Open Innovation and Non-Financial Performance of Nigeria Breweries PLC, Ijebu-Ode

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https://doi.org/10.61090/aksujacog.2025.010

Abstract

This study examined the relationship between open innovation and the non-financial performance of Nigeria Breweries PLC, Ijebu-Ode. Specifically, it analyzed the impact of inbound, outbound, and coupled open innovation on the company's performance. A descriptive survey research design was employed, targeting all staff members, with a sample size of 2,305 employees. The findings indicated that open innovation significantly enhanced non-financial performance. Inbound open innovation positively influenced operational efficiency through the integration of external knowledge from suppliers, universities, and technology firms. Outbound innovation contributed to knowledge sharing and market expansion by fostering licensing agreements, strategic alliances, and industry collaborations. Additionally, coupled open innovation—integrating both internal and external collaboration—played a crucial role in driving performance improvements by strengthening cross-functional teams and training programs. The study concluded that open innovation is essential for sustaining competitiveness and recommended that Nigeria Breweries PLC should enhance internal-external alignment, foster employee engagement in innovation, and expand partnerships for market opportunities. Also, strengthening collaboration with research institutions, optimizing knowledge acquisition, and continuously assessing these strategies will ensure adaptability in an evolving market landscape.

Keywords: Open innovation, non-financial performance, Nigeria breweries PLC, knowledge sharing, market expansion

1.0 Introduction

All organizations strive to achieve optimal performance to reach their strategic objectives and sustain a competitive market edge (Pap et al., 2022). Organizational performance entails activities such as product manufacturing, service delivery, and implementing the organization’s vision, mission and strategies (Rumanti et al., 2020; Pap et al., 2022). Innovation especially, open innovation, remains crucial to enhancing organizational performance and aligning all efforts with strategic goals to attain productivity (Lopes et al., 2022). Research highlights that the ability to innovate is a fundamental driver of success, contributing significantly to economic growth and development (Rumanti et al., 2020; Oyelaran-Oyeyinka, 2016).

Open innovation leads to a change from the traditional, closed R&D models to the type that involves customers, suppliers, competitors, and academic institutions collaboratively. A company can achieve this by embracing external knowledge and resources. Businesses gain more diverse ideas and technologies through collaboration which helps to innovate, cut costs, and be more competitive (Olokundun et al., 2019; Adekola & Samuel, 2017). Research shows that open innovation has a positive impact on various performance measures, such as operational efficiency and sustainable competitive advantage (Weinzimmer et al., 2011; Serrano-Bedia et al., 2016). Furthermore, inbound open innovation leads to radical innovation, while outbound practices are more related to incremental innovation, which is why the approach is particularly useful for SMEs (Scaliza et al., 2022; Popa et al., 2017).

In addition, the trend of globalization and the use of new technologies serve as reminders that open innovation is needed for a company to reach out to new markets and to also set new technical standards (Lopes et al., 2022). The truth is that open innovation speeds up the process of product development and gets companies into new markets in a much shorter time (Lee et al., 2010). Companies can profit from external engagement not only by enjoying additional resources that complement but also by engaging customers in the production process and optimizing the use of intellectual property (Lawson & Samson, 2001). The multiple benefits of open innovation have made it a necessary step for companies to reach their innovative capacity, thus, ensuring their place in the rapidly changing markets (Pap et al., 2022; Rumanti et al., 2017).

Despite its benefits, it should be reckoned that the implementation of the open innovation strategy has to deal with multiple barriers such as cultural resistance, internal (structural) barriers, and red tape which is a bureaucratic limitation (Rumanti, et al., 2020). This threatens the cooperation between external parties, thereby not giving enough chance to cooperate with the contribution of diverse knowledge which is essential for the enhancement of non-financial indicators like customer satisfaction and product development. The traditional behaviour that prefers closed innovation is yet another problem in this process, which, in turn, calls for the evolution of a new culture and constant change management (Chesbrough, 2003). Enabling non-financial performance tools ("Soft-Touch") in addition to devising the same appropriately to suit different organizations such as Nigeria Breweries PLC. can bring about the full transformation of open innovation and the consequent obtaining of the sustainable competitive advantage and the flexibility to adapt to the ever-changing market needs.

