OPERATIONAL CAPABILITY, ORGANIZATIONAL CAPABILITY AND OPERATIONAL PERFORMANCE: A MODERATING EFFECT OF MONOPOLISTIC COMPETITION IN THE TRANSMISSION COMPANY OF NIGERIA (TCN) NORTH-EASTERN NIGERIA

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Keywords

Operational Capability, Organizational Capability and Operational Performance

Abstract

Research Problem:
There has been outcry of abysmal performance of the electricity sector in Nigeria. The transmission sector of the Nigerian electricity industry is grossly underperforming, although the current national grid infrastructure network is reported to have a wheeling capacity of 7,500mw (Megawatts), it has not been able to transmit higher than 5375MW. in August 16th 2022 before the national blackout as a result of the strike, the transmission peak was 4,830.69MW. the figures are not encouraging as wheeling capacity is less than Nigeria's available generation capacity reported to be at 8,000MW.

Methodology/Theories:
This study incorporated the Resource-Based View Theory and Agency Theory.Descriptive research design was employed. The population of the study was 6 states of the North-eastern Nigeria Transmission Company of Nigeria (TCN) offices with their 1,421 Employees/staff. The sample size was 600 TCN Employees/staff which was drawn using simple random sampling. Pilot study was conducted to confirm the reliability of the instruments in the study. Constructed research questionnaire was used for data collection. Content and face validity was conducted by three (3) experts. SPSS software version 25 and Smart PLS were used to answer the research questions and to test the research hypotheses.

Results:
The findings of the study indicated that, there is insignificant relationship between organizations capability (ORC) and operational capability (OPP) where $\beta = 0.231$, $t = 1.362$, $p = 0.173$mwhich shows that, the regression weight for OPC in the prediction of OPP is significantly different from zero at the p-value of 0.173. Therefore, the result revealed that, OPC has positive relationship with OPP. This revealed that, OPC have positive but a significant relationship with OPP, the result is hereby accepted. Also, the results indicated that, there is insignificant

relationship between organizations capability (ORC) and operational capability (OPP) where β = 0.714, t = 4.659, p = 0.000, which shows that, the regression weight for ORC in the prediction of OPP is significantly different from zero at the p-value of 0.000,this revealed that, ORC has positive relationship with OPP.

Conclusion:

The study concluded that, operational performance is significantly related to the dimensions of resource capability namely, operational capability, organizational capability and system capability.

Key Contribution to Knowledge:

It advances methodological practices in strategic management and operational performance research in several ways. highlights the managerial implication that sustainable performance depends on the synergy between internal strength and external competition

Recommendation:

It is recommended that future researchers should consider other sectors other than the transmission company of Nigeria TCN). As this study is conducted in Nigeria which is an African country, it cannot be generalized to other countries with different culture and setting

Introduction

The degree to which results are obtained in order to accomplish company objectives is known as company performance. When a job target can be accomplished on schedule or within the allotted time frame, it aligns with the company's ethics and values. Large enterprises with substantial capital and size have been viable due to the industrial sector's rapid growth in the modern age, which has also increased competition among businesses. The need to increase organizational performance is the driving force behind human capital development. It's a continuous effort designed to improve employees' competence and performance in an organization.

Lubis (2022) company performance is a large enterprise with substantial capital and size has been viable due to the industrial sector's rapid growth in the modern age, which has also increased competition among businesses. There are two types of competition: healthy competition and harmful competitiveness that might destroy other parties. Barriers to market access or monopolistic practices are two examples of unfair competition. To be successful in this free economic competition, a company must work to achieve the goal of gaining and keeping customers. Businesses need to be creative to thrive in highly competitive markets. Rents or economic returns are necessary for businesses to have a long-term competitive edge. The improvements in operational performance also result in reduced expenses and higher levels of customer satisfaction.

Putra, Rahayu, and Putri (2021), organizational capability is the capacity to use both tangible and intangible firm resources to carry out operations and generate goods or services. Businesses are innovative-focused, which allows them to satisfy customer demands, and they build organizational skills to generate competitive advantage by utilizing organizational resources like information technology.

