Quest Journals
Journal of Research in Business and Management
Volume 10 ~ Issue 5 (2022) pp: 30-40
ISSN(Online):2347-3002
www.questjournals.org

Research Paper

Capacity Building: A Strategic Tool For Innovation And Sustainability In Selected Food And Beverages Companies In Southwest Nigeria.

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Abstract
The study examined capacity building as a strategic tool for innovation and sustainability. The specific objectives of the study ascertained the effect of capacity building practices on innovation and sustainability; and determined the relationship between human resource development and employee's commitment to innovation. The study population (800) comprises of the senior and junior staff of selected food and beverage companies in southwest Nigeria. The research design adopted for this study was the survey method because the variables were to be observed at one point in time; the study involved a cross-sectional design. Using a margin of error of 5%, a confidence level of 99%, and population size of 800, 363 members of staff was determined as the sample size to be selected using a proportionate random sampling technique across all the selected food and beverage companies. Descriptive, regression, and correlational analysis were carried out on the collected data. Regression analysis was carried out to ascertain the effect of capacity building practices on innovation and sustainability of the studied firms. Findings, as presented in the study, show that capacity building practices adopted by the study firm had a slight impact on innovation (R^2=0.219; F = 2.128; p <0.00). Further analysis revealed that capacity building practices did not affect sustainability. The study concluded that firms are better off at enhancing innovation ability by focusing on the development of its human and financial resources. Recommendations are included in the study to help firms in the implementation of capacity building practices.
Key Words: *Human resource development, financial resource development, sustainability, innovation.*

***R**eceived 01 May, 2022; **R**evised 10 May, 2022; **A**ccepted 12 May, 2022 © The author(s) 2022.*
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I. Introduction

Capacity building practices enables manufacturing firms such as food and Beverage Companies and their leaders to develop competencies and skills that can make them more productive, innovative, and sustainable. Capacity building techniques are intrinsically linked with one particular resource within an organization. However, it isn't a binary commodity like money or assets – its people. Every human can grow, so everyone has the potential to gain from capacity building, but this is not always the case for those in developing countries (Shams, 2016; Adeola, Oyebola, Adeleke, & Opeyemi, 2016). According toQing, Deng, & Wang (2017), capacity building is a process where individuals improve by obtaining knowledge, tools, or resources needed to improve their efficiency and strength. Capacity buildings allow the organization or individuals to focus on the best way of achieving their goals rather than on survival (Mehra, Malhotra, Alleman, & Pires, 2020). Examples of capacity building within an organization include efforts to strengthen its governance and management, staff capacity, and infrastructure. You can take, for example, a restaurant that improves on its food menu in a bid to provide more food, more options to an increased population.

Capacity building is needed in organizations to aid individual and organizational skill acquisition and learning, and if this is successful, it increases the abilities of the organization and allows the organization to easily meet set target and objectives, improving their sustainability on the long run (Duan, Wang, & Zhou, 2020). Capacity building in food and beverage companies could involve; on-job training, off-job training, technological knowledge acquisition, and mentoring. This capacity-building process can result in a productive workforce if implemented properly (Inigo, Albareda & Ritala, 2017). Among the advantages attached to capacity building is the improvement of innovation. The capacity building aims at reducing reliance on external

assistance from experts as sources of power, resources, or knowledge (Otoo, 2019). This propels the organization or individuals to develop their skills and also acquire knowledge and resources to be able to handle tasks or projects on their own or with minimal outside help (Wright, Nyberg & Ployhart, 2018). This also brings about a sense of ownership and authorization, knowing they control a larger part of the production process and are also responsible for any future developments (Broome, & Seabrooke, 2015). According toGiest (2014), capacity building can also improve an organization's sustainability. The staff capacity building processes listed above are known for improving staff's overall productivity, give them the needed motivation to deliver high-grade services, and create a consistent commitment to system advancements and innovation (Supian, Ismail, Sidi, & Omar, 2018). This allows the staff to operate at a higher level over time, bringing about sustainability (Chadwick, Super & Kwon, 2015). Although the capacity building is an often-overlooked tool, it's an essential tool that supports and develops food and beverages companies into reliable forces with excellent delivery. Food and beverage companies' employees obtaining technological knowledge will do the employer a great good just as it would the organization. It doesn't go unnoticed; the positive impacts technology has had within the facet of our world. Taking as an example; the presence of order-ahead apps. The order-ahead apps seem to have changed the customer dining experience and offering the ultimate convenience. This also gives the organization more time to prepare food, increase sales, and reduce losses.