Broadly speaking, this study aims to investigate the open innovation and non-financial performance of Nigeria Breweries PLC, Ijebu Ode. The specific objectives are to:

i. examine the relationship between open innovation and non-financial performance of Nigeria Breweries PLC, Ijebu Ode
ii. examine the inbound open innovation on non-financial performance in Nigeria Breweries PLC, Ijebu Ode
iii. determine the influence of outbound open innovation on non-financial performance in Nigeria Breweries PLC, Ijebu Ode
iv. examine the impact of coupled open innovation on the Non-Financial Performance of Nigeria Breweries PLC, Ijebu Ode.

This article sets off to find solutions to the following questions:

i. What is the impact of open innovation on the non-financial performance of Nigeria Breweries PLC, Ijebu Ode?
ii. How much does the effect of inbound open innovation on non-financial performance in Nigeria Breweries PLC, Ijebu Ode?
iii. Reflect the influence of outbound open innovation in the non-financial performance of Nigeria Breweries PLC, Ijebu Ode.
iv. How about the impact of coupled open innovation on the non-financial performance of Nigeria Breweries PLC, Ijebu Ode?

The main aim of this investigation is to analyze the open innovation mechanism, leading to non-financial performance, and emphasize the effects on different stakeholders. For business planners, it is a cornerstone of the open innovation theme, and thus they can identify and take the necessary steps for customer service quality improvement, employees' efficacy, and operational productivity. Nigerian Breweries' management can better its innovation practices, devise better resource allocation strategies, as well as make the company more competitive by using these findings immediately. Additionally, it will show that the study on open innovation, which is perceived as collaboration, trust, and innovation, helps to serve manifold of the various stakeholders' interests that include employees, customers, suppliers, and investors, and as a result, it might be the key to enhanced satisfaction and loyalty. In conclusion, this research serves as a foundation for future studies, advancing theoretical and practical knowledge in innovation management and guiding organizations in adapting to a dynamic business landscape.

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2.0 Literature Review

2.1 Conceptual Review

2.1.1 Concept of Innovation

The term "innovation" which translates to "into new", originates from the Latin word "innovare". At its core, innovations can be defined as the act of deviating from the conventional way of doing things. At the corporate level, innovation is typically associated with activities that entail risk, and significant time investment (Costello & Prohaska, 2013). Innovation can also be understood as a unique idea, product, process, or originality. It is a creative disposition, a method of thinking that goes beyond the present moment and leads to future development. Innovational methods are bound to benefit companies only when they are efficiently executed as a process, strategy, and management method (Kuczmarksi, 2013).

To establish a relationship between present achievement and past experiences to deal with forthcoming challenges, innovation primarily relies on its ability to create and integrate concepts to accomplish this task. This is a globally crucial phenomenon that is closely related to technological advancements (Baskaran & Mehta, 2016). Innovation is of paramount importance in business and is crucial for the generation of wealth and the maintenance of a competitive edge in the market. There is a correlation between innovation, employment, profitability, and quality of life. Innovation is often connected to the introduction of novel products, materials, operational procedures, services, and organizational structures.

The notion of innovation is a compound of multiple concepts as these often overlay one another, and there is no definite or unambiguous explanation. Scientists contend that without a clear definition of innovation, it will be difficult to come up with new strategies (Baregheh et al., 2019).

In the study conducted by Adenle et al. (2019), innovation is making a way to the beneficial transformation and the intergenerational transfer of value that is served by the introduction to the market of new concepts, goods, services, and/or procedures. It is about not only inventing something wonderful out of new technological breakthroughs but also modifying and improving existing applications to assist in solving the ever-changing needs and challenges. According to Anyadike et al. (2019), innovation involves a combination of creativity, problem-solving, and risk-taking, directed at addressing market demands, improving efficiency, and as well as supporting sustainable growth. In Nigeria, innovation plays a significant role in improving economic development and enhancing businesses' competitiveness across various sectors, from agriculture to manufacturing to information technology (Oyediran et al., 2018).