Patrick, John, Ilias, and Paul (2020) operational capabilities are those that allow a business to generate revenue in the near term. Marketing the ability to meet the demands of customersand technologythe ability to produce

goods or servicesare two essential operational capabilities. The rate at which operational capabilities deteriorate and stop yielding competitive advantages has come under scrutiny due to high levels of environmental uncertainty, market instability, and frequent change. Operational competencies are the fundamental skills that allow a business to meet its production objectives, which include cost reduction, quick delivery, high product quality, and product flexibility and volume. Similarly, operational capabilities are those that allow a company to generate revenue soon. Marketing (i.e., the ability to meet client requirements) and technology (i.e., the ability to produce goods or services) are examples of operational skills.

Research Problem

There has been outcry of abysmal performance of the electricity sector in Nigeria. Transmission Company of Nigeria (TCN) does not generate enough revenue to be self-sustainable and depends on government appropriation and financing from external sources. Underinvestment in building new infrastructure and expanding the transmission network. The transmission sector of the Nigerian electricity industry is grossly underperforming, although the current national grid infrastructure network is reported to have a wheeling capacity of 7,500mw (Megawatts), it has not been able to transmit higher than 5375MW. in August 16th 2022 before the national blackout as a result of the strike, the transmission peak was 4,830.69MW. The figures are not encouraging as wheeling capacity is less than Nigeria's available generation capacity reported to be at 8,000MW.

As TCN is the sole organization in charge of electricity transmission commission in Nigeria, it must also bear the responsible for its problems.However, it has not yet met this goal and continues to suffer system failure and grid collapse in 2022.In addition, TCN is still owed a significant amount of money for its transmission services provided (Atoyebi, 2024). Consequent open on the managerial issues highlighted couple with the theoretical, literature, logical, methodological gaps identified from the literature; this study intends to investigate the moderating effect of competitive business environment (monopolistic competitive) on the relationship between resource capability and company performance (operational performance)

Research Objectives

To determine the influence of organizational capability on the operational performance.

To examine the influence of operational capability on the operational performance

Literature Reviews

Concept of Operational Capability

Tamam, Abdurahman, Abdullah and Subramaniam (2020) Due to growing competition in the emerging market for Halal products, effective operation in the food manufacturing process has received greater attention recently. Despite the limitations in resources and capabilities, the Halal industry can occasionally be inefficient.However, from the standpoint of operation management (OM), operational capabilities allow businesses to carry out operational tasks including production, marketing, sales, and logistics using the purposive sampling technique (Tamam, Abdurahman, Abdullah & Subramaniam, 2020).

Concept of Organizational Capability

Castillo, Benitez, LlorensandBraojos (2021) Organizational capability is the ability of firms to continuously learn and innovate by using IT resources and knowledge to achieve IT business value.Ability of an organization to integrate people, resources, processes,

structures and cultures in projects, programmed and portfolios within a supporting governance and management system.The competitive benefits that a firm currently has managed to obtain are a result of strengths built in reaction to environmental responsiveness strategies. These strengths can be explained in terms of organizational capabilities, i.e., processes that facilitate the most efficient, effective, and competitive use of a firm's assets whether tangible or intangible (Mikalef, Krogstie, Pappas & Pavlou, 2020).

Concept of Operational Performance

Operational performance can be defined as the ability of a company to satisfy its customers through quick delivery, high product quality at low costs, and flexibility in operational activities (Hadikusu&Siagian, 2022**)** in the same vein operational performance is measurable from several viewpoints: managing demand, supply chain, customer relationships, and new product development (Chong & Lim, 2022). Also, Chong and Lim (2022) defined operational performance as the Demand forecast and supply chain is frequently combined in operations management. Related to DA this idea is based on the viewpoint that operations and the supply chain are intrinsically linked.

Theoretical Framework

This study incorporated the Penrose (1959) resource-based view theory and Agency theory by Jensen &Meckling (1979). These theories are suitable for explaining the research framework of this study.

