

Strategic Sustainable Competitive Advantages Of Firmsperformance

Supriyadi

Institute of Information and Business, Darmajaya Bandar Lampung (Indonesia)

Abstract: *The objective of this research are to find out the effect : (1). resources on sustainable competitive advantages; (2). dynamic capability to continuous competitive advantage; (3). resources on company performance; (4). dynamic capability to company performance; (5). sustainable competitive advantage on company performance; (6). dynamic resources and capabilities on sustainable competitive advantages ; (7). dynamic resources and capabilities as well as the competitive advantage of sustainable. sample unit in this research using survey 69 companies which producing coffee in lampung, with interview to manager and director with total number of responden 345 respondents and all hypothesis accepted and positive effect to this research. the conclusion of this reserach are : (1). resources affect sustainable competitive advantage; (2). dynamic capabilities affect sustainable competitive advantage; (3). resources affect the firm's performance; (4). dynamic capability affects the firm's performance; (5). sustainable competitive advantage affects the company's performance; (6). resources and dynamic capabilities together affect sustainable competitive advantage; (7). resources, dynamic capabilities and sustainable competitive advantages jointly affect the company's performance the effect of resource, dynamic capability and sustainable competitive advantage simultaneously on company performance is positive and significant, with sustainable competitive advantage variables having the most dominant influence on firm performance. this shows that positively improving the effectiveness of resources, dynamic capabilities and sustainable competitive advantage will result in improved corporate performance.*

Keywords: *company performance, dynamic capability, resources, sustainable competitive advantages,*

Date of Submission: 20-03-2020

Date of Acceptance: 06-04-2020

I. INTRODUCTION

The agricultural sector is one of the backbones in the national economic development, in addition to being able to absorb labour, the agricultural sector also plays an important role in the formation of GDP, foreign exchange earnings, food provision, poverty alleviation, improvement of public incomes, even the formation of national culture and balancing ecosystem. One of the important things in the agricultural sector is the food sector, the availability of food becomes very important along with the growth rate of Indonesian society today. Based on the Population Census in 2015, the population of Indonesia has reached 257.9 million people. This number demands greater availability and food security to meet. Therefore, in an effort to overcome this food problem, food sector investment needs to be improved. The realization of investment in the food sector has a positive trend. This will continue to be supported by the government to increase agricultural productivity through investment in supply chains and modernization of agricultural equipment. Expected by strengthening investment Domestic Investment (PMDN), growth of Foreign Investment (PMA) will increase. Based on data from the Directorate General of Plantation Ministry of Agriculture, Indonesian coffee production in the last five years has increased significantly. In 2008 Indonesia was able to produce coffee as much as 680 thousand tons and increased by 10.29% to 750 thousand tons in 2012. The increase was due to favourable weather for flowering and coffee formation. The influence of weather is the dominant factor in influencing the level of national coffee production (Ditjenbun Ministry of Agriculture, (2013). Commercially there are two types of coffee Robusta and Arabica. Arabica coffee plants can grow and bear optimum fruit at altitudes above 1,000 meters above sea level (asl), while Robusta coffee at an altitude of 400 to 800 meters above sea level. Given in Indonesia land with an altitude above 1,000 meters above sea level in general form of forest, the development of Arabica Coffee plants is limited. The production of Arabica coffee produces nearly 150 tons of 250 acres of land, 3,000 hectares, while Robusta coffee produces 600 thousand tons of 1.05 million hectares, bringing the total coffee production in 2012 to 750 thousand tons (AEKI, 2013). As a result of the growth of middle class and lifestyle changes of the people of Indonesia, the performance of the coffee processing industry in the country has increased significantly. The export of processed coffee products in 2011 which reached more than US \$ 268.6 million increased to US \$ 315.6 million in 2012 or increased by more than 17.49%. Exports of

processed coffee products are dominated by instant coffee, extract, essence, and coffee concentrate spread to export destinations such as Egypt, South Africa and Taiwan, as well as ASEAN countries such as Malaysia, Philippines and Singapore (Hidayat, 2013). In contrast to rising exports, imports of processed coffee products dropped significantly. Imports of processed coffee which reached more than US \$ 78 million in 2011 fell to US \$ 63.2 million in 2012, down 19.01 percent. The largest imports experienced instant coffee products (Hidayat, 2013). Similar to coffee production, coffee consumers today also experience significant changes. Kompas Daily (January 30, 2012) stated that coffee drinking habits in Indonesia began to increase to 0.9 kg per capita per year. Initially, coffee lovers in Indonesia are among the elderly and rough workers such as construction labourers and project workers. But over time there has been a shift in public image and view of coffee consumption. Now coffee lovers almost no longer age view from teenagers to adults and even seniors, and do not look at what sector they do. Moreover, the modernization, coffee has now become part of the lifestyle of every society, and with more coffee cafes and innovations in coffee making, the more coffee addicts in the world. Consumers come to the coffee shop not just want to drink coffee, but because there is a touch of emotion presented by the outlets. Whether it's a feeling of pride, prestige, or warmth (Herlyana, 2012). Thus the rapid development of coffee production in Indonesia is certainly fully supported by the business and home industry of coffee producers. Strata coffee industry in the country is very diverse, ranging from home scale business unit to the multinational scale coffee industry. Measurement of firm performance (firm performance) is now a very important thing for management. This is done for an evaluation of company performance and goal planning in the future. Various information is collected so that the work done can be controlled and accounted for. This is done to achieve efficiency and effectiveness throughout the company's business processes. Performance (performance) is defined as the level of results, Milgrom & Robert (1995). Firm performance (firm performance) is the level of achievement of results desired by the company by involving all resources owned by the company, Dosi and Marengo (1993). According to Dosi and Marengo (1993) the company's performance includes: (1) Market Performance, ie the company's perception of its market share (market share) it owns. (2) Financial Performance, corporate perception of profit (profit) and sales (sales) achieved. Some problems that arise in coffee companies in Lampung Province, among others: decreased quality of coffee Lampung, so many Indonesian coffee products rejected by the buyer abroad. The low quality of Lampung coffee has an impact on the decline of Indonesian coffee demand. And the decline of these two things have an impact on coffee companies, namely the decline in corporate earnings. It appears that the firm's high performance (firm performance) is influenced by dynamic capabilities. Dynamic capabilities are an enterprise-oriented behavior to integrate, rearrange, create and update their owned resources, capabilities and rebuild their core capabilities to respond to environmental change and achieve sustainable competitive advantage (Advantage). Catherine L. Wang and Pervaiz K. Ahmed (2007) Cathelin and Ahmed explain the main factors in the dynamic capabilities are: (1) Adaptive capability, (2) Absorptive capability, and (3) Innovative capability. These factors of dynamic capabilities can guide the development of corporate strategy (Eccles and Nohria, 1992). Factors of dynamic capabilities as tools and techniques for managers to improve company performance (Priem and Butler 2001a). Other research also supports this, that every factor of dynamic capabilities plays a vital role in the long-term success and sustainability of the company (Rindova and Kotha (2001). Zahra and George (2002). Gurisatti et al (1997). D'Este (2002). Competition in the business world is so tight, changes in the market environment is also experiencing rapid growth. In these conditions coffee companies in Lampung are still many who are not ready to adjust (adaptive) changes very quickly. There are still many companies that have not been able to absorb (absorptive) these changes to be brought into the company's internal. Similarly, the ability to innovate (innovative). Dynamic capabilities seem to be influenced by resources owned by the company. Resources are the tangible assets and the company's intangible assets used to understand and implement their strategies (Prahalad and Hamel, 1990, Barney, 2001). Tangible resources are resources whose value is visible in accounting data and is easy Once identified and evaluated, for example financial resources, physical resources, and organization. Intangible resources are resources not seen in the company's balance sheet, such as technology, corporate culture, innovation, and reputation. The low level of resources owned by the company has an impact on the company's low ability to compete with its competitors. This has an impact on the company's low ability to adjust (adaptive) to changes, the absorptive absorption of rapid changes that occur outside the company to be brought into the company, and the low ability to innovate (innovative). Dynamic corporate capabilities are also affected by market dynamic. Eisenhardt and Martin (2000) define market dynamism as "an influential factor for firm capability development and evaluation". According to Eisenhardt and Martin market dynamism environment is influenced by several factors, among others:

1. Technological innovation industry (industry technological innovation)
2. Regulatory change
3. Economic cycle (economic cycle)
4. Competitive change in the industry (the changing competitive nature of the industry).

Still low company to make technological innovation to make low competitiveness of company to other company. Changes in government regulations make the company can not maximally do the elements involved in dynamic capabilities. The economic cycle is the fluctuation of economic activity from its long-term growth trend. Arthur (1983), Based on the background of the above research, interesting to examine the extent to which the level of performance of a company (firm performance). Referring to the problems faced by coffee companies in Lampung Province, the authors are interested to conduct research with research problems:

1. What is the effect of resources on sustainable competitive advantages in coffee companies in Lampung province?
2. Is there any effect of dynamic capability to continuous competitive advantage to coffee company in Lampung province?
3. What is the effect of resources on company performance on coffee companies in Lampung province?
4. Is there any effect of dynamic capability to company performance on coffee company in Lampung province?
5. Is there any influence of sustainable competitive advantage on company performance in coffee company in Lampung province?
6. What is the effect of dynamic resources and capabilities on sustainable competitive advantages in coffee companies in Lampung province?
7. Is there any influence of dynamic resources and capabilities as well as the competitive advantage of sustainable company performance in coffee companies in Lampung province?

II. LITERATURE REVIEW

2.1 Definition of Firm Performance

Pelham and Wilson (1996) define firm performance as the success of creating new products and market development, where company performance can be measured through sales growth and market share. Pelham and Wilson further explained that the firm's performance (firm performance) is one measure of the success of a company in carrying out its activities, which is measured every time period that has been determined. The results of this company's performance can be regarded as the value of each activity that has been prepared and implemented to be able to identify whether the strategy is made and the implementation is appropriate or vice versa. Company performance is the result of the implementation of a business both physical and nonphysical with indicators of achievement of work than the target that has been determined. Measurement of business performance variables using measurements that have been used by Goyal (2001). Company performance is the level of achievement of results desired by the company by involving all resources owned by the company, Dosi and Marengo (1993). Company performance is a certain measure used by the entity to measure success in generating profits. Company performance is the company's ability to explain its operational activities (Carolina, 2007). According to Febryani and Zulfadin (2003) company performance is an important thing that must be achieved by every company anywhere, because the performance is a reflection of the company's ability to manage and allocate its resources. Can be concluded that the performance of the company is something produced by a company in a certain period with reference to predefined standards. Company performance should be measurable outcome and describe the empirical condition of an enterprise of any agreed sizes. To know the performance that has been achieved then performed performance appraisal.

2.2 Dynamic Capabilities

Dynamic capabilities is a form of knowledge that can create value for the company either with the results of innovation and transformation from input to output in order to obtain sustainable competitive advantage. Company capability is one of the important internal factors in managing the resources already owned by the company. The goal is for the company to achieve competitive advantage, O'Regan et al (2006); Sihvonen et al (2010). If the capabilities that exist within the company good, then the resource management will be good, especially when the resources owned by the company is good, and will be able to gain competitive advantage. According to Grant (1991), the company's capability is the main source for achieving firm performance. Teese, Pisano, and Shuen (1997) define dynamic capabilities as the company's ability to integrate, build and configure internal and external competencies in the face of rapid environmental change. Eisenhardt and Martin (2000) define dynamic capabilities as various processes that exist in companies that use their specific resources by integrating, rearranging, to create and adapt new market changes. Dynamic capabilities are a company-oriented behavior to integrate, rearrange, create and update their owned resources, capabilities and rebuild their core capabilities to respond to environmental change and achieve sustainable competitive advantage (Wang and Ahmed (2007, pp. 1-40).

2.3 Dynamic Capabilities Components (Dynamic Capabilities)

Barton (1992) describes component capabilities, such as: unique, difficult to imitate, superior/distinctive. This component of dynamic capabilities can guide the development of corporate strategy

(Eccles and Nohria, 1992). Components of dynamic capabilities as tools and techniques for managers to improve company performance (Priem and Butler 2001a). Other research also supports this, that each component of dynamic capabilities plays an important role in the success and long-term sustainability of the company. Rindova and Kotha (2001). Zahra and George (2002). Gurisatti et al (1997). D'Este (2002). Wang and Ahmed represent 3 (three) components of dynamic capabilities (dynamic capabilities), namely: (1). Adaptive capability, (2). Absorptive capability, and (3). Innovative capability.