Capacity building can help food and beverage companies better understand the market demands. With the market demand for food products constantly changing, it is important to stay informed on the market demands of their food products and beverages. With staff capacity building, the staff of the food and beverage organization is trained in ways to stay informed on the market demands to be able to deliver products that meet the consumer's needs. They could also be trained in forecasting market demands, to avoid the overproduction of goods in low demand or minimal production of goods in high demand. The majority of the beverage manufacturing establishments rely on the use of machines to manufacture their products. The usage of defective and obsolete equipment could cause a delay in production and inefficiency in production. Beverage establishments investing in new equipment and machinery, and a proper maintenance culture will help optimize production in the long run. Leaders in developing economies like Nigeria have to realize that people want to grow and that remaining in the same place for too long can lead to stagnation. The potency of capacity building in improving innovation and sustainability requires empirical validation in the Nigerian context. When people stagnate, the business they work in will stagnate (Alagaraja, & Githens, 2016). This study, for that reason, fills the gap by investigating the relationship between capacity building, innovation, and sustainability. Also, the study examined the effect of capacity building on innovation and sustainability in selected food and beverages companies in southwest Nigeria.

Objectives of the Study

The broad objective of this study is to examine capacity building as a strategic tool for innovation and sustainability. The specific objectives of the study are to:

(i) ascertain the effect of capacity building practices on innovation and sustainability

(ii) determine the relationship between human resource development and employee's commitment to innovation

Research Questions

In order to address the specific objectives of the study, the following questions were formulated to guide the study:

(i) What is the effect of capacity building practices on innovation and sustainability?

(ii) What is the relationshipbetween human resource development and employee's commitment to innovation?

Research Hypothesis

H_1: Capacity building practices have a significant effect on innovation

H_2: Capacity building practices do not have a significant effect on sustainability

H_3: There is a significant relationship between human resource development and employee's commitment to innovation

Significance of the Study

The study of the relationship between capacity building, innovation, and sustainability of food and beverage companies is significant because it will help the management of the selected firms to know which of the capacity-building practices needs more attention from management. Most private firms lack important funds for handling human capacity building in a holistic manner. The findings of this study will help convince stakeholders that investment of time and resources in capacity building is worthwhile. Study findings will also

be of help to policymakers and vital stakeholders. Policymakers and government agencies regulating food and beverage firms in Nigeria can use the study findings to suggest improvements to capacity building in the Nigerian firm.

Study Limitations

Capacity building is examined in this study, using only human resource development, and financial resource development. It can be argued that capacity building is broad and that it should encompass more variables such as institutional development and process development. The study is also limited by the empirical focus on selected food and beverage companies and not all the beverage companies in southwest Nigeria. This may affect the use of study outcomes to generalize for the food and beverage industry in Nigeria.