Resource-Based View Theory

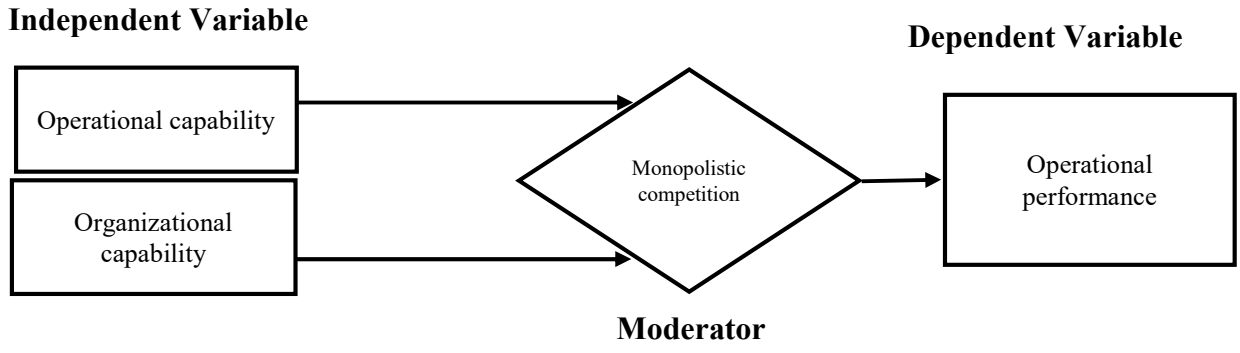
According to the model, firm profits are determined solely through external environmental indicators. As a result, Lippman and Rumelt (1982) have made significant contributions to resource-based perspective.

Agency Theory

Managers' objective attitude and behavior at the firm level is an important determinant of the performance of the firm. Goals achievement at the firm level largely depends on the specific skills managers but this is in turn influenced by perception of the management of the firm (Gottschalg&Zollo, 2007).

Conceptual Framework

Based on the foregoing discussion and empirical evidence, a framework is developed to examine the relationship between organizational capability, operational capability and operational performance with moderating effect of monopolistic competition.



The above research framework is arrived at based on the problem statement that outlines the research gap and suggestions for future studies to see the relationship between organizational capability, operational capability and operational performance. The

research framework is the foundation up on which other research can extend the frontiers of knowledge, Zuckoff et. al (2019) and Menda (2014).

Empirical Studies

Patrick, John, Ilias and Paul (2020) Carried out a study on Exploring the relationship between big data analytics capability and competitive performance: The mediating roles of dynamic and operational capabilities A central question for information systems (IS) researchers and practitioners is if, and how, big data can help attain a competitive advantage. To address this question, this study draws on the resource-based view, dynamic capabilities view, and on recent literature on big data analytics, and examines the indirect relationship between a firm's big data analytics capability (BDAC) and competitive performance. The study extends existing research by proposing that BDACs enable firms to generate insight that can help strengthen their dynamic capabilities, which, in turn, positively impact marketing and technological capabilities. To test our proposed research model, we used survey data from 202 chief information officers and IT managers working in Norwegian firms. By means of partial least squares structural equation modeling, results show that a strong BDAC can help firms build a competitive advantage. This effect is not direct but fully mediated by dynamic capabilities, which exerts a positive and significant effect on two types of operational capabilities: marketing and technological capabilities. The findings suggest that IS researchers should look beyond direct effects of big data investments and shift their attention on how a BDAC can be leveraged to enable and support organizational capabilities.

Mohamad, Abang, Abdurahman. & Geetha (2020) carried out a study on the Halal Operational Capabilities in Food Manufacturing IndustryInterest in operational capabilities and its influence on competitive advantage and performance have generated a large research stream within the operationsmanagement strategy literature particularly in automotive and electronic industry. However, there is limited study on operational capabilities in food industry,particularly in the Halal food manufacturing industry. The difference in research environment between the industries requires further study to identify relevant items inthe dimensions forming operational capabilities. This paper aims to establish the dimensions of Halal operational capabilities in the Halal food manufacturingindustry. This exploratory qualitative research paper is based on focus group interview held in Sarawak, Malaysia to define the scope of Halal OperationalCapabilities. Based on focus group interview findings, Halal operational capabilities' dimensions in Halal industry cover innovation, cooperation, customization,responsiveness and reconfiguration. Studies on operational capabilities dimension in the Halal food industry will provide an understanding on what are thedimensions in operational capabilities in this industry and which capabilities should be prioritized by the firm to sustain their competitive advantage.