2.4 Resources

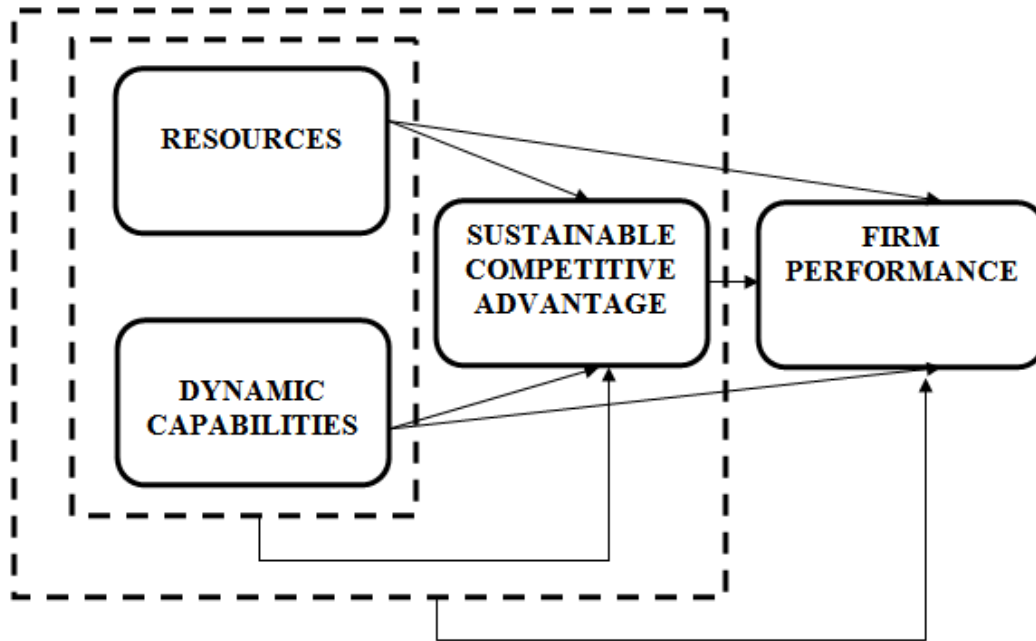
Because of the importance and great influence of resources for the company, there are currently many research results that discuss about resources. The theory of resources was first popularized by Wernerfelt (1984) in his article "A Resource-Based View of The Firm". Furthermore, this theory is known as Resources-Based View (RBV). This RBV theory combines the theory delivered by Selznick (1957) "Leadership in Administration: A Sociological Interpretation" and Penrose (1959) "The Theory of The Growth of The Firm New York". RBV discusses the internal resources and capabilities of the company and its influence with strategic decision making. RBV also explains how corporate resources affect externally competitive outcomes and processes. RBV views the company as a collection of resources and capabilities, (Penrose 1959; Wernerfelt, 1984). Resources is a company used to understand and implement their strategies, (Prahalad and Hamel, 1990; Barney, 2001). The RBV assumption is that companies compete on the basis of resources and capabilities. In the ever-changing market conditions, the company's resources are not static (static), but must always be developed. In order to compete, the company always continues to invest and upgrade (upgrade) their resources, Kauric (2016). Ferreira et al., (2011), the success of the company is determined by the resources it has and the capability of the company that is able to transform the resource into an economic benefit. Barney (1996) in his article "Gaining and Sustaining Competitive Advantage" states that the company will achieve excellence in competing if the company has superior resources. Because by having a superior resource then the company will be able to run the business strategy that has been planned, so that the company will have competitive advantage. Barney explains, in general, firm resources consists of 2 (two) categories, namely: (1) tangible resources - consisting of tangible resources that generally enter into the company's books, such as factories, land, vehicles, materials And (2) intangible resources - consisting of intangible resources and rather difficult to include in the company's books, such as employee skills, corporate culture, organizational structure, the perceptions of all members of the organization and the processes that occur In the organization (Carmeli & Tishler, 2004, pp. 303; Eikelenboom, 2005, h.16; L0, 2012, p.151-2; Jardon & Martos, 2012, p.463). The combination of the two types of resources is very important for the continuity and growth of the company, because without one resource, there may not be a company that appears, because it is unlikely there will be products that are successfully produced for later marketed. But nevertheless, in the quest for competitive advantage that will lead to high corporate performance, many experts argue that only intangible resources are capable of making it happen, because intangible resources alone are difficult to imitate or In other words intangible resources is a strategic resource especially in the current intellectual era (Marr, 2005, p.147; Lo, 2012, p.152; Aragn-Snchez & Snchez-Marn, 2005, p.288-9; Thom, 2008, h.4; Durst, 2011, p.1). This opinion is reinforced by the research of Suraj & Bontis (2012, p.264) stating that this intangible asset is better able to create added value for companies that ensure the achievement of competitive advantage. The creation of this added value is made possible by some of the properties of intangible resources that are difficult to imitate a company's competitors, such as its scarcity. While on the other hand tangible resources usually fail to meet the necessary conditions become a critical factor for the creation of a competitive advantage, namely: value, heterogeneity, scarcity, durability, imperfect mobility, irreplaceable and difficult to imitate (Cater & Cater 2009, P.188). Ireland et al (2013) in his book *The Management of Strategic Concepts and Cases* explains that the resources of the company are divided into 2 (two), namely tangible resources (including: financial resources, organizational resources, physical resources and technological resources) and intangible resources Including: human resources, innovation resources, and reputational resources).

2.4. Sustainable Competitive Advantage

Competitiveness has become an important key in today's economy. This relates to all strategic issues in sustainable economic development. Companies in preparing for the competition are required to have competitiveness. Competitiveness can be done, among others, by developing innovation, modernizing knowledge, increasing competition (Radovic et al: 2013). Kotler (2000), competitive advantage is the ability of a company to organize its activities with various strategies so that it can not be imitated by its competitors. Strategies must be designed to realize sustainable competitive advantage, so that the company can dominate old markets and new markets. By having competitive advantage the company will be able to easily determine what strategy will be run, (Daou et al., 2013). The most important thing in achieving the success of the strategy being implemented is to identify the real company resources, in this case the tangible and intangible

resources that make the organization unique. Porter (1993) explains that developing a competitive strategy is to develop a general formula of how a business will compete, what its objectives are, and what policies will be needed to achieve those goals. A competing strategy is a combination of the ultimate goal that a company strives for with a tool (policy) in which the company tries to get there. Porter further argues that competitive advantage relates to the way in which firms choose and can actually implement generic strategies into practice. All the parts that exist within the organization, both in the form of resources and activities can be a competitive advantage.

III. CONCEPTUAL FRAMEWORK



IV. RESEARCH DESIGN

Referring to some previous research results conducted by some researchers, namely: (1) Amoako Kwarteng, Samuel Ato Dadzie, and Samuel Famiyeh (2016) with the title of research *Sustainability and Competitive Advantage from A Developing Economy*; (2) Albi Alikaj, Can Ngoe, and Wei Ning (2016) entitled *The Combined Effect of External Firm and Internal Factors on Corporate Social Responsibility and Firm Performance*; (3) Rohana Ngah, Zarina Salleh, Ismail Ab Waab and Nurul Aizar Azma (2016) with their research title *Intellectual Capital, Knowledge Management and Sustainable Competitive Advantage on SMEs in Malaysia*. This research is hypothesis testing, which aims to describe the nature of certain relationships among variables, or to test the level of significance of relationships between two or more variables (Donald R. Cooper and Pamel S. Schindler: 2014). In this research, hypothesis test is done to examine the influence of Resource and Dynamic Capabilities to Sustainable Competitive Advantage, and its implication to Firm Performance. This research is an explanatory research, which aims to explain the influence between research variables through hypothesis testing based on field data. The variables in this study are Resources and Dynamic Capabilities, Sustainable Competitive Advantage, Firm Performance. Through hypothesis testing this study will examine the influence between research variables. This research explains and describes the influence of independent variable with dependent variable, then analyzed to get the best result from hypothesis test. The population is the object to be observed in the study, (Uma Sekaran: 2003). The unit of analysis in this study coffee companies listed on the Association of Indonesian Coffee Exporters (AEKI) amounted to 69 companies. In this study the population to be studied are the existing managers in coffee companies registered in AEKI Lampung Province, namely: (1). Manager; (2). Finance and Human Resources Managers; (3). Marketing Manager ; (4). Operational manager; (5) head of Public Administration, so each company taken 5 Sample, so $69 \times 5 = 345$ Respondents. In result of data analysis by using method of Structural Equation Model (SEM) and by using tool of software processing application of LISREL 8.8 hence obtained summary index of suitability model as in Table- 1 below:

Table – 1 : Model Conformity Index

| GOF Indicator | Size Expected | Estimation Results | Conclusion |
|----------------------------|---------------|--------------------|------------|
| <i>Absolute FitSize</i> | | | |
| RMSEA | RMSEA < 0.08 | 0.129 | Good Fit |
| <i>Incremental FitSize</i> | | | |
| NFI | NFI > 0.99 | 0.94 | Good Fit |
| NNFI | NNFI > 0.90 | 0.92 | Good Fit |
| CFI | CFI > 0.90 | 0.94 | Good Fit |
| IFI | IFI > 0.90 | 0.94 | Good Fit |
| RFI | RFI > 0.90 | 0.92 | Good Fit |

Source: Results of Treatment with LISREL 8.8

V. RESULTS

The resulting structural model equation is as follows:

Table – 2 : Structural Equations

| | | | | |
|---|---------|---------|----------|--|
| $KBB = 0.48 * SUM_DAYA + 0.53 * KAP_DINA, Errorvar.= 0.64, R^2 = 0.36$ | | | | |
| (0.16) | (0.063) | | | |
| 2.93 | 8.42 | | | |
| $KIN_PERU = 0.35 * KBB + 0.50 * SUM_DAYA + 0.088 * KAP_DINA, Errorvar.= 0.051, R^2 = 0.83$ | | | | |
| (0.030) | (0.068) | (0.025) | (0.0094) | |
| 11.78 | 7.41 | 3.54 | 5.44 | |

Coefficient or parameter values. This value is a predetermined value used as a benchmark of *t-value* to test the hypothesis of the study. The results of this evaluation can be summarized in the table below which is accompanied by assumption of hypotheses from the research model as follows:

Table – 3 : Coefficient Evaluation of Structural Model

| Path | Estimation | t-value |
|---|--------------------------------|------------------|
| Resources have a positive and significant impact on sustainable competitive advantage | 0.48 | 2.93 |
| Dynamic capabilities have a positive and significant impact on sustainable competitive advantage | 0.53 | 8.24 |
| Resources have a positive and significant impact on firm performance | 0.50 | 7.41 |
| Dynamic capabilities have a positive and significant impact on company performance | 0.088 | 3.54 |
| Sustainable competitive advantage has a positive and significant impact on firm performance | 0.35 | 11.78 |
| Resources and dynamic capabilities for sustainable competitive advantage | F _{hitung} 119.153 | R Square 0.36 |
| Resources, dynamic capabilities and sustainable competitive advantage impact on company performance | F _{hitung} 145.635 | R Square 0.83 |

Source: Results of Treatment with LISREL 8.8

Table – 4 : Hypotesis Results Test

| Hypotesis | Description | Results |
|-----------|--|----------|
| H1 | Resources affect sustainable competitive advantage | Accepted |
| H2 | Dynamic capabilities affect sustainable competitive advantage | Accepted |
| H3 | Resources affect the firm's performance | Accepted |
| H4 | Dynamic capability affects firm performance | Accepted |
| H5 | Sustainable competitive advantage affects firm performance | Accepted |
| H6 | Dynamic resources and capabilities together affect sustainable competitive advantage | Accepted |
| H7 | Resources, dynamic capabilities and sustainable competitive advantage jointly affect the firm's performance. | Accepted |

Below we will describe the hypothesis testing in more detail in each of the previously proposed hypotheses, as follows:

5.1. Resources Affect Sustainable Competitive Advantage

In this section will be testing hypotheses about the effect of Resources on Sustainable competitive advantage. The results obtained using the LISREL 8.8 program for the proposed hypothesis can be seen as below.

Table – 5 : Results of Hypotesis Test Resources Affect Sustainable Competitive Advantage

| Influence Between Latent Variables | Path Coefficient | t-value |
|---|------------------|---------|
| Resources → Sustainable Competitive Advantage | 0.48 | 2.93 |

Based on the results obtained it is known that the resources directly affect the sustainable competitive advantage with the value of t-value of 2.93 (t-value> 1.96), which means that hypothesis 1 is accepted. The influence of resources on sustainable competitive advantage is positive and significant. Means the higher/positive the resource then the higher/positive sustainable competitive advantage. The large partial influence of Resources on Sustainable competitive advantage is 0.48.

5.2. Dynamic Capabilities Affect Sustainable Competitive Advantage

In this section will be testing hypotheses about the effect of dynamic Capability to Continuous competitive advantage. The results obtained using the LISREL 8.8 program for the proposed hypothesis can be seen as below.

Table – 5 : Results of Hypotesis Test Dynamic Capabilities Affect Sustainable Competitive Advantage

| Influence Between Latent Variables | Path Coefficient | t-value |
|--|------------------|---------|
| Dynamic Capabilities → Sustainable Competitive Advantage | 0.53 | 8.24 |

Based on the results obtained, it is known that dynamic capability directly affects the sustainable competitive advantage with the t-value value of 8.24 (t-value> 1,96), which means that hypothesis 2 is accepted. The effect of dynamic capabilities on sustainable competitive advantage is positive and significant. Means the higher / positive dynamic capability hence the higher / positive sustainable competitive advantage. The large partial influence of dynamic Capability to Continuous competitive advantage is 0.53.

5.3. Resources Affect the Firm's Performance

In this section will be testing hypotheses about the influence of resources to the performance of the company. The results obtained using the LISREL 8.8 program for the proposed hypothesis can be seen as below.

Table – 6 : Result of Hypotesis TestResources Affect the Firm's Performance

| Influence Between Latent Variables | Path Coefficient | t-value |
|------------------------------------|------------------|---------|
| Resources → Firm Performance | 0.50 | 7.41 |

Based on the results obtained is known that Resources directly affect the performance of the company with a value of t-value of 7.41 (t-value> 1.96), which means that hypothesis 3 is accepted. The influence of resources on the performance of the company is positive and significant. Means the higher/positive Resources then the higher/positive performance of the company. The great influence of Resources on the company's performance is 0.50.

2.5. Dynamic Capabilities Affects Firm Performance

In this section will be testing hypotheses about the effect of dynamic capability to company performance. The results obtained using the LISREL 8.8 program for the proposed hypothesis can be seen as below.

