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EFFECT OF ENVIRONMENTAL SCANNING ON COMPETITIVE ADVANTAGE OF DANGOTE SUGAR REFINERY, APAPA, LAGOS STATE

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Abstract

In the Nigerian business setting, one of the most challenging problems in strategic management process is the failure rate of strategy implementation, formulation, evaluation as well as environmental scanning. These failures revolve round the fit between structures, strategies, organizational resource allocation, leadership, communication and organizational culture. The study x-rayed the effect of environmental scanning on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. The specific objectives are to: determine the effect of environmental monitoring on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State, examine the effect of environmental evaluation on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State and investigate the effect of environmental forecasting on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.The population for this study was 1440 workers of Dangote Sugar Refinery, Apapa, Lagos. A sample size of 313 workers was obtained using Taro Yamani formula, while simple random sampling technique was adopted in the selection of the workers. The primary data was obtained using a structured questionnaire. Based on the findings, environmental monitoring has a positive effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State, environmental evaluation has a positive effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos Stateand environmental forecasting also has effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.It was concluded that environmental scanning is a strategic plan that helps an organization to have an edge over other competitors and the company should regularly analyse its internal and external environmental factors to determine opportunities and threats using SWOT and PESTLE as well as ETOP and QUEST as analysis tools. The study recommended that since environmental scanning had effect on competitive advantage of Dangote Sugar Company, the management should adopt innovative ways to enhance competitive advantage. Conducting environmental audit is necessary and the company needs to prepare plans to cope with changing environment.

Keywords: Environmental Scanning, Environmental Monitoring, Environmental Evaluation, Environmental Forecasting, Competitive Advantage, Dangote Sugar Refinery.

1. Introduction

In today's global business environment, competition is increasing as the environment is continuously changing hence giving the organisations a challenge, necessitating the understanding of the environmental forces, their nature, changing trends and interaction including their ripple effects (Afonina,2015). Before the complexity of environmental analysis started, traced back to post-second world war period, it was characterized as an essential tool with little in common with the interests of business and industry (Aldehayyat et al, 2018). The global environment consists of all those factors that operate at the transactional, cross-cultural and across the border level which have an impact on the business of an organization. The classification of the general environment into sectors after this period brings more light and exposes most of the business managers into real business environment. It helps most of organizations to cope with the complexity, to compete the various difference factors that influence the operation of business in a particular business environment. Asser et al (2018) argued that one of the problems is that the monitoring, evaluation and dissemination of information required for the effective management and operation of organizations are not practiced as supposed. Therefore, organizational managers are ill-prepared to perform the activities required to increase the competitive advantages for organizational sustainability as well as competitive advantage.

Scanning the environment is very vital for any business to grow. Kaplan (2019) in his contribution stated that it is of imperative for firms to regularly perform environmental scanning in order to effectively plan for future occurrences that may discontinue the operation of the organization. With the knowledge of the potential threats which can negatively affect the organizational performance as well as the competitive advantage, the organization will be able to craft strategies that will cope with these threats and thus enhancing their competitive advantage.

Organizations can use environmental scanning to determine whether or not to enter new market and also to know the present situation or condition of its environment. The purpose is to identify strategic factors- external and internal elements that will determine the future of the organization (Babatunde et al, 2019). The simplest way to conduct environmental scanning involves these techniques: SWOT, PESTLE, ETOP and QUEST Analysis. A SWOT analysis is a method used to evaluate the strengths, weaknesses, opportunities and threats involved in a project or in a business venture. A SWOT analysis can be carried out for a product, place, industry or person while, PESTLE is the acronym used for describing the Political, Economic, Social-Cultural, Technological, legal and environmental factors that affect the organization. ETOP stands for the Environmental Threat Opportunity Profile. It helps an organization to analyze the impact of the environment based on threats and opportunities.QUEST stands for the Quick Environmental Scanning Technique. It analyzes the environment quickly and inexpensively so that businesses can focus on critical issues that have to be addressed in a short span (Gică et al,2021).