The importance of Innovation cannot be overemphasized as it acts as a driving force for economic growth, enhances competitiveness, and fosters sustainable development (Aigbavboa & Thwala, 2019). The innovation concept must be functioning to bring economic value by helping a business to be different from others in the market, by offering additional value to the customers, and it must also be able to respond to the changing market demands. Furthermore, it is believed that innovation boosts the productivity of the firms, promotes investments in research, and development, and eventually results in the application of new technology which is the driving force behind a long-term economic advance (Olokundun et al., 2017).

2.1.2 Open Innovation

Developed by Henry Chesbrough in 2003, open innovation is a collaborative approach to managing innovation through knowledge sharing among organisations. Unlike traditional closed models, it leverages external knowledge sources such as consumers, suppliers, universities, and research institutes to accelerate innovation and enhance competitive advantage. It promotes knowledge diffusion within firms to foster both process and product innovation (Singh et al., 2021) and is particularly effective for crisis management through global collaboration, transparent information sharing, intellectual property oversight, and technology evaluation (Rumanti et al., 2022; Yuana et al., 2021).

Open innovation integrates internal and external innovation sources, aligning them with organisational resources and talents to drive outcomes (Yun et al., 2020). A strong partnership between organisations and employees is key to achieving innovation goals and enhancing performance (Pap et al., 2022). Senior leaders strategically utilise external capabilities to improve organisational performance (Scaliza et al., 2022), with evidence showing that adopting open innovation boosts firm and economic performance (Valdez-Juárez et al., 2021; Lee et al., 2010).

In the digital age, open innovation is vital for leveraging market insights, internal and external stakeholder ideas, and technology advancements like the internet and smart devices (Rumanti et al., 2021). These strategies optimise information exchange, accelerate innovation, and expand market reach (Rumanti et al., 2022). The approach is divided into inbound and outbound strategies: the former integrates external knowledge into the organisation, while the latter shares internal expertise through licensing or partnerships for mutual benefits (Chesbrough, 2003; Popa et al., 2017).

Despite its advantages, digital transformation poses challenges to implementing open innovation. Leaders must adapt to emerging technologies and foster global collaboration to remain competitive (Tutak et al., 2022).

2.1.3 Open Inbound Innovation, Open Outbound Innovation and Coupled Open Innovation

The method of open innovation based on information and resource movement can be divided into inbound - when external resources and knowledge of the company are taken, and outbound - when internal resources and know-how are externalized (Meng, Wang & Li, 2022).

The open inbound innovation method is defined by Chesbrough & Crowther (2006) as the procedure of locating and creating new partnerships with other companies to reinforce a firm's capability to innovate. Ties with managers are of great importance to be able to find out how to access and use the various market business information which is very good for the company. They are a type specified in a list of string options and their evaluation is specific (Naqshbandi & Jasimuddin, 2022).

Outbound open innovation implies that firms can search for external players that have better fitting business models to exploit and commercialize a particular technology than just depend on internal paths to market (Naqshbandi et al. 2022).

A firm's collaboration with customers, suppliers, opponents, and institutions' external stakeholders stands for the coupled open innovation of a firm. Working with these unions, the company shares ideas, knowledge, risks, costs, and resources, which leads to better identification of innovative opportunities and the realization of superior performance in innovation through the adoption of certain technologies (Kobarg et al., 2019; Filiou, 2020; Sesabo, Kato & Chao, 2023). The companies that collaborate with their market and research partners via these ways attain sharp insights into technological and market trends that can be used to develop novel solutions, fresh business plans, and expansion strategies (Yun et al., 2019). The recognized concept behind this is that companies are capable of elevating their access towards new ideas, knowledge, and technologies through the network of partner expansion in both extensive and intensive ways (Sesabo et al. 2023)