Table – 7 : Results of Hypotesis Test Dinamic Capabilities Firm Performance

| Influence Between Latent Variables | Path Coefficient | t-value |
|---|------------------|---------|
| Dynamic Capabilities → Firm Performance | 0.088 | 3.54 |

Based on the results obtained is known that dynamic capability directly affects the company's performance with the value of t-value of 3.54 (t-value> 1,96), which means hypothesis 4 accepted. The effect of dynamic capability on company performance is positive and significant. Means the higher / positive dynamic

capability hence the higher / positive performance of the company. The big influence of dynamic capability to company performance is equal to 0.088.

2.6. Sustainable Competitive Advantage Affects Firm Performance

In this section will be testing hypotheses about the influence of sustainable competitive advantage against the company's performance. The results obtained using the LISREL 8.8 program for the proposed hypothesis can be seen as below.

Table – 8 : Results of Hypotesis Test Sustainable Competitive Advantage Affect Firm Performance

| Influence Between Latent Variables | Path Coefficient | t-value |
|--|------------------|---------|
| Sustainable Competitive Advantage → Firm Performance | 0.35 | 11.78 |

Based on the results obtained it is known that sustainable competitive advantage directly affects the company's performance with a value of t-value of 11.78 (t-value > 1.96) which means hypothesis 5 accepted. The influence of sustainable competitive advantage over company performance is positive and significant. Means the higher/positive sustainable competitive advantage hence the higher/positive performance of the company. The big influence of Partial Continuous competitive advantage against Company performance is 0.35.

2.7. Resources and Dynamic Capabilities Together Affect Sustainable Competitive Advantage

In this section will be testing hypotheses about the influence of resources and dynamic capabilities together to sustainable competitive advantage. The results obtained can be seen as below.

Table – 9 : Results of Hypotesis Test Resource and Dynamic Capabilities Together Affect Sustainable Competitive Advantage

| Influence Between Latent Variables | F _{count} | R Square |
|---|--------------------|----------|
| Resource and Dynamic Capabilities → Sustainable Competitive Advantage | 119.153 | 0.36 |

Based on the results obtained it is known that the resources and dynamic capabilities together affect the sustainable competitive advantage with the value of 119.153 F (F_{count} > F_{table}) which means hypothesis 6 accepted. The effect of shared resources and dynamic capabilities simultaneously on sustainable competitive advantage is positive and significant. It means that the higher/positive the resources and the dynamic capability the higher the positive/sustainable competitive advantage. While the great influence of shared resources and dynamic capability to sustainable competitive advantage is 0.36.

2.8. Resources, Dynamic Capabilities and Sustainable Competitive Advantage Jointly Affect the Firm's Performance.

In this section will be testing hypotheses about the influence of resources, dynamic capabilities and sustainable competitive advantage jointly to the company's performance. The results obtained can be seen as below.

Table – 10 : Results of Hypotesis Test Resources, Dynamic Capabilities and Sustainable Competitive Advantage Jointly Affect the Firm's Performance.

| Influence Between Latent Variables | F _{count} | R Square |
|--|--------------------|----------|
| Resources, Dynamic Capabilities and Sustainable Competitive Advantage → Firm Performance | 145.635 | 0.83 |

Based on the results obtained, it is known that resources, dynamic capability and sustainable competitive advantage together affect the company performance with the value of F of 145.635 (F_{count} > F_{table}), which means that hypothesis 7 is accepted. The influence of resources, dynamic capability and sustainable competitive advantage simultaneously on company performance is positive and significant. Means the higher/positive resources, dynamic capability and sustainable competitive advantage hence the higher/positive performance of the company. The great influence of resources, dynamic capability and sustainable competitive advantage together affect the performance of the company is 0.83.

VI. DISCUSSION

6.1 Resources Have a Partial Effect on Sustainable Competitive Advantage

The results of empirical research found that resources have a positive direct effect on sustainable competitive advantage, stated that the amount of resource contribution to the sustainable competitive advantage of 3.24% obtained from the calculation of coefficient of line price (0.18) = 0.18 × 0.18 × 100% = 3.24%. This

shows that 3.24% in the sustainable competitive advantage of employees at Coffee Company in Lampung Province can be explained by the resources. Resources consist of dimensions: tangible resources and intangible resources. Continuous competitive advantage consists of dimensions: valuable, rarity, immitability and nonsubstitution. The influence of resources on sustainable competitive advantage is positive and significant. Means the higher / positive resources the higher / positive sustainable competitive advantage means the more respondents feel that the company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a reputation and trust and stockholders are good and adequate, the more respondents feel that the company produces products that are different from other competitors; Companies produce unmatched products; And the company prioritizes value for its customers.

6.2. Dynamic Capability Affects Partially On Sustainable Competitive Advantages

The result of empirical research found that dynamic capability had positive direct effect to sustainable competitive advantage, it was stated that the magnitude of contribution of dynamic capability to sustainable competitive advantage was 28.09% obtained from the calculation of coefficient line price $(0.53) = 0.53 \times 0.53 \times 100\% = 28, 09\%$. This shows that 28.09% in the sustainable competitive advantage of employees at Coffee Company in Lampung Province can be explained by dynamic capability. Dynamic capability consists of dimensions: adaptiver capability, absorptive capability and innovative capability. Continuous competitive advantage consists of dimensions: valuable, rarity, immitability and nonsubstitution. The effect of dynamic capabilities on sustainable competitive advantage is positive and significant. Means the higher / positive dynamic capability the higher / positive sustainable competitive advantage means the more respondents feel that the company is able to relate to the skills and skills to adapt to the rapidly changing environment; The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And companies are able to structure the power of resources in the face of rapid environmental change, the more respondents feel that the company produces products that are different from other competitors; Companies produce unmatched products; And the company prioritizes value for its customers.

6.3. Resources Partially Affect the Firm's Performance

The result of empirical study found that the resources have a positive direct effect on firm performance, it is stated that the contribution of resources to the performance of the company is 11.56% obtained from the calculation of coefficient line price $(0.34) = 0.34 \times 0.34 \times 100\% = 11.56\%$. This shows that 11.56% in the employee company's performance at Coffee Company in Lampung Province can be explained by the resources. Resources consist of dimensions: tangible resources and intangible resources. Company performance consists of dimensions: financial performance and non-financial performance. The influence of resources on company performance is positive and significant. Means the higher / positive resources hence the higher / positive performance of the company means the more respondents feel that the company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a good reputation and trustworthy stockpolders and adequate, the more respondents feel that the company received many awards because of its professionalism; A workplace company has a work environment that pleases its employees; And the company is very effective at generating profit levels.