II. Literature Review

The dynamic capability theory developed in response to the shortcomings of the resource-based view (Jiang, Lepak, Hu & Baer, 2012). The resource-based view held that organizations could compete with their resources if it was unique, rare, and not easily replicated by competitors (Combs, Liu, Hall & Ketchen, 2006). The dynamic capability theory holds that dynamic capabilities are more important than resource capability. Teece et al. (1997) define dynamic capabilities as 'the capability to integrate, build, and reconfigure internal and external competencies to address rapidly-changing environments.' From the view of Inigo, Albareda, & Ritala (2017) Dynamic capabilities of a firm can improve its capacity building. From the view of Qing, Deng & Wang (2017), capacity building is a process that considers an organization's activity with the aim of developing skills and processes so that the business is better positioned to realize its objectives. According to Shams (2016), the capacity-building encompasses several approaches that are intended to make business more adaptive and alert so that it can be more fruitful in today's varying conditions.Farnham (2015) affirms that capacity denotes the ability to 'perceive,' 'comprehend' and 'do,' and as a result, when enterprises build capacity, they are making the business to be more unsolidified and responsive, which in turn results in ineffectiveness. Nnadi (2014) studied the role of creativity and innovation in business growth and sustainability.This research sets out to investigate how creativity and innovation impact entrepreneurial activities, business growth, and sustainability. Entrepreneurial activities stated include taking calculated risks, managing uncertainty, and engaging in the coordination of productive resources. Creativity can be explained in a simple form as a process of using ideas to improve efficiency or effectiveness.The data for the study was sourced from journals, books, internet, and unpublished contents. It also examined the impact successful global business entrepreneurs such as Bill Gates, Alan Michael Sugar, and Henry Ford have on the society and also the contribution their industrial revolutions made.The majority of the entrepreneurs were noticed to have a high set goal or challenge that some even deemed unachievable, with the aim of meeting the set goals through consistency and sustainability. It was also noticed that the entrepreneurs were philanthropists that invested in corporate social responsibilities and environmental responsibilities. The paper highlights the need for entrepreneurs to be more resourceful and improve on the existing boom in information and technology, and the governments to also concentrate on the human capital development of their citizens for a better society. Cinara (2015) studied organizational learning capacity impact on sustainable innovation: the case of public hospitals. This study focuses on organizational learning involving changes in organizational knowledge or information and how it disseminates it. Organizational learning has to have better knowledge and understanding of organizational efficiency through development (Easterby and Lyles. (2003). The aim of this paper is to determine the effect organizational learning capacity has on public health institutions. The researcher employed a set of 14 questions prepared in accordance with the 5-point Likert scale, related to organizational learning capacity in obtaining data for the research. The purpose of the questioner is to get an insight into personnel regarding innovation. Cronbach's coefficient was used to determine the internal consistency of the questions. The result showed that an increase in the number of employees in the establishment led to a reduction in an organizational learning capacity, and also the general perception of innovation saw a reduction. It was noticed that small establishments with an average young age of employees were noticed to have fewer employees by adopting the use of the latest technologies to get their job done. This shows that there is an opposing relation between innovation, age of employees, and the number of employees in health institutions.

Shams (2016) studied capacity building as a tool for sustained competitive advantage. According to Shams (2016), the Capacity building is a great development policy that most organizations can adopt to help move the organization forward. Scholars and practitioners have made it a priority to enhance capacity building measures in various practices and industries to ensure socio-economic advancement. This study focuses on how capacity building is advantageous to sustainability by examining the rapid changes in the market and competition. The study analyses the implications of relationship marketing to identify exceptional circumstances, in a bid to make relational dynamic capabilities thrive through a VRIN (valuable, rare, inimitability, and non-substitutability) test. It further discusses the present capacity building factors. Then it also

explores the conceptual framework and arguments relating to capacity building and how the capacity's competitive advantage can be sustained. The result generated empirical insights used to specify the theoretical framework across various markets, industries, and social settings. The researcher looked into various industries and markets, with the inclusion of football. The study also examined Cricket Australia, a cricket association, and their approach to the capital building. The result showed that their main focus is becoming the most popular sport in Australia. It sets its sight on motivating young Australians to be more interested in cricket. The Managing Director further emphasized that "since launching our concept, there have been some fantastic responses from children who have viewed our website or have received our product," signifying a positive outcome. Adeola, Oyebola, Adeleke, Adegbami & Olodude (2016) also studied capacity building and sustainable development. Capacity building is based on learning skills and acquiring resources either among individuals or within an organization as a commitment to sustainable development. This paper examined capacity building with the aim to maintain minimum tertiary education standard, inter-institutional collaboration, and devoted service to the society. This study basically explored how capacity building can be integrated into society by implementing capacity building in the tertiary institutional levels and societal levels. It emphasizes on the importance higher education has in both developing and sustaining an individual, which imminently benefits the society as well. The result of the study was a conclusion that knowledge-sharing in the present day is becoming a key phrase, implying that those bestowed with the useful knowledge have to share it with those who need it, or the community in general. Although this is not an easy task, if well implemented, it will boost sustainable development.