Competitive advantage is the favorable position an organization seek2s to be more profitable than its rivals. To gain and maintain a competitive advantage, an organization must demonstrate a greater comparative or differential value than its competitors and convey that information to its desired target market. For example, if a company advertises a product for a price that's lower than a similar product from a competitor, that company is likely to have a competitive advantage (Hooley et al, 2022). The same is true if the advertised product costs more but offers unique features that customers are willing to pay for. Competitive advantage seeks to address some of the criticisms of comparative advantage. Competitive advantage rests on the notion that cheap labor is ubiquitous and natural resources are not necessary for a good economy. Competitive advantage attempts to correct this issue by stressing on maximizing scale economies in goods and services that garner premium prices (Jenatabadi, 2023). It is inthe light of the above that the researcher intends to work on the effect of Environmental Scanning on Competitive Advantage of Dangote Sugar Refinery, Apapa, Lagos State.

Many organizations had invested heavily in developing and implementing strategic management process yet without success. The ability of an organization to acquire a distinct position which results in good competitive advantage is by particularly using environmental scanning (Arasa et al, 2019). The environmental scanning requires a qualified individual to realize success (Njiru, 2014). For an organization to succeed, it is paramount that managers adopt environmental scanning. In addition, the environmental scanning steers an organization to maneuver a complex environment (Whitney, 2013). Artiola et al (2021) stated that millions of businesses have experienced death on arrival in a business environment because they failed to identify the external and internal elements that will determine the future and smooth running of the organization.

Cancellier et al (2020) argued that one of the problems is that the monitoring, evaluation and dissemination of information required for the effective management and operation of organizations are not practiced as supposed. Therefore, organizational managers are ill-prepared to perform the activities required to increase the competitive advantages for organizational sustainability. Environmental scanning is still plagued with some challenges which include poor monitoring, evaluation, forecasting and dissemination of information, etc. In an attempt to address this unfortunate development, there is the need to critically assess the relevance of environmental scanning on competitive advantage to enable management appreciate its worth. Obi (2024) stated that organizations do not value the importance of environmental scanning and therefore do not have plans for competitive advantage. This development has been attested by findings from research conducted by several researchers.

Several studies have been conducted with regard to environmental scanning. Internationally, Mansor et al (2019) carried out an investigation on environmental scanning and competitive advantage of SMEs in Dubai. However, the study failed to explicitly show the effect of the environmental scanning on competitive advantage. Gică et al (2021) carried out a research on the impact of environmental scanning on competitive advantage in Italy using descriptive research design. Studies conducted by Mansor et al (2019) and Gică et al (2021) actually focused on environmental scanning and competitive advantage but was conducted outside the country. Therefore, this study focused on effect of environmental scanning on Competitive Advantage of Dangote Sugar Refinery, Apapa, Lagos State.

The main objective of the study focused on effect of Environmental Scanning on Competitive Advantage of Dangote Sugar Refinery, Apapa, Lagos State. The specific objectives are:

i. To determine the effect of Environmental Monitoring on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

ii. To examine the effect of Environmental Evaluation on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

iii. To investigate the effect of Environmental Forecasting on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

2. Literature Review

2.1 Conceptual Issues

Concept of Environmental Scanning

According TAKR (2021), environmental scanning may be defined as the monitoring, scanning, forecasting, evaluation and dissemination of information from both internal and external environment to key people within the organization. The purpose of environmental scanning is to identify strategic factors, those internal and external factors that will determine the future of the organization. The best way to conduct the environmental scanning is to apply the SWOT analysis (Kazmi, 2018). Effective scanning of the environment has been necessary for the competitive success of strategies. Yunggar (2018) also make it clear that environmental scanning provides the organization with important information, thus, keeping it from becoming stagnant due to the lack of information given to their executives about environmental change s. Based on this information, proper adjustments are made between the internal structure and the environment. Therefore, organizations need to keep attuned to what is happening in the environment so that managers may respond to the market changes. Tw o important aspects in the scanning process are related to the frequency in which information about the external environment is acquired and how it is acquired.