2.9. Dynamic Capabilities Partially Affect the Firm Performance

The result of empirical research found that dynamic capability had positive direct effect to company performance, it was stated that the amount of contribution of dynamic capability to company performance was 2.56% obtained from the calculation of coefficient of line price $(0.16) = 0.16 \times 0.16 \times 100\% = 2.56\%$. This shows that 2.56% in company performance of employees at Coffee Company in Lampung Province can be explained by dynamic capability. Dynamic capability consists of dimensions: adaptiver capability, absorptive capability and innovative capability. Firm performance consists of dimensions: financial performance and non-financial performance. The effect of dynamic capability on firm performance is positive and significant. Means the higher / positive dynamic capability hence the higher / positive performance of the company means the more respondents feel that the company is able to relate to the skills and skills to adapt to environmental changes so quickly; The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And companies are able to structure the power of resources in the face of rapid environmental change, the more respondents feel that many companies are rewarded for their professionalism; A workplace company has a work environment that pleases its employees; And the company is very effective at generating profit levels.

2.10. Sustainable Competitive Advantages Partially Affect Company Performance

The results of empirical research found that sustainable competitive advantage had a direct positive effect on company performance, it was stated that the magnitude of contribution of sustainable competitive advantage to company performance was 40,96% obtained from coefficient line price calculation $(0.64) = 0.64 \times 0.64 \times 100\% = 40,96\%$. This shows that 40.96% in the company's performance of employees at Coffee Company in Lampung Province can be explained by sustainable competitive advantage. Continuous competitive advantage consists of dimensions: valuable, rarity, immitability and nonsubstitution. Company performance consists of dimensions: financial performance and non-financial performance. The influence of sustainable competitive advantage over company performance is positive and significant. Means the higher/positive sustainable competitive advantage, the higher/positive performance of the company means the more respondents feel that the company produces a different product with other competitors; Companies produce unmatched products; And the company prioritizes value for its customers, the more respondents feel that the company gets a lot of appreciation for its professionalism; A workplace company has a work environment that pleases its employees; And the company is very effective at generating profit levels.

2.11. Resources and Dynamic Capabilities Together To Influence On Sustainable Competitive Advantages

The results of empirical research found that resources and dynamic capabilities together directly affect sustainable competitive advantage, stated that the contribution of resources and dynamic capability together to sustainable competitive advantage is 36%, while 64% is influenced by factors other than Resources and dynamic capabilities. Partially the most dominant factor influencing the sustainable competitive advantage of employees at Coffee Company in Lampung Province is dynamic capability that is 0.53. The effect of resources and dynamic capabilities simultaneously affecting sustainable competitive advantage is positive and significant. Means the higher / positive resources and dynamic capability hence the higher / positive sustainable competitive advantage means the more respondents feel that the company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a reputation and trust and a good stockholder and adequate; And the company is able to relate to the skills and skills to adapt to rapid environmental changes; The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And companies are able to structure the power of resources in the face of rapid environmental change, the more respondents feel that many companies are rewarded for their professionalism; A workplace company has a work environment that pleases its employees; And the company is very effective at generating profit levels.

2.12. Resources, Dynamic Capabilities and Sustainable Competitive Advantages On Firm Performance

The results of empirical research found that resources, dynamic capability and sustainable competitive advantage jointly affect the firm's performance, stated that the amount of resource contribution, dynamic capability and sustainable competitive advantage simultaneously to the company's performance is 83%, while 17% are influenced by factors other than resources, dynamic capabilities and sustained competitive advantage. Partially, the most dominant factor influencing the employee company's performance in Coffee Company in Lampung Province is the sustainable competitive advantage factor of 0.64. The influence of resources, dynamic capability and sustainable competitive advantage jointly affect the company's performance is positive and significant. Means the higher/positive resources, dynamic capability and sustainable competitive advantage hence the higher/positive performance of the company means the more respondents feel that the company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a reputation and trust and a good stockholder and adequate; And the company is able to relate to the skills and skills to adapt to such rapidly changing environments; The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And firms are able to structure the power of resources in the face of rapid environmental change, and companies produce products that are different from other competitors; Companies produce unmatched products; And the company prioritizes value for its customers, the more respondents feel that the company gets a lot of appreciation for its professionalism; A workplace company has a work environment that pleases its employees; And the company is very effective at generating profit levels.

VII. CONCLUSION

This study aims to find the factors that affect company performance. This research uses survey method to know the general description of the influence of resources and dynamic capability to sustainable competitive advantage and its implication to company performance. Based on the results of hypothesis testing and

discussion in the previous chapter, it can be concluded some research results as follows: (1). Resources affect sustainable competitive advantage in Coffee Company in Lampung Province. The influence of resources on sustainable competitive advantage is positive and significant, with the most dominant resource dimension being the tangible resources dimension. This shows that the improvement of resources, especially the dimensions of tangible resources, will lead to an increase in sustainable competitive advantage; (2). Dynamic capabilities affect sustainable competitive advantage in Coffee Company in Lampung Province. The effect of dynamic capabilities on sustainable competitive advantage is positive and significant, with the most dominant dimension of dynamic capability being the adaptive capability dimension. This shows that the improvement of dynamic capability, especially the dimensions of adaptive capability will result in increasing sustainable competitive advantage; (3). Resources affect the firm's performance in Coffee Company in Lampung Province. The influence of Resources on firm performance is positive and significant, with the most dominant resource dimension being on the tangible resources dimension. This shows that the improvement of resources, especially on the dimensions of tangible resources will result in increased company performance; (4). Dynamic capability affects the firm's performance in Coffee Company in Lampung Province. The effect of dynamic capability on firm performance is positive and significant, with the dominant dimension of dynamic capability being the adaptive capability dimension. This shows that the improvement of dynamic capability, especially in the adaptive capability dimension will result in the improvement of company performance; (5). Sustainable competitive advantage affects the company's performance in Coffee Company in Lampung Province. The effect of sustainable competitive advantage on firm performance is positive and significant, with the most dominant dimension of sustainable competitive advantage being in the valuable dimension. This shows that the improvement of sustainable competitive advantage especially in valuable dimension will be able to improve company performance; (6).Resources and dynamic capabilities together affect sustainable competitive advantage in Coffee Company in Lampung Province. The effect of shared resources and dynamic capabilities together on sustainable competitive advantage is positive and significant, with dynamic capability variables having a more dominant influence on sustainable competitive advantage. This shows that positively improving the effectiveness of resources and dynamic capabilities will lead to increased sustainable competitive advantage; (7). Resources, dynamic capabilities and sustainable competitive advantages jointly affect the company's performance in Coffee Company in Lampung Province. The effect of resource, dynamic capability and sustainable competitive advantage simultaneously on company performance is positive and significant, with sustainable competitive advantage variables having the most dominant influence on firm performance. This shows that positively improving the effectiveness of resources, dynamic capabilities and sustainable competitive advantage will result in improved corporate performance.