Pedersen, Gwozdz & Hvass (2016) explored the relationship between business model innovation, corporate sustainability, and organizational values within the fashion industry. This research objective is to examine the relationship between business model innovation and corporate sustainability, the facilitating effect of organizational values, and its impact on corporate financial performance. Electronic interviews were carried out for the purpose of obtaining information from managers in different fashion chains. The hypotheses regarding different terms of this study were obtained, then analyzed using structural equation modeling (SEM) due to its ability to handle complex theoretical structures. It was established that establishments with innovative business models are more likely to focus on corporate sustainability, and organizations embedded in values of flexibility and discretion possess business model innovation and corporate sustainability. This shows that business models and corporate sustainability both seem to be linked to the fundamental principles guiding an organization, which implies that management decisions involving the business model need to be on par with the organizational culture. Inigo, Albareda, & Ritala (2017) studied business model innovation for sustainability. The aim of this study is to examine the organizational processes of business model innovation for sustainability (BMIS). The business model innovation for sustainability is based on the organization's need to understand the systemic concept behind the distinct pieces of current business models. It has also become a model that provides innovative solutions to reduce the negative environmental impact of the value chain, increase environmental and societal benefits while benefiting society. The business model innovation for sustainability is theorized to evolutionary and radical approaches. Dues to its theorized framework, a qualitative multiple case study of up to eight organizations in Spain was conducted, then a detailed analysis of how managerial and organizational capabilities for sustainability are applied in business model innovation and transformation. The result of this study provided insight into the systemic and transformational approach of the BMIS. The study shows how organizations develop dynamic capabilities to seek knowledge, engagements, technologies, and stakeholders and combine them with existing internal resources to create a new BMIS to generate a purposeful plan and organizational structure. The analysis revealed in the case of evolutionary business models that most of the processes had been studied in the literature of both corporate responsibility and corporate sustainability. The result also revealed that organizational capabilities are among the crucial routines and processes for BMIS. Lopes, Scavarda, Vaccaro, Pohlmann, & Korzenowski (2018) carried out a study on the perspective of business models and innovation for sustainability transition in the hospital. Health organizations are crucial establishments in society and have undergone their own share of considerable changes over the past decades, among the changes involved in the management of high cost of sustaining quality standards, and also the fulfillment of environmental and social duties. The need for sustainability in health establishments cannot be overemphasized because it enables the realization of social requirements while avoiding environmental and health risks. This research aims to formulate a concept-based review on business models, innovation, and sustainability transition in the context of health business. The author sourced data from a survey of the largest health database, PubMed. Look into the database brought about the perception that there seems to be less focus on the relationship between innovation, business models, and transitions to sustainability in the health sector. Using information obtained, the research focused on exploring a set of opinions and representations on the topic that is being examined. The research study proposes a model for future use in health establishments. The model proposed highlights the relations that result from the multiple-level perspective. Elements in the environmental level, such as ecological modernization and social responsibility, interact with elements of the administrative level; technological, legal, and efficiency aspects. The proposed model is justified due to the lack of research

that tackles the sustainability transition models in health establishments. Alkalha, Reid, & Dehe (2019) studied the role of absorptive capacity within supply chain quality integration. There is a general agreement that the theoretical foundation linked with supply chain quality management practices continues to advance with present-day thinking. This research sets out to examine how absorptive capacity assists supply chain quality integration by improving product and process quality within a supply chain. The study made use of an approach of a comparative case study of global pharmaceutical establishments in growing markets. A two-round qualitative research method was developed for this study to acquire data through 54 semi-structured interviews with pharmaceutical executives.The outcome showed that absorptive capacity is critical to the growth of supply chain quality integration due to its ability to utilize valuable strategic and operational knowledge, which is crucial when trying to improve consistent internal products and process quality and also creating a robust supply chain design. The adaptive capacity allows establishments to design their quality and consistently enhance their products and processes within their supply chain.Huarng, Rey-Martí, & Guaita-Martínez (2020) carried out a study titled knowledge, business, and innovation: economies and sustainability of future growth. Knowledge is a source of innovation, which is why organizations are advised to promote learning to aid the development of innovation. Owing to the recent changes in global economics, innovation has been discovered to be a crucial concept for businesses; innovation is the foundation for business development. This journal focuses on how knowledge and innovation can bring about sustainability in business. Sustainability, according to the World Commission on Environmental Development (WCED), means "the development meets the needs of the present without compromising the ability of future generations to meet their own needs." The researcher stated various other researches carried out on innovation, knowledge, and sustainability in various fields and analyzes how knowledge and innovation can help them thrive. Duan, Wang, & Zhou (2020) studied the multiple meditation effect of absorptive capacity on the organizational slack and innovation performance of high-tech manufacturing firms. Various researches in the past have examined the effects of organizational slack on the company's innovation performance. But only a few have examined how slack availability impacts the company's slack innovation performance. Absorptive capacity should also be considered as a crucial factor that influences innovation performance. These bring the need to analyze organizational slack, absorptive capacity, and innovation performance as a whole. The study classifies organizational slack from the perspective of slack availability, and assesses the impact of different dimensions of organizational slack and absorptive capacity on the performance of innovation in high-tech manufacturing firms. It further compares and assesses the multiple mediation effects of two capacities on organizational slack and innovation performance. A panel data model was formulated to carry out empirical analyses on the data obtained from high-tech firms in Asia. The result of the analysis carried out showed that with an increase in available slack and potential slack in the firms studied, the innovation performance exhibited an early increasing pattern, then it was followed by a decreasing pattern. To draw a distinction, with an increase in recoverable slack in the firms, the innovation performance of the firm showed an initial decreasing pattern, and then an increasing pattern. The result also revealed that available slack could influence the innovation performance of high-tech manufacturing firms via realized absorptive capacity. The existing literature review on the capacity building shows that researchers have not focused on it as a strategic tool for innovation and sustainability. This study will extend the bounds of current knowledge as it relates to capacity building, innovation, and sustainability in Nigeria. Specifically, this study aims to fill the gap that exists in knowledge regarding the effect of capacity building practices on innovation and sustainability. This study also determines the relationship between human resource development and employee's commitment to innovation. The effect of financial resource development on organizational commitment to sustainability is also explored.