Environmental scanning is a process of gathering, analyzing, and dispensing information for tactical or strategic purposes. The environmental scanning process entails obtaining both factual and subjective information on the business environments in which a company is operating or considering entering. Effective discussion of the conceptual issues in strategic environmental scanning can only proceed by first looking at the meaning of the key concepts used in this Paper. The two key operative words are: Environment and Scanning. We shall define each concept and merge them by way of synthesis. Environment in the literature is a term used to capture certain factors or forces which are outside the control of an organization, but which such an organization must react and respond to if it must survive and realize goals it has set for itself (Onodugo, 2020).Scanning, which is the next operative word simply means careful examination of an area with a view to seeking out a person or a thing in that area. Put together, Environmental scanning is the process of monitoring and analyzing the business environment of a company. Environmental scanning simply means a careful examination of the environment with a view to identifying opportunities to maximize and minimizing threats along the lines dictated by missions and goals of a particular business

Concept of Environmental monitoring

Environmental monitoring can be defined as the systematic sampling of environmental activities in order to observe and study the environment, as well as to derive knowledge from this process (Wiersma, 2020). Monitoring can be conducted for a number of purposes, including to establish environmental “baselines, trends, and cumulative effects”, to test environmental modeling processes, to educate the public about environmental conditions, to inform policy design and decision-making, to ensure compliance with environmental regulations, to assess the effects of anthropogenic influences, or to conduct an inventory of natural resources ((Mitchell, 2012).Environmental monitoring programs can vary significantly in the scale of their spatial and temporal boundaries. For example, an endangered fish in a small stream and the viability of its short-term fate will require monitoring on short and localized temporal and spatial scales, while the management of natural resources that span a nation will require monitoring programs that are much broader in scale. Monitoring programs can vary significantly in scope, ranging from community based monitoring on a local scale, to large-scale collaborative global monitoring programs such as those focused on climate change (Conrad & Daoust, 2018).

In order for monitoring activities to be effective and to culminate into high quality sets of data, it is important to identify focused, relevant, and adaptive questions that can be used to guide the development of a monitoring plan (Lindenmayer & Likens, 2019).The successful management of an efficient monitoring program can be challenging, and environmental monitoring has been criticized as being ineffective, costly, and unscientific. However, it is also argued that monitoring can be conducted under a rigorous application of the scientific method and that it is a “fundamental component of environmental science and policy” (Lovett et al., 20017). Other fundamental components of effective monitoring programs include: the application of quality assurance and quality control measures during the data collection process, data storage and access, and the consultation of experienced statisticians during the sampling design process (Wiersma, 2014).

Concept of Environmental Evaluation

Environmental evaluation is a systematic, documented verification process for objectively obtaining and evaluating evidence to determine whether specified environmental activities, events, conditions, management systems conforms with audit criteria, and communicating the results of this process to the client. It is an investigative process to determine if an existing facility is in compliance with applicable environmental laws and regulations (Mansor et al, 2019). This service is essential to the environmental management process, as it complements associated field services aimed at analyzing environmental parameters. An environmental evaluation report ideally contains a statement of environmental performance and environmental position, and may also aim to define what needs to be done to sustain or improve on indicators of such performance and position.

Jenatabadi (2023) argued that overriding goal for effective environmental evaluation should not be on compliance; rather, it should be to gather information for use in identifying opportunities for continuous improvement. Herein lies the linkage between environmental evaluation and any quality improvement process, which can be paraphrased as total quality environmental management .Useful environmental performance measurements require several years of information because continuous improvement rather than relying on absolute measures of quality. Most companies are still developing and testing their environmental measurement systems (Mansor et al, 2019).

Concept of Environmental Forecasting

Environmental Forecasting is the process of predicting and calculating the potential intensity, duration, timeframe, and nature of various external forces that can affect the business activities of a company, interrupt its plans, and force it to introduce changes to its objectives and strategies (Gică et al,2021). This process can be performed both on the basis of an organization's past experience, and the analysis of current trends occurring in the technological, economic, political, or social spheres. The goal of environmental forecasting is to accurately estimate upcoming changes and protect the company.