Managerial Implications

The results of this study found that there is a positive influence of resources and dynamic capabilities on sustainable competitive advantage and implicate the performance of coffee companies in Lampung Province, can be described as follows: (1). The study found that resources have a positive and significant impact on sustainable competitive advantage. The implication is that if it will increase sustainable competitiveness it will require resource improvement.Efforts to improve resources can be done with such efforts; The company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a reputation and trust and a good and adequate stockholders; (2). This study found that dynamic capability has a positive and significant impact on sustainable competitive advantage. The implication is that if it will improve sustainable competitive advantage it will require the improvement of dynamic capability.Improvements to dynamic capabilities can be done with effort; Companies are able to relate to the skills and skills to adapt to such rapidly changing environments; The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And the company is able to structure the power of resources in the face of rapid environmental change; (3). This study found that resources have a positive and significant effect on firm performance. The implication is that if it will improve the performance of the company then the required improvement of resources.Efforts to improve resources can be done with effort; The company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a reputation and trust and a good and adequate stockholders; (4). This study found that dynamic capability has a positive and significant effect on company performance. The implication is that if it will improve the performance of the company then needed the improvement of dynamic capability. Improvements to dynamic capabilities can be done with effort; Companies are able to relate to the skills and skills to adapt to such rapidly changing environments;The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And the company is able to structure the power of resources in the face of rapid environmental change; (5). This study found that sustainable competitive advantage had a positive and

significant impact on company performance. The implication is that if it will improve the performance of the company it is necessary to improve sustainable competitive advantage. Efforts to improve sustainable competitive advantage can be achieved through efforts; Companies produce products that are different from other competitors; Companies produce unmatched products; And the company prioritizes value for its customers; (6). This study finds that there is a positive and significant influence on shared resources and dynamic capabilities to sustainable competitive advantage. The implication is that if it will increase sustainable competitive advantage it is necessary to jointly improve on the resources and dynamic capabilities. Efforts to improve the effectiveness of resources and dynamic capabilities can be done with effort; The company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a reputation and trust and a good stockpolder and adequate; And the company is able to relate to the skills and skills to adapt to rapid environmental changes; The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And the company is able to structure the power of resources in the face of rapid environmental change; (7). The study found that there was a positive and significant influence on shared resources, dynamic capability and sustained competitive advantage over company performance. The implication is that if it will improve the company's performance then it needs a joint improvement on resources, dynamic capability and sustainable competitive advantage. Efforts to improve resources, dynamic capabilities and sustainable competitive advantage can be achieved through efforts; The company has good and adequate processing and production facilities; The company has the availability of good and adequate transportation and distribution facilities; And the company has a reputation and trust and a good stockpolder and adequate; And the company is able to relate to the skills and skills to adapt to rapid environmental changes; The ability of employees to convey the knowledge they possess, including work experience, ideas, expertise and contextual information to other employees; And the company is able to structure the power of resources in the face of rapid environmental change; And companies produce products that are different from other competitors; Companies produce unmatched products; And the company prioritizes value for its customers.

References

- [1]. Alikaj, Albi., Nguyen, CN., Ning, Wei. (2016). The Combined Effect of Fir External and Internal Factors on Corporate Social Responsibility and Firm Performance. *International Management Review*. Vol. 12(2), p. 20-28.
- [2]. Ambrosini, V. and Bowman, C. (2009). What are Dynamic Capabilities and are They a useful Construct in Strategic Management?. *International Journal of Management Reviews*. Vol 11(2), p. 29-49.
- [3]. Arthur, W. B. (1983). 'Competing Technologies and Lock-in by Historical Event; The Dynamics of Allocation Under Increasing Returns'. *International Institute for Applied Systems Analysis*. Laxenburg, Austria. Working Paper WP 83-99.
- [4]. Barney, J. B. (1996). Gaining and Sustaining Competitive Advantage. New York; Addison-Wesley. Beer, M. and Nohria, N. (2000). Cracking the Code of Change. *Harvard Business Review*. 78(3). p. 133-41.
- [5]. Barney, J. B. (2001a). Is The Resource-Based 'View' a Useful Perspective for Strategic Management research ? Yes. *Academy of Management Review*. 26(1), p. 41-56.
- [6]. Bontis, N., Isaac, R. G., Herremans, I. M, an Kline, T. T. B. (2010). Intellectual Capital Management: Pathways to Wealth Creation. *Journal of Intellectual Capital*. Vol. 10 (1), p. 81-92.
- [7]. Breznik, Lidija., Lahovnik, Matej. (2016). Dynamic Capabilities and Competitive Advantage: Finding From Case Studies. *Journal of Management*. Vol. 21. Special issue, p. 167-185.
- [8]. Chakravarthy, B. S. (1986). Measuring Strategic Performance. *Strategic Management Journal*, 7(5), p. 437-458.
- [9]. Chien, S. Y. and Tsai, C. H. (2012). Dynamic Capabilities Knowledge, Learning, and Firm Performance. *Journal of Organizational Change Management*. Vol. 25(3), p. 434-444.
- [10]. Chikati, R. and Mpofu, N. (2013). Developing Sustainable Competitive Advantage Through Knowledge-Intensive SME's, The Learning Organization. Vol. 2(10), p. 77-81.
- [11]. Cohen, S. and Kaimenakis, N. (2007). Intellectual Capital and Corporate Performance in Knowledge-Intensive SMEs. *The Learning Organization*. Vol. 14, p. 241-62.
- [12]. Cooper, Donald R., Schindler Pamela, S. (2014) Business Research Methods. *McGraw-Hill*. International Edition, p. 428-465.
- [13]. Coplin, L. C. H. (2002). Competitive Advantage and the SME's: Role of Distinctive Competencies as Determinant of Success, Are there Differences Across Gender, sector gender, sector and size?. *Thesis Disertation*. UniveritatAutonoma De Barceona.
- [14]. Daou, A. Karuranga, E. and Su, Z. (2013). Intellectual Capital in Mexican SMEs From The Perspective of The Resource-Base and Dynamic Capabilities Views. *The Journal of Applied Business Research*. Vol. 29(6), p. 1673-1688.
- [15]. Darcy, C, Hill, J., McCabe, T, and McGoven, p. (2014). A Consideration of Organisational Sustainabilityin The SME Context. *European Journal of Training and Development*. Vol. 38(5), p. 398-414.
- [16]. Dasptit, Joshua J., D'Souza, Derrick E., Dicke, Lisa A. (2016). The Value-Creating Role of Firm Capabilities: Mappng Relationships among Absorptive Capacity, Ordinary Capabilities, and Performance. *Journal of Managerial Issues*. Vol. 28(1-2), p. 9-29.
- [17]. D'Este, P. (2002). The Distinctive Patterns of Capabilities Accumulation and inter-Firm Heterogeneity: The Case of The Spanish Pharmaceutical Industry. *Industrial and Corporate Change*. 11(4). p. 47-874
- [18]. Djurica, N., and Janicic, R. (2014). Building Competitive Advantage Through Human Capital. *The Clute Institute International Academic Conperence Munich, Germany*. p. 553-558.
- [19]. Dosi, G. and Marengo, L. (1993). Some Elements of an Evolutionary Theory of Organisational Competences. In England, R. W. (ed.), *Evolutionary Concepts in Contemporary Economics*. Ann Arbor, MI.: University of Mihigan Press.
- [20]. Eccles, G. danNohria, N. (1992). Beyond the Hype: Rediscovering the Essence of Management. Boston: *Harvard Business School Press*.
- [21]. Esenhardt, K. M. and Martin, J. A. (2000) 'Dynamic Capabilities: What Are They?'. *Strategic Management Journal*. 21(10-13). p.

