SOCIAL INTELLIGENCE AND ITS IMPLICATION FOR COMPETITIVE ADVANTAGE IN MANUFACTURING SECTOR

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ABSTRACT: *This study examined social intelligence and implication for competitive advantage in Nigeria manufacturing sector, using Mesmo Africa Limited, Ijan-Ekiti, Ekiti State, Nigeria as a case study. Specifically, the study sought to evaluate the effect of social intelligence which includes art and drama on organizational performance. The survey research design of primary data was used, with the aid of questionnaires as instrument for data collection. Analysis and hypothesis testing were carried out with statistical tools of frequency distribution, percentage, and Chi-square statistics. Findings from the data obtained indicate that social intelligence has a significant effect on performance and productivity of an organization. It was recommended that there is a need for the organization to train its staff in the best use of social intelligence systems in order to ensure the maximum benefit of the concept and to gain competitive advantage more on the value that the organization may get from social intelligence.*

KEYWORDS: Social intelligence, Competitive Advantage, Performance, Organization.

INTRODUCTION

In today's customer-centric and competitive market, many business owners and managers are bombarded with 'information overload' and are urgently seeking ways to derive greater control, understanding and intelligence from their organization's data. One of the best solutions to this growing problem is to adopt a Social Intelligence (SI) strategy, but in reality many companies have been reluctant to do so due to a lack of knowledge of exactly what it involves, where to start, and how long it will take to see any benefit.

Social and action art intelligence is a collective term for different social and art forms in which there is an emphasis on performance. It is a strategic business tool and effort to increase a company's competitiveness (Tindi, 2013). It is an important aspect of strategic management because it serves as the first link in the chain of perceptions and actions that permit an organization to adapt to its environment. Being a relatively new management tool in the business world, social intelligence plays an important role to support managers today for better decision making and strategic planning.

Venter and Tustin (2016) argued that a competitive edge is gained through the ability to anticipate information, turn it into knowledge, craft it into intelligence relevant to the business environment, and actually use the knowledge gained from it. Calof and Wright (2014) suggested that the intent of any social intelligence system is simply to provide a system for developing or improving processes through a structured approach, effective deployment and better control. Failure to collect, analyze and act upon competitive information in an organized fashion can lead to the failure of the firm itself (Walle, 2012).

CONCEPTUAL REVIEW

Social and business intelligence is defined by Nemati (2015) as a set of tools and technologies that enhance the decision making process by transforming data and actions into valuable and actionable knowledge to gain a competitive advantage. According to Hannula (2013), Social and Business Intelligence (SBI) can broadly be defined as the organized and systematic processes which are used to acquire, analyze and disseminate information which are significant to their business activities.

Element of Social Intelligence

a. *Media:* Media intelligence uses data mining and data science to analyze public, social and editorial media content. It refers to marketing systems that synthesize billions of online conversations into relevant information. This allow organizations to measure and manage content performance, understand trends, and drive communications and business strategy (Leslie, 2015).

b. *Performance:* Different forms of action art take the form of festivals, openings, concerts, occasions and festive days and others that draw upon folk vernacular and traditions, important historical events, seasons, etc. These forms of action art are mirrored also in marketing communication where an agency organizes various types of events/happenings, stage and street performances. Most performance events focused on sports, culture, nature, social or economic activities (Walle, 2017).

c. *Leadership:* Active, committed leadership from the top is an important element. Top leadership has to be actively committed to the SBI initiative. Also, it does not only set strategy and define goals, but it also serves a greater function of spicing the initiative.

d. *Strategy:* Strategy is another important factor. One has to possess a clear vision of what one aims to accomplish and how one intends to get there. Further, this vision has to be aligned with one's business goals. The fundamental question the strategy has to answer is: "How can we use SI to best support our business goals." This implies having have clearly thought out goals for the business.

e. *People:* Dedicated people are also central to making SI succeed. This includes not just the people who use SI, but also the supporting players. Quality staff becomes more important as SI works to wring value out of the operation. Training is an important part of having good people. The most talented employees are not relevant if they lack the understanding of their roles and the workability of the system.

f. *Technology:* This one comes far down the list for a reason. While technology is an important enabler for SI, it is not the dominant factor. Many great companies have gotten into trouble by treating SI as a technology project only. Even the best people need to be backed up by the best technology and how to use social media beneficially. The best technology for your business is the one that best supports your business effort**.**

Competitive Advantage

According to Poomarjovs (2013), competitive advantage exists when a firm's strategy gives it an edge over rivals in attracting customers and defending against competitive forces in order to maintain superior profitability. Olsaz and Ziemba (2016) developed a framework that is based on proven and tested techniques and concepts for gaining and maintaining the competitive advantage in business. The framework emphasis is on competitive assessment as the key in determining competitive advantage.