III. Methodology

As an empirical study, the methodology is defined in terms of population features and its justification. Justification for the adopted methodology and the statistical evidence on the validity and reliability of research instruments are similarly discussed.

Population Features

The study population (800) comprises of the senior and junior staff of selected food and beverage companies in Southwest Nigeria.The choice of the southwest food and beverage sector for this study is due to the enormous numbers of firms in the area as it gives the researcher ample room to make generalizations and to gather concrete data.

Adopted Methodology

The research design adopted for this study was the survey method because the variables were to be observed at one point in time; the study involved a cross-sectional design. The study focused on examining the relationship between capacity building, innovation, and sustainability in Southwest, Nigeria. Using a margin of

error of 5%, the confidence level of 99%, and population size of 800, 363 members of staff was determined as the sample size to be selected using a proportionate random sampling technique across all the selected food and beverage companies. The study utilized a two-stage sampling technique. At the first stage, six companies from the selected states in South-west Nigeria were purposively selected. The selection companies in the three southwestern states of Lagos, Ogun, and Oyo states was based on the fact that they have the highest food and beverage companies in the South-west region. At the second stage, a proportionate random sampling technique was adopted in which staff of the selected companies had a sample fraction of 28% corresponding to their size within the study population.

Research Instrument

The main instrument that was used in this study is a questionnaire which was self-developed. Close-ended and scale questions were used in a well-structured form. It was designed to sample relevant information that is needed for answering the research question and testing the hypothesis. For this research work, the Cronbach alpha was adopted for the reliability test. SPSS version 25, the year 2015, is used to carry out the statistical analysis. Data were analyzed using correlation and statistical regression tools.

The validity of Research Instrument

In order to find the construct validity, a Principal Component Analysis technique was utilized.The analysis of the validity of the instruments showed a high level of significance at 0.000, which is less than 0.05.

Table 1: Construct Validity of Sample Scales

S/N	Variable	KMO Measure of Sampling Adequacy	Bartlett test of sphericity	Remark
1	Human resource development practices	0.708	129.107(000)	Accepted
2	Financial resource development practices	0.765	220.819(000)	Accepted
3	Sustainability practices	0.823	309.161(000)	Accepted
4	Innovation practices	0.872	310.170(000)	Accepted

Reliability of Research Instrument

The internal consistency method was utilized to ascertain the reliability of the instrument.According to Nunnally (1979), Cronbach's Alpha of 0.7 showed that the instrument is reliable.

Table 2: Cronbach's Alpha coefficient Reliability of Sample Scales

Variables	Cronbach 's Alpha coefficient	Number of items	Interpretation
Human resource development practices	0.71	5	Reliable
Financial resource development practices	0.84	5	Reliable
Sustainability practices	0.87	5	Reliable
Innovation practices	0.73	5	Reliable

IV. Results and Discussion

Socio-Demographic Characteristics Information of the Respondents

This section presents part of the socio-demographic features of the respondents, such as gender, as well as the age of the respondents. Table.3 shows that 217 (68.6%) of the respondents are male, while 64(31.4%) of the respondents were female. This reveals that in the distribution, there were more males working in firms than females, and this gives validity to the study.