- 1105-21.
- [22]. Goyal, S.K., danNebebe, F. 2000. Determination of economic production-shipment policy for single- vendor–single-buyer system. *European Journal of Operational Research*. Vol. 121, p. 175-178
- [23]. Grant, R. M. (1996). Toward a knowledge-based theory of the firm. *Strategic Management Journal*. 17(Winter Special Issue). p. 109-122.
- [24]. Gurisatti, P., Soli, V. and Tattara, G. (1997). Patterns of Diffusion of New Technologies in Small Metal-Working Firms: The Case of an Italian Region. *Industrial and Corporate Change*. Vol. 6. p. 275-312.1
- [25]. Ireland, R. Duane.; Hoskison, Robert. E.; Hit, Michael. A. (2013). The Management of Strategy Concepts and Cases. *South-Western Cengage Learning*.
- [26]. Jarzabkowski, J., Kaplan, S. (2015). Strategy Tools-In-Use: A Framework For Understanding “Technologies of Rationality” In Practice. *Strategic Management Journal*. Vol. 36, p. 537-558.
- [27]. Kauric, Alica. G., Mikulic, J., Omazic, M. A. (2016). Dynamic Capabilities And Companies’ Performance in The Textile, Apparel And Leather And Related Products industry. *University of Zagreb, Faculty of Textile Technology, Zagreb, Croatia*
- [28]. Khalique, Muhammad and de Pablos, Patricia Ordenez. (2015). Intellectual Capital and Performance of Electrical and Electronic SMEs in Malaysia. *International Journal of Learning and Intellectual Capital*. Vol. 12(3), p. 251-269.
- [29]. Kieynhans, J. Ewert, P. (2016). Factors Determining Industrial Competitiveness and The Role of Spillovers. *Journal of Applied Business Research*. Vol. 32(2), p. 527-540.
- [30]. Kotler, P. (2000). *Marketing Management (10th Edition)*. Prentice Hall, New York.
- [31]. KwartengAmoako.;Dadzie, Samuel Ato.; Famiyeh, Samuel. (2016). Sustainability and Competitive Advantage from a Developing Economy. *Journal of Global Responsibility*. Vol. 7(1), p. 110-125.
- [32]. Martin de Castro, G. Delgado-Verde, M., Lopez-Saez, p. and Navas-Lopez, J. E. (2011). Towards an Intellectual CapitalBase View of the Firm’: Origins and Nature. *Journal of Business Ethics*. Vol. 98(1), p. 649-662.
- [33]. Milgrom, P. and Roberts, J. (1995). Complementarities and Fit: Strategic Structure, and Organizational Change in Manufacturing. *Journal of Accounting and Economics*. Vol. 19, p. 79-208.
- [34]. Mukerjee, Kaushik. (2016). Factors That Contribute Towards Competitive Advantage: A Conceptual Analysis. *Journal of Business Strategic*. Vol. 13(1), p. 26-39.
- [35]. Papula, J., and Volna, J. (2013). Core Competence for Sustainable Competitive Advantage. *Multidisciplinary Academy Research*. Praha: MAC Prague.
- [36]. Pedro, Lopez. P., Castro, G. M. and Delgado-Verde, M. (2010). Intellectual Capital and Technological Innovation: Knowledge-Based Theory and Practice: Knowledge-Based Theory and Practice. *Information Science Reference, New York*.
- [37]. Penrose, E. T. (1959). *The Theory of The Growth of The Firm* New York: John Wiley.
- [38]. Peteraf, M. (1993). The Cornerstones of Competitive Advantage: A Resource-Based View. *Strategic Management Journal*. 14(3). p. 179-79.
- [39]. Prahalad, C. K. and Hamel, G. (1993) The Role of Core Competences in The Corporation. *Research Technology Management*. Vol. 36(6), p. 40-47.
- [40]. Priem, R. L. dan Butler, J. E. (2001a). Is the Resources-Based ‘View’ a Useful Perspective for Strategic Management Research?. *Academy of Management Review*. 26(1). p. 22-40.
- [41]. Rindova, V. P. andKotha, S. (2001). Continuous ‘Mophing’: Competing through dynamic capabilities, form, and function. *Academy of Management Journal*. 44(6). p. 1263-1280.
- [42]. Ngah, Rohana., Salleh, Z., Wahab, I. A., Azman. N. A. (2016). Intellectual Capital, Knowledge Management and Sustainable Competitive Advantage on SMEs in Malaysia. *Malaysian Academy of SME and Entrepreneurship Development (MASMED), Malaysia Faculty of Business and Management, University Technology MARA, Malaysia*.
- [43]. Sekaran, U. (2003). *Research Methods for Business*. John Wiley & Sons, Inc. USA.
- [44]. Selznick, P. (1957). *Leadership in Administration: A Sociological Interpretation*. Evanston, IL; Row, Peterson and Co.
- [45]. Singh, Bindu; and Rao, M. K. (2016). Effect of Intelctual Capital on Dynamic Capabilities. *Journal of Organizational Change Management*. Vol. 29(2). p.129-149
- [46]. Teece, D. J., Pisano G., and Schuen A. (1997). Dyanamic Capabilities and Strategic Management. *Strategic Management Journal*. 18(7). p. 509-533.
- [47]. Tuan, N. Giang, P. Ngoc, N. Nhan, N. (2016). The Effects of Innovation on Firm Performance of Supporting Industries in Hanoi-Vietnam. *Journal of Industrial Engineering and Management*. Vol. 9(2), p. 413-431.
- [48]. Wang, C. L. and Ahmed, P. K. (2007). Dynamic Capabilities: A Review and Research Agenda. *The International Journal of Management reviews*. 9(1): p. 1-40.
- [49]. Wenefelt, B. (1984). A Resource-Based View of the Firm. *Strategic Management Journal*. 5(2). p. 795-815.
- [50]. Zahra, s. A. and George, G. (2002). Absorptive Capacity: A Review, Reconceptualization and Extension. *Academy of Management Review*. 27(2). P. 185-203.

Supriyadi"Strategic Sustainable Competitive Advantages Of Firmsperformance." *International Journal of Business and Management Invention (IJBMI)*, vol. 09(03), 2020, pp 25-37.