Approaches to developing sustainable differentiation strategy include: Quality option approach and building strong brand approach. Quality option approach focuses on developing a reputation for good quality and promises to deliver quality superior products or services to customers. Building a strong brand approach to sustainable differentiation focuses on building brand equity. Brand equity generates value to customers and provides the firm a space to adopt premium pricing and develop enhanced brand loyalty (Porter, 2013). Differentiation as a rule yields a longer lasting and more profitable competitive edge when it is based on new product innovation, technical superiority, product quality and reliability and comprehensive customer service (Hannula, 2013).

A study carried out by Cherono (2014) on the Standard Group Ltd found out that they face the normal external challenges affecting all other media houses like poaching of staff, regulatory framework, competition, changing customer needs and preferences and technological advancements. The application of social intelligence has several challenges that include: Disconnected and disjointed information. This problem occurs due to a business using several different social intelligence tools instead of a single integrated SI system.

Relationship Between Social Intelligence and Organizational Performance

To maintain competitive advantages, organizations need to carry out strong research and achieve development skills, product engineering skills, creativity and marketing skills, good cooperation with distribution channels, incentives based on subjective measures to communicate the importance of a financial institution's characteristics and stress on continuous improvement and innovation which attract highly skilled and creative people.

A study carried out by Boro (2013) recommends that the commercial banks should make use of technology intelligence among other intelligence to increase their competitiveness in terms of product innovation, customer satisfaction and market orientation. Karama (2014) found out that SI systems made contributions to value networks and not merely financial benefits, but also knowledge, among other benefits. Ranjan (2012) reported that about sixty percent of SI applications fail due to the technology, organizational, cultural and infrastructure issues. According to Chuah and Wong (2013), the first challenge facing BI system is the cost of technology, upkeep and implementation.

Calof and Wright (2014) carried out a research to determine the usefulness of on organizational survival from 2006 to 2013. They found out that the intent of any business intelligence system is simply to provide a system for developing or improving processes through a structured approach, effective deployment and better control. Boro (2013) examined the influence of social intelligence in the competitive market for 10 years using multiple regression analysis. It was discovered that social intelligence and market knowledge management has facilitated the development of adequate organizational mechanisms for information acquisition, and effective utilization that enhances the identification and adaptation to new markets.

In his study, Ranjan (2012) tried to establish the relationship between social intelligence and organizational survival and he found out that social and business intelligence are fully exploited in every phase of business decision architecture as it progresses through various levels of informational metamorphosis. The major problem of the Nigerian manufacturing sector is the failure to acknowledge the fact that the business environment has become very competitive, dynamic and only those organizations with the right information capabilities can succeed in the modern times (Porter, 2013).

Consequently, because of the lack/inadequate generation of intelligence, most of the organizations do not have in-depth knowledge about existing products, customers, competitors, stakeholders and other environmental relationships that are required to enable managers and business executives to make quality strategic decisions. Again, this has led to the culture of poor innovation, customer dissatisfaction, poor quality of products and high cost of production of goods and services (Prescott & Bhardwaj, 2015). Hence, this study will be of immense value because it highlights the social intelligence in the form of social media, art, events and performance and their impact on competitive advantages in the Nigerian manufacturing sector.

Aim and Objectives of the Study

The aim of the study focuses on social intelligence and implication for competitive advantage in Nigeria manufacturing sector using Mesmo Africa Limited, Ijan-Ekiti, as a case study. The specific objective of this study is to find out the effect of social intelligence on profitability of an organization.

Hypothesis

H_0: Social intelligence has no significant impact on profitability of an organization.

H_1: Social intelligence has a significant impact on profitability of an organization.

METHODOLOGY

The research design used in the study was the survey design, the primary source of data. The opinions of 136 respondents from the staff of Mesmo Africa Limited, Ijan-Ekiti were sampled. For this study, questionnaire was the major instrument used in collecting data from the members of staff. In the analysis of this research, frequency table and percentage were used to answer the research questions and Chi-square statistics were adopted to test hypotheses.