Figure 1 also revealed 152(48.3%) of the respondents were between the age of 26-35, 79 (25.1%) of the respondents falls within the age bracket of 36-45, 67(21.3%) of the respondents are within the age range of 18-25 while the age range of 56 years and above is represented by 6(1.9%). This reveals that the age range in the majority is young as well as productive. This shows how well articulated the data is due to the fact that the responses gotten from the respondents are reliable.

Table 3: Socio-Demographic Characteristics Information of the Respondents

Characteristics	Frequency	Percentage (%)
Gender		
Male	247	68.6
Female	64	31.4
Total	315	100

Age of respondents		
18-25	67	21.3
26-35	152	48.3
36-45	79	25.1
46-55	11	3.5
56 years and above	6	1.9
Total	315	100

This section continues by presenting the other part of the socio-demographic features of the respondents such as marital status, educational qualification, as well as the job description. In table 4, 187(59.4%) of the respondents were married, 107 (34.0%) of the respondents were single, while 21(6.7%) of the respondents were divorced. This implies that responses gotten were diverse in nature. Going with the Educational Qualification in Figure 2, 167(53.0%) of the respondents had HND/BSc., 84 (26.7%) of the respondents had Ordinary Diploma, while 64 (20.3%) of the respondents had MSc/MBA. This indicates that the respondents had appropriate literacy skills to comprehend, and quality information was gotten. Looking at the job description of the respondents, 121 (38.4%) of the respondents were mid-level staff, 120 (38.1%) of the respondents were junior staff, while 74(23.5%) of the respondents were the junior staff. This implies that all levels in the firm were covered, which enhanced the value of the information given by the respondents.

Table 4: Socio-Demographic Characteristics Information of the Respondents

Characteristics	Frequency	Percentage (%)
Marital Status		
Single	107	34.0
Married	187	59.4
Divorced	21	6.7
Total	315	100.0
Educational Qualification		
Ordinary Diploma	84	26.7
HND/BSc.	167	53.0
MSc./MBA	64	20.3
Total	315	100.0
Job Description		
Junior Staff	120	38.1
Mid-level Staff	121	38.4
Top-level staff/Management	74	23.5
Total	315	100.0

Capacity Building Practices Adopted

Descriptive analysis was carried out to understand the capacity building practices adopted in the study area. In table 5, the majority, 202 (64.1%) of the respondents agreed to a great extent that training is part of human resources development practices. This is indicated with a mean response of 4.03, which is of high effect and a standard deviation of 1.546, which implies a minor disparity in opinions among the respondents. The majority, 143 (45.4%) of the respondents, agreed to a great extent that career planning is part of human development practices. This is indicated with a mean response of 3.67, which is of moderate effect and a standard deviation of 1.618, which implies a disparity in the opinion that is slight among the respondents. The majority, 124 (39.4%) of the respondents, agreed to a great extent that mentoring is part of human resources development practices. This is indicated with a mean response of 3.51, which is of moderate effect and a standard deviation of 1.589, which implies a minor disparity in the opinions of the respondents. The majority, 173 (54.9%) of the respondents, agreed to a great extent that performance management is part of human resources development practices. This is indicated with a mean response of 4.31, which is of high effect and a standard deviation of 1.060, which implies that the opinions among the respondents are of minute disparity. The majority, 151 (47.9%) of the respondents, agreed to a great extent that job enrichment is part of human resource development practices. This is indicated with a mean response of 4.26, which is of high effect and a standard deviation of 0.991, which implies that the opinions among the respondents are of minute disparity. The majority, 156 (49.5%) of the respondents, agreed to a great extent that cost control is part of financial resources development practices. This is indicated with a mean response of 4.31which is of high effect, and a standard deviation of 1.060, which implies that the opinions among the respondents are of minute disparity. The majority, 111(35.2%) of the respondents, agreed to a great extent that debt consolidation is part of financial resources development practices. This is indicated with a mean response of 3.57, which is of moderate effect and a standard deviation of 1.492, which implies a minor disparity among the opinions of the respondents. The majority, 152 (48.3%) of the respondents, agreed to a big extent that investment planning is part of financial resources development practices. This is indicated with a mean response of 4.32, which is of high effect and a standard deviation of 0.660, which implies a minor disparity among the opinions of the respondents. The

majority, 97 (30.8%) of the respondents, agreed to a big extent that cash flow monitoring is part of financial resources development practices. This is indicated with a mean response of 3.60, which is of moderate effect and a standard deviation of 1.279, which implies a minor disparity among the opinions of the respondents. The majority, 234 (74.3%) of the respondents, agreed to a great extent that budgeting is part of financial resources development practices. This is indicated with a mean response of 4.74, which is of high effect and a standard deviation of 0.447, which implies a minor disparity among the opinions of the respondents.