Methodology

Descriptive research design was employed for this study. The population of the study was 6 states of the North-eastern Nigeria Transmission Company of Nigeria (TCN) offices with their 1,421 Employees/staff. The sample size was 600 TCN Employees/staff which was drawn using simple random sampling. Pilot study was conducted to confirm the reliability of the instruments in the study. Constructed research questionnaire was used for data collection. Content and face validity was conducted by three (3) experts. According to Johnson and Brooks (2010) a total of 30 respondents is a reasonable

minimum recommended for pilot study from the population of interest Therefore, in-line with this, a pilot test of 30 questionnaires was administered to 30 employees of the Transmission company of Nigeria (TCN) that are located in Kano plateau andAbuja These 30 questionnaires were distributed by the researcher personally and research Assistant were fully completed and returned, representing a response rate of 100%.Content and face validity was conducted by 3 experts validated the questionnaire to ensure the reliable.SPSS software version 25 and Smart PLS were used to answer the research questions and to test the research hypotheses.

Results

Assessment of Measurement Model Results

The research has five major constructs which are reflected in the theoretical framework. The All of them are reflective in nature as illustrated in the research model earlier in Chapter Two. The assessment of the measurement model in smart PLS4 must be validated especially the assessment of validities in respect of convergent validity, discriminant validity and reliability analysis both indicator and internal consistency reliability (Jarvis et al., 2003).

In addition to validity assessment, another model measurement is the assessment of the reliability of the constructs. The primary approach to assess the indicator loading and standardised loadings, the minimum loading values acceptable in many studies is 0.70 and above (Chin, 2010). Cronbach Alpha is the normal tool usually used in assessing reliability for both internal consistency reliability and the composite reliability of 0.70 and below 0.95 are the commended thresholds (Hair et al., 2017). For convergent, the average variance extracted (AVE) is a proper criterion for this purpose. If the AVE is above 0.50, the construct explains an average of at least 50% of its items' variance (Chin, 1998). While for discriminant validity, cross-loadings and heterotrait-monotrait ratio (HTMT) criterion are was used.

Table: 1. Construct reliability and validity

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
MOC	0.944	0.946	0.957	0.818
OPC	0.886	0.925	0.895	0.554
OPP	0.921	0.931	0.937	0.655
ORC	0.962	0.964	0.970	0.843

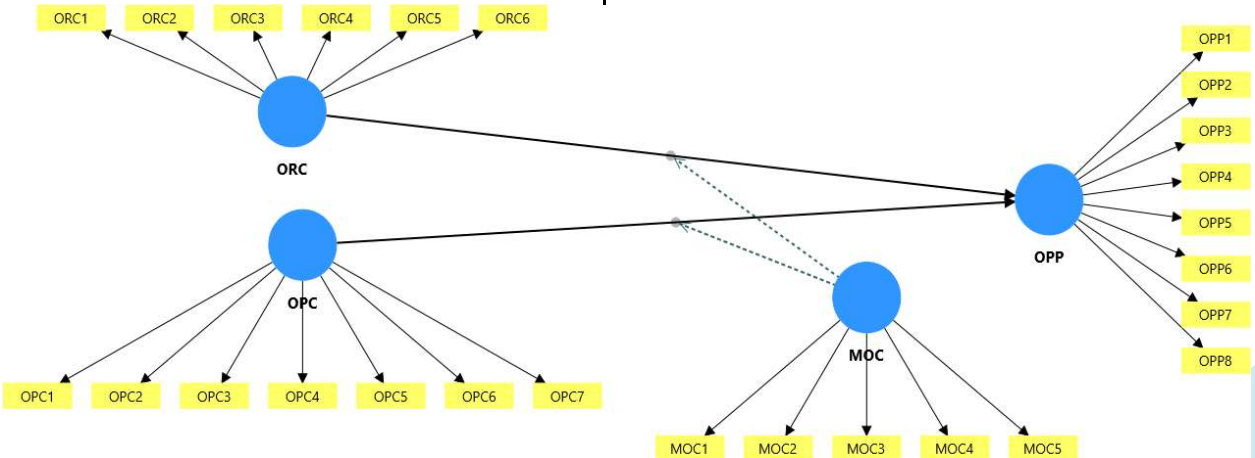
Table: 2. Convergent Validity of Measurement Model