ANALYSIS

Presentation of Data

Table 1: Educational Qualification.

Qualification	Frequency	% Distribution
WASCE/SSCE/GCE	56	41.2
OND/other diploma	16	11.8
B.Sc/HND	32	23.5
Other professionals	32	23.5
TOTAL	**136**	**100**

Source: Field Work, 2023.

From the above analysis, it can be inferred that 41.2% of total respondents which represents 56 respondents have SSCE as the highest level of education, 11.8% which represents 16 respondents possess OND, while both BSC/HND and other professionals have 23.5% which represent 32 respondents.

Table 2: Work Experience

Years	Frequency	% Distribution
0-2 years	32	23.5
3-6 years	64	47.1
7- and above years	40	29.4
TOTAL	136	100

Source: Field Work, 2023

The above shows that 32 respondents representing 23.5% of total respondents have less than two (2) years of work experience, 64 respondents representing 47.1% of the respondents have 3-6 years of work experience, while 29.4% representing 40 respondents have 7 and above years of work experience.

Table 3: Official position of the respondents

Levels	Frequency	% Distribution
Top levels	24	17.6
Middle levels	56	41.2
Lower level	56	41.2
TOTAL	136	100

Source: Field Work, 2023.

From the table above, 17.6% of total respondents which represents 24 respondents are top level staff, while 56 respondents which represent 41.2% are for both middle and lower levels respectively.

Table 4: Social intelligence improves organization profitability.

Option	Frequency	% Distribution
Strongly agree	64	47.1
Agree	32	23.5
Undecided	0	Nil
Disagree	24	17.7
Strongly disagree	16	11.5
TOTAL	136	100

Source: Field Work, 2023.

From the analysis above, the data collected revealed that social processes improve organization profitability, with 47.1% strongly agreeing, 23.5% agreeing, 17.7% disagreeing, and 17.5% strongly disagreeing.

Test of Hypotheses

Formula for the Chi-square (χ^2) test statistics

$$\chi^2 = \sum_{i=1}^{n} \frac{(O_i - E_i)^2}{E_i} \qquad (1)$$

Where O = Observed frequencies   E = Expected frequencies

Expected frequency = np,   where n =136 and $p = \frac{1}{5}$

n = sample size and p = equal probability of observed data.

Hypothesis

H_0: Social intelligence has no significant impact on profitability of an organization.

H_1: Social intelligence has a significant impact on profitability of an organization.

Table 5: Chi-square table

O_i	E_i	$O_i - E_i$	$(O_i - E_i)^2$	$\dfrac{(O_i - E_i)^2}{E_i}$
72	27.2	44.8	2,007.04	73.7882
16	27.2	-11.2	125.44	4.6118
0	27.2	-27.2	739.84	27.2
24	27.2	-3.2	10.24	0.3765
24	27.2	-3.2	10.24	0.3765
TOTAL				**106.353**

Source: Authors Computation (2023)

Expected frequency (E) = np,   where n =136 and $p = \frac{1}{5}$

$$E = 136 * \frac{1}{5} = 27.2 \qquad (2)$$

$\chi^2 = 106.4$

Table value $\chi^2_{(0.05,\ 8)} = 15.51$

Decision Rule

Since 106.4 > 15.51, at 5% level of significance, reject the null Hypothesis and accept the alternate hypothesis that Social Intelligence has a significant impact on profitability of an organization.

CONCLUSION

The main objective of this study is to assess social intelligence and implications for competitive advantage in the Nigerian manufacturing sector using Mesmo Africa Limited, Ijan-Ekiti, Nigeria as a case study. Analysis of the data collected shows that social intelligence has a significant effect on profitability and positive performance of the firm.

RECOMMENDATIONS

Based on the findings, the researchers recommend the followings:

   i.   There should be more awareness on the use and Social Intelligence (SI) systems in manufacturing companies in Nigeria.
   ii. There is a need for manufacturing companies in Nigeria to explore other ways to leverage more on these systems.
   iii. There is also a need for the organization to train its staff in the best use of social intelligence systems in order to ensure that there is a proper use for maximum benefit of the concept and to gain competitive advantage on the value that the organization may get from social intelligence.

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