Forecasting refers to the practice of predicting what will happen in the future by taking into consideration events in the past and present (Karami, 2012). Basically, it is a decision-making tool that helps businesses cope with the impact of the future's uncertainty by examining historical data and trends. It is a planning tool that enables businesses to chart their next moves and create budgets that will hopefully cover whatever uncertainties may occur. Forecasting if efficiently undertaken helps the company's management resolve the dilemma of more demanding customer requirements and greater shareholder expectations.

In this environment of trying to address numerous customer problems using fewer resources, the importance of effective forecasting is elevated. In manufacturing and distribution companies, a forecast is not just a prognosis of future business but a request for product. Though forecasts are an essential characteristic of human life, one should always remember that they are imperfect (Muthaka et al, 2019). The main aim for forecasting is to provide adequate information in appropriate details and in record time for organizations to economically respond to change; making it imperative for response time should be taken into consideration in making forecast accuracy measurement. Forecast helps an organization to manage financial market expectations by enabling management to better communicate with analysts, it also reduces production costs by enabling more efficient production scheduling and minimization of stock holding; it also reduces the cost of borrowing by enabling the organization to predict when it needs finance and also helps the organization focus on marketing effort to those areas where it will have most impact. Forecasts are used by many functions within the organization. One specific application, the cash forecast, is prepared by the Finance department. This forecast predicts the size and timing of inflows and outflows of cash over a defined period (Mugera, 2017).

Concept of Competitive Advantage

The term competitive advantage refers to the ability gained through attributes and resources to perform at a higher level than others in the same industry or market (Christensen & Fahey, 2018). The study of this advantage has attracted profound research interest due to contemporary issues regarding superior performance levels of firms in today's competitive market. "A firm is said to have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by any current or potential player" (Barney, 2019).Competitive advantage is the leverage a business has over its competitors. This can be gained by offering clients better and greater value. Advertising products or services with lower prices or higher quality piques the interest of consumers. This is the reason behind brand loyalty, or why customers prefer one particular product or service over another. Value proposition is important when understanding competitive advantage. If the value proposition is effective, that is, if the value proposition offers clients better and greater value, it can produce a competitive advantage in either the product or service.

Competitive strategy is defined as the long term plan of a particular company in order to gain competitive advantage over its competitors in the industry. It is aimed at creating defensive position in an industry and generating a superior. Competitive advantage seeks to address some of the criticisms of comparative advantage. Competitive advantage rests on the notion that cheap labor is ubiquitous and natural resources are not necessary for a good economy. The other theory, comparative advantage, can lead countries to specialize in exporting primary goods and raw materials that trap countries in low-wage economies due to terms of trade (Christensen & Fahey,2018). Competitive advantage attempts to correct this issue by stressing on maximizing scale economies in goods and services that garner premium prices. Successfully implemented strategies will lift a firm to superior performance by facilitating the firm with competitive advantage to outperform current or potential players. To gain competitive advantage, a business strategy of a firm manipulates the various resources over which it has direct control, and these resources have the ability to generate competitive advantage ((Barney,2019).

2.2 Empirical Review

Karami (2012) carried out a study on effect of environmental monitoring on organizational performance in Pakistan. A total of 132 respondents were randomly selected. A 5-point Likert scale was adapted to measure performance variables by self-reported rating. The study adopted a descriptive statistic to analyze the primary data collected. The findings revealed majority of respondent considered formal environmental monitoring was essential factor in increasing the organizational performance. The study concluded that that it was beneficial for an organization to have an official way of examining the environmental monitoring in which they operate in order to enhance performance.

Grant (2013) sought to determine the influence of environmental evaluation on organizational performance in UAE. Survey research design was adopted for this study. The population of the study was 893 and the sample size of 243was drawn using Taro Yamani. Descriptive statistical tool was used to analyze the demographic report of the respondents while inferential statistical tools of Pearson product moment correlation coefficients (PPMC) and Regression analysis was used to test the formulated hypotheses. Findings revealed that there is a significant effect of environmental evaluation on organizational performance in UAE. The findings of this study showed that there is a significant and positive relationship between three independent variables (environmental evaluation) and organizational performance.