Construct	Item	Loadings	CA	CR	AVE
Monopolistic Competitive	MOC1	0.897	0.944	0.957	0.818
	MOC2	0.883			
	MOC3	0.926			
	MOC4	0.875			
	MOC5	0.940			
Operational Capability	OPC1	0.678	0.886	0.895	0.554
	OPC2	0.880			
	OPC3	0.804			
	OPC4	0.637			

	OPC5	0.842			
	OPC6	0.565,			
	OPC7	0.756		0.882	
Operational Performance	OPP1	0.866	0.921	0.937	0.655
	OPP2	0.892			
	OPP3	0.826			
	OPP4	0.889			
	OPP5	0.834			
	OPP6				
	OPP7	0.845,			
	OPP8	0.558, 0.700			
Organizational Capability	ORC1	0.660	0.962	0.970	0.843
	ORC2	0.712			
	ORC3	0.731			
	ORC4	0.671			
	ORC5	0.777			
	ORC6	0.824			

Assessment of Measurement Model

In this study SmartPLS4 software was used to analyze the effect of resource capability on operational performance: The moderating effect of monopolistic competitive in the transmission company of Nigeria (TCN) north-eastern, Nigeria. The software was used to estimate the measurement model and the structural model in this study. The measurement models are outer models that describe the relationships between the constructs and their indicators (Anggraeni et al., 2023).). Measurement models could be reflective or formative, whereby reflective measurement models are widely used in social science research (Riebel & Lichtenberg, 2023). Measurement models are outer models that describe the relationships between the constructs and their indicators (Legate et al., 2023). The measurement model in Table 14 was used to test the reliability and validity of the measurement items by testing the factor loadings, composite reliabilities, and average variances extracted (AVE) of the measurement items. While the structural model was used to test the relationships between the latent variables by estimating the path coefficients, which indicated that the strength and direction of the relationships between the latent variables in Table 2.



Multi Collinearity Assessment

The variance inflated factor (VIF) was used in assessing multi-collinearity among the constructs under investigation. Kyriazos and Poga (2023) Variance inflated factor (VIF) is often used to evaluate the formative collinearity of indicators. Collinearity arises when two indicators are highly correlated (Kyriazos&Poga 2023). A VIF value of 5 or more indicates a critical collinearity problem among indicators that formatively measured constructs. However, collinearity problems can also occur at lower VIF values of less than 3 (Kalnins&Praitis 2025). Hair further stated that VIF referred to the point which standard error of construct has been increased as a result of the existence of collinearity. It shows that some constructs have common indicators that seem to be measuring a similar thing. Therefore, the respondent could not distinguish them and respond to them as one. In the same vein Kalnins and Praitis (2025) proposed that VIF values should be close to 3 and lower. Meaning, collinearity is not a problematic issue if VIF < 3, or 1 and above. The result in Table 4.4.1 indicates the result of the multi-collinearity assessment. It indicates that the VIF values among all the constructs fall between 1.943 and 1.018 which indicates an absence of collinearity amongst the constructs of this study.

Table: 3. Collinearity Assessment

Construct	VIF
Monopolistic Competitive->Organizational Capability -> Operational Performance	2.086
Monopolistic Competitive -> Operational Capability-> Operational Performance	1.892
Organizational Capability -> Operational Performance	1.627
Operational Capability -> Operational Performance	1.292
Monopolistic Competitive -> Operational Performances	1.520

Source: Field Survey, 2025

Coefficient of Determination (R^2)

The coefficient of determination (R^2) is used in determining the predictive power of the model. R2 is also referred to as in-sample predictive power and it ranges from 0 to 1, with higher values indicating a greater explanatory power (Lin & Huynh 2024).