Table 5: Capacity Building Practices Adopted

Variables	Frequencies					Mean	Standard Deviation
Human Resource Development Practices	No extent	Small Extent	Fair Extent	Big extent	Great Extent		
Training	57(18.1%)	8(2.5%)	4 (1.3%)	44(14.0%)	202 (64.1%)	4.03	1.546
Career Planning	74(23.5%)	11(3.5%)	4(1.3%)	83(26.3%)	143(45.4%)	3.67	1.618
Mentoring	64(20.3%)	41(13.0%)	4 (1.3%)	82(26.0%)	124(39.4%)	3.51	1.589
Performance management	21(6.7%)	4(1.3%)	5(1.6%)	112(35.6%)	173 (54.9%)	4.31	1.060
Job enrichment	18(5.7%)	-	16(5.1%)	130(41.3%)	151 (47.9%)	4.26	0.991
Financial Resource Development Practices							
Cost control	-	20(6.3%)	19(6.0%)	120(38.1%)	156(49.5%)	4.31	1.060
Debt consolidation	55(17.5%)	35(11.1%)	10(3.2%)	104 (33.0%)	111 (35.2%)	3.57	1.492
Investment Planning	-	2(0.6%)	28 (8.9%)	152 (48.3%)	133 (42.2%)	4.32	0.660
Cash flow monitoring	22 (7.0%)	57 (18.1%)	43 (13.7%)	97 (30.8%)	96 (30.5%)	3.60	1.279
Budgeting			1 (0.3%)	80 (25.4%)	234 (74.3%)	4.74	0.447

Regression analysis was carried out to ascertain the effect of capacity building practices on innovation and sustainability of the studied firms. Findings, as presented in Table 6, show that capacity building practices adopted by the study firm had a slight impact on innovation (R^2=0.219; F = 2.128; p <0.00). Further analysis revealed that capacity building practices did not affect sustainability. Study findings show that human resource development practices that could increase innovation were practices by the study firms. Financial resources were also given attention by management, which influenced the innovation capability of the firms. The attention paid to sustainability is, however, low in terms of financial resource development, which could have been responsible for the failure of capacity building practices to have any significant effect on sustainability in this study. The effect on innovation is at best moderate and requires more attention from top management. It is not surprising that studied firms dedicated more resources to enhance innovation than it did to enhance sustainability. This might imply that the studied firm found it relatively easier to invest in practices that will improve innovation as compared to that of sustainability. Based on the preceding analysis, H_1 is accepted with the implication that H_1: Capacity building practices have a significant effect on innovation while H_2 is rejected, meaning that H_2: Capacity building practices do not have a significant effect on sustainability.

Table 6: The Effect of Capacity Building Practices on Innovation and Sustainability

Independent variables entered	B	**S.E.**	**t-value**	**R^2**	**R^2 Change**
Model 1 F=2.128				.219	. .219
Human resource development practices	.367*	.111	3.292		
Financial Resource Development Practices	.346	.068	5.091*		
Dependent variables: Innovation					
*p< 0.05;**p< 0.00					
Independent variables entered	B	**S.E.**	**t-value**	**R^2**	**R^2 Change**
Model 2 F=2.845				.085	
Human resource development practices	.079	.052	1.514		
Financial Resource Development Practices	.270*	.066	4.068*		
Dependent variables: Sustainability					
*p< 0.05;**p< 0.00					

Study findings, as presented in Table 7, shows that the more the organization contributed to the development of its human resources, the more the employee was committed to innovation. Correlational analysis was carried out to determine the relationship between human resource development and employee's commitment to innovation.In other to examine the relationship between human resource development (HRD) and employee commitment (E.C.), two types of analysis were carried out, namely, descriptive and inferential analysis. SPSS statistic tool was used, to sum up, the score on HRD and E.C. There was a strong, positive correlation between the two variables [r = 0.371, n = 315, p < 0.01], indicating a positive correlation between HRD and E.C. The coefficient of determination is r = 0.371, which, when squared indicates 37.1 percent shared a relationship. The result was statistically significant at p < 0.01; consequently, H_3 is accepted, implying that there is a significant relationship between human resource development and employee's commitment to innovation.

