2. Organizations facing competition should focus on their strategic capabilities as a source of competitive advantage, focus on strengths, paying attention to market-related capabilities, information technology capabilities and management-related capabilities
3. We recommend Al-Waha Company to focus on research and development, which increases its competitive potential in the future.
4. Increase interest in advertising campaigns as they highlight the company's products.

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