R^2 values of 0.75, 0.50, and 0.25 are considered substantial, moderate, and weak. However, R^2values have to be interpreted in the context of the model and its complexity. Excessive R^2 values indicate that the model over-fits the data (Lin & Huynh 2024). Nevertheless, Ebiwonjumi et al. (2023) opined that an R-square at 0.25 is large, at 0.10 is medium, and at 0.01 is weak. Similarly, McDonnell et al. (2024) further argued that an R2 at 0.20 is high in the context of behavioral studies.

Table: 5 Coefficient of Determination (R^2)

Constructs	R-square	Interpretation
Operational Performance	0.908	Large
Huang and Chang (2023): R^2 at 0.25 is large, at 0.10 is medium, and at 0.01 is weak		
Effect Size (F^2)		
Constructs		
	Effect Size	**Interpretation**
Monopolistic Competitive (MOC)	0.018	Small

Operational Capability (OPC)	0.010	Small
Organizational Capability (ORC)	0.994	Large

Source: Field Survey, 2025

The effect size (F^2) indicates the level of impact or influence of an individual predicting variable on a directly associated or linked dependent variable (Wall Emerson, 2023). It presents the degree of the influence of each exogenous variable on an endogenous construct. It also reflects the disparity in R^2 value due to the direct elimination of a predicting variable in the model. Consequently, the effect size (F^2) is applied when measuring the significance of each variable in the model. It is thus concluded that the larger the effect size of a predicting variable in the model, the higher the significant association it has with the endogenous construct.

Hypotheses Testing

Previous studies had suggested that values from 1.65 be significant at 10%, while 1.96 and 2.57 are also considered significant at 5% and 1% significance levels, respectively, based on two-tailed tests (Ojoajogu et al., 2023). Similarly, the one-tailed test's critical values of 1.28 are significant at 10%, while 1.65 and 2.33 are significantly based on 5% and 1% significance levels, respectively (Hassan et al., 2025). Therefore, all the relationships hypothesized in this study are directional. Therefore, the one-tailed test was used to assess the path coefficient's t-values and the significant effect. Hence, the path with values from 1.65 and above was significant using the 5% significance level, and the hypotheses are accepted. However, the hypotheses are rejected for the path coefficient with t-values lower than 1.65. Hence, the result of the hypothesis of direct relationships is depicted in the table below.

Table: 6. Significance Effects of Direct (Path Coefficient)

Constructs	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values	Decision
OPC -> OPP	0.231	0.228	0.170	1.362	0.173	Supported
ORC -> OPP	0.714	0.724	0.153	4.659	0.000	Unsupported

Source: Extracted from SmartPLS 4 output, 2025.

Hypothesis Testing of Direct Relationship

Operational performance has received great attention from researchers in management sciences. However, this research is conducted to examine the Effect of operational capability on operational Performance: The Moderating Role of monopolistic competitive in Transmission Company of Nigeria (TCN) north-eastern Nigeria.

Relationship between operational capability and operational performance

The first objective of this study states that to determine the influence of operational capability on operational performance in Transmission Company of Nigeria (TCN)

north-eastern Nigeria. Based on the above, the study hypotheses that there is a significant relationship between operational capability and operational performance. The p-values indicate the level of statistical significance of the results. Therefore, a p-value less than 0.05 (indicated by 0.173) is generally considered statistically insignificant, that is there is more than a 5% chance that the expected results are obtained. The first hypothesis (H_1): states "There is a significant relationship between organizational capability and operational performance in the transmission company of Nigeria north eastern Nigeria.The results of standardized regression weights from Table 4.4.1 suggested that an insignificant relationship between OPC and OPP (β = 0.231, t = 1.362, p = 0.173). In other words, the regression weight for OPC in the prediction of OPP is significantly different from zero at the p-value of 0.173. Based on the results, it can be concluded that OPC has positive relationship with OPP. Based on the results, it can be concluded that OPC have positive but significant relationship with OPP. is hereby **accepted**