Table 7: The Relationship Between Human Resource Development and Employee's Commitment to Innovation

Variable Name		**HRD**	**EC**
HRD	Pearson Correlation	1	0.371**
	Sig. (2-tailed)		0.000
	N	215	215
EC	Pearson Correlation	0.371**	1
	Sig. (2-tailed)	0.000	
	N	215	215
**. Correlation is significant at the 0.01 level (2-tailed).			

V. Conclusion

Capacity building is much relevant in today's business world, which is characterized by increased competitive activities and the need to be sustainable. Capacity building empowers organizations to acquire the needed skills, resources, expertise, and equipment needed to increase the capability of the firm to realize its strategic objectives. This study was carried out with the intention of understanding the role played by capacity building in a firm's innovation and sustainability. Selected food and beverage companies in Nigeria were studied because of the intensity of production and competition in the sector. Study findings revealed that capacity building practices had a significant effect on innovation. The firms were able to improve the organizational processes only after investment had been made into human and financial resources development. Human resource development practices such as employee training and development were important for the studied companies' ability to innovate. This is in line with findings from Delery & Gupta (2016); Alagaraja, & Githens (2016); Otoo (2019) affirming that companies who invested in employee development were expected to reap positive outcomes. Career planning and mentoring was also an important predictor of innovation ability in the study firms. This isin line with evidence in the literature highlighting the importance of career planning and mentoring for employees. According to Wright, McMahan, & McWilliams (1994); Wright & McMahan (2011); Wright, Nyberg, & Ployhart (2018); Huarng, Rey-Martí & Guaita-Martínez (2020) employees who enjoyed career planning opportunities showed more job satisfaction and commitment to organizational objectives. Performance management and job enrichment are also capacity-building practices that encouraged employee ability to innovate. Job enrichment allowed employees to be able to contribute in a greater capacity, and this reflected in the employee score on innovation ability. Financial resource development was similarly important for the development of innovation ability in the studied firms. The presence of a financial plan facilitated the possibility of developing human resources. According to Chadwick, Super & Kwon (2015), building the capacity of an enterprise is not a factor of adequate resources but a factor of resource control. The implication of this is that to effectively build capacity. Firms ought to be able to control costs. Investment planning, cash flow monitoring, and budgeting are some of the financial resource development practices adopted by the studied firms. Study findings did not find a significant effect of capacity building practices on sustainability. The capacity-building practices in the study area were not strong enough to influence sustainability. This does not mean that the studied firms are not sustainable. Instead, it means that sustainability could not be attributed to capacity building practices. The study, however, found a significant relationship between human resource development and employee's commitment to innovation. This implies that the more the studied firms invested in human resource development, the more employees reciprocated with a commitment to an innovative spirit. This is in line with extant literature on employee behavior (Horwitz & Budhwar, 2015; Baba, 2020; Lee & Cheng, 2018). Motivational theories also affirm the reality of increased employee commitment as management invests in activities that increase employee job satisfaction (Jiang, Lepak, Han, Hong, Kim, & Winkler, 2012; Jiang, Lepak, Hu, & Baer, 2012; Aboramadan, Albashiti, Alharazin, & Dahleez, 2020). The study concludes that capacity building, when approached from an employee level perspective and organizational level is able to improve innovation. The employee level practices improve the skill and the ability of employees to deliver. The organizational level practices improve the organizational ability to control cost, to invest, and to budget.

Contribution to Existing Knowledge

The findings of this study are new because it focuses on capacity building on two levels. Previous studies did not delineate capacity building this way. The findings of this study show that capacity building is not vague but practical when approached from an employee level and organizational level. Previous studies focused more on the organizational aspect of capacity building, and so this study provides empirical information on the specific ways in which capacity building can be implemented within the organizational context. The study provided insights as to the effect of employee training, career planning, performance management, job enrichment, and mentoring on organizational ability to innovate. It also shed light on the specific financial resource development practices that are predictors of innovation in the study area.

VI. Recommendations

Based on the findings of the study, the following recommendations are proffered:

- Capacity building training should be encouraged in the study area, especially for top management and supervisors who will, in turn, pass the knowledge received down to the other levels of management.
- The establishment of formalized procedures for the employee career planning process will go a long way in improving the benefits of human resource development.
- Job enrichment practices should be designed to increase employee access to more challenging tasks, as this will contribute to the capacity building process of the firm.
- Since capacity building practices did not influence sustainability, efforts should be made by management to review the scope of capacity building practices.

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