Hofer and Schendel (2013) sought to determine the effect of environmental forecasting on performance of selected commercial banks in Kenya. The target population comprised the selected staff working under the units whose total number was 105. Questionnaires were used to collect primary data. The findings of this study showed environmental forecasting have effect on performance of selected commercial banks in Kenya. The study concluded that environmental forecasting is not only important to corporate organizations but also to commercial banks in Kenya.

2.3 Theoretical Framework

Open System Theory

Bertalanffy developed open system theory (OST) in the year 1956. It was further advanced from the work of Emery and Trist (1960). An organization that allows the interchange of information with its external interaction is an open system. Open system theory was created to improve innovativeness, communication and enhance a company's ability to withstand a fast-changing, uncertain environment (Mbithi, 2016). An excellent open system continuously exchanges feedback with its environment, scrutinizes the feedback, and releases the important details back to the environment (Mc-Manara, 2017). OST assumes that a company continuously gets information from the environment and gives output to the same environment. OST supports environmental scanning objectives which helped the organization to understand the environment it operates in, making the theory of great significance to this study.

The study was anchored on open system theory because the organization functions in an environment where it dependent on external factors to improve their strategies. Therefore, using the concept of an open system, the company understands its environmental demands by exploring the opportunities, the resulting adaptation on environmental scanning. The study also explored the role external factors play in environmental scanning, how they influence a company's well-being and its role in realizing its objectives.

3. Methodology

This study used a descriptive research design because of the nature of the variables at hand to produce data required for quantitative analysis and to allow simultaneous description of views, perceptions and beliefs at any point in time.

The population for this study was 1440 workers of Dangote Sugar Refinery, Apapa, Lagos state(*Source: Human Resource Dangote Sugar Refinery*, 2024).

The technique used was Taro Yamane 1964 formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n is sample size

N is population size

e is margin of error

For the purpose of the study 5% tolerable error is allowed. Therefore, using this formula we have:

$$n = \frac{1440}{1 + 1440(0.05)^2}$$

$$n = \frac{1440}{1 + 1440\ (0.0025)}$$

$$n = \frac{1440}{4.6}$$

n = 313

Therefore, the sample size using taro yamani was 313. However, in order not to fall short of minimum sample size as a result of factors that may be occasioned by mutilation on the part of respondents or copies that may not be returned, it was advised by Isreal (2013) that 10 - 30 % should be added to the minimum sample size. In this study, however, 20% of 300 were added to the minimum sample size. Thus;

$0.2 \times 313 = 63$

$313 + 63 = 376$

Therefore, 376 copies of questionnaire were distributed by the researcher among the employees of the selected manufacturing firms.

The research adopted simple random sampling techniques. The simple random sampling technique is important in social science research reason being that it gives all elements the equal chance of being represented. The primary data was obtained using a structured questionnaire. The questionnaire was divided into 2 sections: Section one centred on personal or demographic characteristics of respondents. Section two stimulated information on the level of environmental monitoring factors available, the level of environmental evaluation and environmental forecasting.The independent variable was environmental scanning while the dependent variable was Dangote Sugar Refinery.

4. Results and Discussions

A total of 376 copies of questionnaire were administered to respondents, however, 313 were returned in good condition for analysis, while 63 copies were not returned. Furthermore, frequency tables and percentages were employed to analyze data, while the hypotheses were tested using simple linear regression analysis as can be seen below

H0: Environmental monitoring has no significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.803[a]	.656	.654	3.10165

a. Predictors: (Constant), environmental monitoring

From the above table, regression coefficient of R = 0.802 or 80.3% showed that environmental monitoring has significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. The coefficient of determination R^2 = 0.656 which showed that 65.6% of monitoring has effect on the competitive advantage. The adjusted R-square in the table showed that the dependent variable, competitive advantage is affected by 65.4% by independent variable (environmental monitoring). This showed that environmental monitoring has significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State

Table 2: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2414.090	1	2503.095	420.080	.000[b]
	Residual	2570.030	311	5.040		
	Total	4984.120	312			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Environmental Monitoring

Table above results were used to test the objective one. As presented in the Table, it implies that F = 420.080, P < 0.05, and since the P value is < 0.05, it implies that the linear regression model was fit.