Relationship between organizational capability and operational performance

The second objective of this study is to examine the influence of organizational capability on operational performance determine the effect of employee motivation on employee performance in the transmission company of Nigeria (TCN) north-eastern Nigeria, the results of standardized regression weights from Table 4.4.1 suggested a insignificant relationship between ORC and OPP (β = 0.714, t = 4.659, p = 0.000). In other words, the regression weight for ORC in the prediction of OPP is significantly different from zero at the p-value of 0.000. Based on the results, it can be concluded that ORC has positive relationship with OPP. Based on the results, it can be concluded that ORC has positive but significant relationship with OPP. is hereby REJECTED

Results of the Moderating Effect of Monopolistic Competitive

Table: 7. Moderating Effect Test Results

Constructs	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values	Decision
MOC -> OPC -> OPP	0.130	0.148	0.124	1.049	0.294	Accepted
MOC -> ORC -> OPP	-0.101	-0.117	0.141	0.717	0.473	Accepted

Source: Extracted from SmartPLS4 output, 2025.

Moderating effect of monopolistic competition on the relationship between operational capability and operational performance.

$H1_3$ presumed the moderating effect of monopolistic competitive on the relationship between operational capability and operational performance **(**monopolistic competitive) x operational capability (OPC) ->operational performance (OPP): but the results (β = 0.130, t = 1.049, p = 0.294) also suggests that there is a positive moderating effect in relationship between operational and operational performance. The p-value of 0.294 showed that the results are statistically insignificant. In essence monopolistic competitive has moderating effect on the relationship between OPC and OPP. Based on the results, it can be concluded that MOC has positive but a

significant moderating in relationship between OPC and OPP and is hereby Accepted is hereby accepted.

Moderating effect of monopolistic competition on the relationship betweenorganizational capability and operational performance

$H1_4$ presumed the moderating effect of monopolistic competitive on the relationship between organizational capability and operational performance (monopolistic competitive) x organizational capability ->operational performance: but the results (β = 0.101, t = 0.717, p = 0.473) also suggestthat there is a positive moderating effect in the relationship between organizational capability and operational performance. Based on the results, it can be concluded that MOC has positive but a significant moderation in relationship between ORC and OPP and is hereby Acceptedand is hereby Accepted.

Discussion of Findings

The result of research question one (1) "What is the influence of organizational capability on the operational performance?" revealed that, the average mean score of the instrument was 3.874 indicating that, there is positive influence organizational capability on the operational performance. In line with the current finding, the study of Idajor (2024) examined the effect of organizational capabilities on performance among listed firms in Nigeria using regression analysis. The study found that organizational capability variables such as human resource competence, IT infrastructure, and managerial coordination had a statistically significant positive influence on performance. Empirically, organizational capability accounted for approximately 12% to 18% of the variation in performance indicators, with p-values less than 0.05. The findings imply that firms with stronger organizational structures, training systems, and coordination mechanisms record measurable improvements in operational efficiency and service delivery. In a transmission utility such as TCN, similar organizational capabilities could translate into faster response time to faults, improved coordination across substations, and better grid stability. Mwende (2023) investigated strategic technological and organizational capabilities and their influence on organizational performance. The study reported that organizations with strong organizational capability achieved between 6% and 14% improvement in operational uptime within one year of implementing structured coordination systems and staff training programs. Additionally, mean time to repair (MTTR) declined by an average of 28%. The study concludes that organizational capability enhances performance by improving decision-making speed, internal communication, and accountability structures. Ali, Sun, and Ali (2019) examined the relationship between managerial and organizational capability and performance across multiple industries. While the study found a positive correlation ($r \approx 0.41$) between organizational capability and innovation outcomes, the direct effect on operational performance was weaker in monopolistic and highly regulated industries. The authors reported that only about 15% to 18% of performance improvement could be attributed to organizational capability in such contexts, compared to over 30% in competitive markets. The study argues that regulatory rigidity and lack of competitive pressure reduce the extent to which organizational capability translates into improved operational performance, a situation relevant to TCN's monopolistic environment.

