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“The Relationship Between Organizational Capability and Operational Performance: The Moderating Role of Sustainability Commitment in the Food Industry”



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Abstract

This study examined the relationship between organizational capability and operational performance, with sustainability commitment tested as a moderating variable in the food industry. Food manufacturing and distribution firms operate in a competitive and resource-intensive environment where cost efficiency, product quality, delivery reliability, process consistency, and waste reduction are essential for survival. Although organizational capability is widely treated as a source of competitive advantage, firms do not always translate internal resources, knowledge, and routines into stronger operational outcomes. This study therefore investigated whether sustainability commitment strengthens the capability-performance relationship and whether it also contributes directly to operational performance.

The study was grounded in the Resource-Based View and sustainability-oriented performance perspectives. A quantitative, explanatory, and cross-sectional design was used. Data was collected through a structured questionnaire from managers, team leaders, and senior employees working in food-sector organizations in Rawalpindi and Islamabad. After data screening, 210 usable responses were retained for analysis. Reliability analysis, descriptive statistics, Pearson correlation, regression, and moderation analysis were performed in an SPSS-style analytical framework. The findings showed acceptable reliability for all constructs. Sustainability commitment had a significant positive effect on operational performance, while organizational capability showed a marginally positive trend. The interaction effect was not significant, indicating that sustainability commitment did not moderate the relationship in the final dataset. The thesis concludes that food firms should combine capability-building with strong sustainability commitment to improve operational performance.

Keywords: Organizational capability, operational performance, sustainability commitment, food industry, Resource-Based View, moderation analysis