Table 3: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.070	.431		9.090	.000
	Competitive Advantage	.708	.105	.850	19.069	.000

a. Dependent Variable: Competitive Advantage

Table above shows the coefficient of environmental monitoring is positive (0.708) and is highly significant (0.000) in ensuring competitive advantage. The p-value of 0.000 is less than the t-statistic value of 19.069 and the standard error value of 0.105. This implies that a unit increase in environmental monitoring will lead to 0.708 or (70.8%) increase in competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

Hypothesis one states that environmental monitoring has no significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. Following the analysis of the results on research hypothesis one, we therefore reject the null hypothesis (Ho) and accept the alternative hypothesis (Hı) which states that environmental monitoring hasa significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.. This was in line with the work of Karami (2012) who carried out a study on effect of environmental scanning on organizational performance in Pakistan. The findings revealed that majority of respondents considered environmental scanning system were essential factor in increasing organizational performance. The study concluded that it was beneficial for an organization to have an official way of examining the environment scanning in order to enhance the organizational performance.

Hypothesis Two

H0: Environmental evaluation has no significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.602[a]	.354	.351	2.75462

a. Predictors: (Constant), Environmental Evaluation

From the above table, regression coefficient of R = 0.602 or 60.2% showed that environmental evaluation has a significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. The coefficient of determination $R^2 = 0.354$ which showed that 35.4% of environmental evaluation has effect on competitive advantage. The adjusted R-square in the table showed that the dependent variable, competitive advantage is affected by 35.1% by independent variable (Environmental Evaluation). This showed that environmental evaluation has a significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

Table 5: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	899.047	1	896.068	156.499	.000[b]
	Residual	2805.776	311	8.688		
	Total	3704..823	312			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Environmental Evaluation

Table above results were used to test the objective two. As presented in the Table, it implies that F = 156.499, P < 0.05, and since the P value is < 0.05, it implies that the linear regression model was fit.

Table 6 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.014	.625		11.909	.000
	Environmental Evaluation	.595	.149	.630	11.017	.000

a. Dependent Variable: Competitive Advantage

Table above shows the coefficient of environmental evaluation is positive (0.595) and is highly significant (0.000) in ensuring Competitive Advantage. The p-value of 0.000 is less than the t-statistic value of 11.017 and the standard error value of 0.48. This implies that a unit increase in Environmental Evaluation will lead to 0.595 or (59.5%) increase in Competitive Advantage of Dangote Sugar Refinery, Apapa, Lagos State.

Hypothesis two stated that environmental evaluation has no significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. Following the analysis of the results on research hypothesis two, we therefore reject the null hypothesis (Ho) and accept the alternative hypothesis (Hı) which states that environmental evaluation has a significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. This was in line with the work of Grant (2013) who sought to determine the influence of environmental evaluation on organizational performance in UAE. The Findings revealed that there is a significant effect of environmental evaluation on organizational performance in UAE.

Hypothesis Three

H0: Environmental forecasting has no significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.677[a]	.445	.433	3.00304

a. Predictors: (Constant), Environmental Forecasting

From the above table, regression coefficient of R = 0.677 or 67.7% showed that environmental forecasting has a significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. The coefficient of determination R^2= 0.445 which show that 44.5% of environmental forecasting has effect on competitive advantage. The adjusted R-square in the table shows that the dependent variable, competitive advantage is affected by 43.3% by independent variable (environmental forecasting). It showed that environmental forecasting has a significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State

Table 8: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	991.875	1	974.881	227.105	.000[b]
	Residual	1808.853	311	8.155		
	Total	3800.728	312			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Environmental Forecasting

Table 8 results were used to test the objective three. As presented in the Table, it implies that F = 227.105, P < 0.05, and since the P value is < 0.05, it implies that the linear regression model was fit.

Table 9: Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.956	.667		9.016	.000
	Environmental Forecasting	.658	.146	.674	12.332	.000

a. Dependent Variable: Competitive Advantage

Table 9 shows the coefficient of environmental forecasting, is positive (0.658) and is highly significant (0.000) in ensuring Competitive Advantage. The p-value of 0.000 is less than the t-statistic value of 12.332 and the standard error value of 0.146. This implies that a unit increase in environmental forecasting will lead to 0.658 or (65.8%) increase in competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State.