The result of research question two (2) "To what extent can operational capability influence operational performance?" shows that, the average mean score of the instrument was 3.874 indicating that, there is positive influence organizational capability on the operational performance. Contrary to the

current finding, Helfat and Martin (2022) argued that operational capability improves operational performance only when supported by adequate funding, infrastructure renewal, and incentive mechanisms. Their study showed that in monopolistic utility organizations, operational capability improvements resulted in only 10% to 20% performance gains when investment constraints and policy interference were high. The authors conclude that operational capability influences performance to a moderate extent in regulated environments, and its full potential may not be realized without complementary institutional and structural reforms. Slack and Lewis (2020) emphasized that operational capability measured through process efficiency, preventive maintenance, technical skills, and asset utilization has a strong influence on operational performance. Empirical evidence from utility and manufacturing firms showed that operational capability explained between 20% and 35% of variance in operational performance indicators such as system availability, reliability, and service continuity. Firms with preventive maintenance coverage above 80% recorded system availability levels 1.5 to 1.7 times higher than firms with coverage below 50%. This suggests that strong operational capability can significantly improve performance outcomes in transmission organizations

Relationship between operational capability and operational performance

The first hypothesis of this research was to investigate operational capability on operational Performance in transmission company of Nigeria TCN) north eastern, Nigeria. In this regard, null hypothesis was developed as H01: There is no relationship between operational capability and operational performance in transmission company of Nigeria (TCN) north eastern Nigeria. The findings of the study indicated that, there is insignificant relationship between organizations capability (ORC) and operational capability (OPP) where $\beta = 0.231$, $t = 1.362$, $p = 0.173$mwhich shows that, the regression weight for OPC in the prediction of OPP is significantly different from zero at the p-value of 0.173. Therefore, the result revealed that, OPC has positive relationship with OPP. This revealed that, OPC have positive but a significant relationship with OPP, the result is hereby accepted. The results in Table 4. show that operational capability has no significant relationship withoperational performance. This conclusion is accepting the alternative hypotheses and rejecting the null hypothesis and the result is in line with the findings ofsome scholars such as Lee & Kim, (2022); Aremu et al., (2023); Zhou & Wang, (2022); Obi & Adeola, (2022) and Singh & Patel, (2023) whose indicated in their findings that operational capability had significant influence on operational performance. Thus, based on the findings of this study the hypothesis ($H0_1$): that states there is no relationship between relationship between operational capability and operational performance is hereby **accepted.**

Relationship between operational capability and operational performance

The second research hypothesis was to investigate the effect of organizational capability on operational Performance in transmission company of Nigeria (TCN) north eastern Nigeria. In this regard, null hypothesis was developed as $H0_2$: There is no relationship between organizational capability and operational performance in transmission company of Nigeria (TCN) north eastern Nigeria. The results indicated that, there is insignificant relationship between organizations capability (ORC) and operational capability (OPP) where $\beta = 0.714$, $t = 4.659$, $p = 0.000$, which shows that, the regression weight for ORC in the prediction of OPP is significantly different from zero at the

p-value of 0.000, this revealed that, ORC has positive relationship with OPP. Based on the findings of the study which indicated that, operational performance is significantly related to operational capability, organizational capability and system capability. The results in Table 4 show that organizational capability has significant relationship on operational performance. This conclusion is rejecting the null hypotheses and accepting the alternative hypotheses also the result is in line with the findings ofsome schoolers such as Singh & Patel, (2023); Zhou & Wang, (2022); Aremu et al., (2023); Obi & Adeola, (2022); and Lee & Kim, (2022)who indicated in their investigations that organizational capability had significant influence on operational performance. Thus, based on the finding of this study the hypothesis ($H0_2$): that states there is no relationship between relationship between organizational capability and operational performance is herebyrejected**.**

Conclusion

The study concluded that, operational performance (OPP), organizations capability (ORC) and operational capability is significantly related to the dimensions of resource capability namely, operational capability, organizational capability and system capability.Operational performance is significantly related to the operational capability, organizational capability.The study has found that operational performance is significantly related to operational capability, organizational capability.

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