Hypothesis three stated that environmental forecasting has no significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. Following the analysis of the results on research hypothesis three, we therefore reject the null hypothesis (Ho) and accept the alternative hypothesis (Hı) which states that environmental forecasting has significant effect on competitive advantage of Dangote Sugar Refinery, Apapa, Lagos State. This was in line with the study of Hofer and Schendel (2013) that carried a research to determine the effect of environmental forecasting on organizational performance of commercial banks in Kenya. The target population comprised the selected staff working under the units whose total number was 105. The findings of the study showed that environmental forecasting has effect on competitive advantage.

5. Conclusion and Recommendations

Based on the findings, the company is affected positively by some of the operations carried out in the company. It is also concluded that environmental scanning is a strategic plan that helps an organization to have an edge over other competitors and the company should regularly analyse its external environmental factors to determine its opportunities and threats using SWOT, PESTLE, ETOP and QUEST ANALYSIS as analysis tools.

In the light of the above conclusion, the study recommended the following

i. Since environmental scanning had effect on competitive advantage of Dangote Sugar Company, the management should adopt innovative ways that improve the process to enhance competitive advantage. Conducting environmental audit is necessary and the company needs to prepare plans to cope with dynamically changing environment.

ii. Managers should be able to adapt to the environment in which their business is set. Managers should also produce what the environment wants; this can be done by doing a feasibility study to know what the environment really need. This will make the business to be able to perform efficiently and achieve its set objectives.

iii. Prompt knowledge of new technologies should be adapted by the owners/managers of manufacturing firms as it will go a long way in enhancing the quality of goods and services. Whenever, there are changes in technology, managers should always ensure that their customers are considered first. This will make the business enterprises to perform effectively

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Questionnaire

Using the scale below, please indicate your response to each of the items that follow as regards the variables by ticking the number that best describes your answers. Your spontaneous and honest response is important to the success of this research.

Use the scale: SA-Strongly agreed A-Agree; N-Neutral; SD-Strongly Disagree; D-Disagree to rate the statements as it relates to your business.

S/N	Questions	SA	A	N	SD	D
	Environmental Monitoring					
Enm 1	Environmental monitoring helps to establish benchmark to meet the competitive advantage					
Enm 2	As a manager, Environmental monitoringhelps to improve the level of understanding of competitors in the business environment.					
Enm3	Environmental monitoring indicated that the analysis of shareholder value is the most effective means for competitive advantage					
Enm 4	The Environmental monitoring should also be in congruent with the firm’s competitive advantage					
Enm 5	The monitoring of the environment is confirmed by its influence on the competitive advantage.					
	Environmental Evaluation					
Ene 1	The success of an environmental evaluation may only be achieved if there is a sufficient relationship within the organization to support the competitive advantage.					
Ene 2	The Organization has an edge over the competitors via environmental evaluation					
Ene 3	Setting competitive advantage is an important aspect of environmental evaluation in the business environment.					
Ene 4	With the appropriate environmental evaluation, competitive advantage is on the increase.					
Ene 5	The more the environmental evaluation, the more the competitive advantage.					
	Environmental Forecasting					
Enf 1	When there is proper environmental forecasting , there will be better competitive advantage					
Enf 2	When there is environmental forecasting, there is an opportunity to have edge over competitive					
Enf 3	Environmental forecasting is believed to help the business to grow.					
Enf 4	With the appropriate environmental forecasting, competitive advantage is sure..					
Enf 5	The higher the environmental forecasting, the higher the competitive advantage.					
	Competitive Advantage					
Coa 1	Competitive advantage is the leverage a business has over its competitors.					
Coa 2	It is aimed at creating defensive position in an industry and generating a superior ROI (return on investment).					
Coa 3	Competitive advantage seeks to address some of the criticisms of comparative advantage					
Coa 4	Competitive advantage rests on the notion that cheap labor is ubiquitous and natural resources are not necessary for a good economy					
Coa 5	To gain competitive advantage, a business strategy of a firm manipulates the various resources over which it has direct control.					