2.1.5 Organisational Performance

Organisational performance is a multifaceted construct that reflects how effectively an organisation achieves its goals using available resources to deliver value to stakeholders (Mard, 2012). It is critical to the survival and competitiveness of modern corporations (Richard et al., 2019), with firms striving to excel in performance to remain viable. Performance evaluation involves assessing both qualitative and quantitative indicators such as profit, customer satisfaction, and operational costs (Popova & Sharpanskykh, 2020). Rigorous performance analysis guides organisations in achieving strategic and operational objectives (Xie et al., 2023). It encompasses financial and non-financial outcomes measured against predetermined objectives (Taouab, 2019). Taouab (2019) introduces the performance pyramid, a hierarchical framework with four levels. At the top, the corporate vision is defined and translated into specific objectives for business units. The second level focuses on financial and market growth goals, using metrics such as profitability, return on investment, and share price. The third level prioritises daily operational indicators like customer satisfaction, adaptability, and productivity. At the base, performance measures address broader operational aspects, including product quality, process efficiency, delivery performance, and waste control. This structured approach ensures alignment between strategic goals and operational execution.

2.1.4 Organisational Non-Financial Performance

Organisational non-financial performance encompasses qualitative and quantitative measures that assess an organisation's effectiveness, impact, and sustainability beyond financial metrics. While financial indicators reveal economic health, non-financial metrics provide a holistic view, addressing customer satisfaction, employee engagement, innovation capability, environmental sustainability, and social responsibility (Tidd & Bessant, 2018). These measures capture intangible assets and activities that drive long-term value creation (Kaplan & Norton, 2014).

Customer satisfaction reflects the organisation’s ability to meet or exceed expectations, fostering loyalty, trust, and sustainable growth through high-quality products and services (Anderson et al., 2014). Similarly, employee engagement influences productivity, morale, and retention, with engaged employees driving innovation, customer service, and overall performance (Saks, 2016; Macey & Schneider, 2018). A supportive work environment promotes alignment with organisational goals, enhancing satisfaction and success.

Innovation capability, a core dimension, represents the organisation's ability to develop and implement new ideas, technologies, and processes, strengthening resilience and competitiveness (Baregheh et al., 2019). Allocating resources to R&D, encouraging creativity, and fostering partnerships enhance innovation and sustainable value creation (Tidd & Bessant, 2018).

Environmental sustainability and social responsibility reflect an organisation's ethical commitment to reducing its environmental footprint and promoting equity and well-being. Stakeholders increasingly demand accountability, resource conservation, and transparency (Epstein & Buhovac, 2014; Porter & van der Linde, 2015). Integrating sustainability principles mitigates risks, enhances brand reputation, and creates shared societal and environmental value.

2.1.6 Impact of Open Innovation or Non-Financial Performance

To date, the impact of open innovation on corporate performance remains inconclusive, with most research suggesting a positive influence but some studies indicating an inverse U-shaped relationship or even a negative effect (Greco et al., 2015; Rumanti et al., 2021). Extensive research highlights open innovation's ability to enhance organizational performance, particularly innovation outcomes, and its favourable impact on financial performance (Ebersberger et al., 2012; Inauen & Schenker-Wicki, 2011; Parida et al., 2012; Wang et al., 2012; Lee et al., 2015; Lu & Chesbrough, 2022). However, the exploration of its influence on non-financial performance has gained traction, reflecting the importance of collaboration and external partnerships in advancing organizational success beyond financial metrics (Chesbrough, 2003; Adegbesan & Oluwafemi, 2017).

Open innovation significantly affects non-financial performance areas such as customer satisfaction, employee engagement, and innovation capability. By engaging external stakeholders like customers and suppliers, organizations gain insights into market trends and customer preferences, enabling them to develop user-centric products that enhance satisfaction and loyalty (Chesbrough & Bogers, 2014; Awoyemi & Adeniji, 2019). Simultaneously, involving employees in the innovation process through activities like hackathons and cross-functional teams fosters a culture of collaboration, boosting morale, engagement, and retention (Oyelaran-Oyeyinka & Gehl Sampath, 2019). Additionally, leveraging external networks and partnerships amplifies access to diverse ideas and technologies, fueling innovation and enhancing the organization's adaptability to dynamic market conditions (Laursen & Salter, 2016).

Beyond customer and employee dimensions, open innovation also contributes to environmental sustainability and social responsibility. By partnering with external stakeholders, organizations can address environmental challenges, promote sustainable practices, and support a transition to a low-carbon economy (Van der Have & Rubalcaba, 2016; Furrer et al., 2018). Furthermore, such collaborations foster meaningful community engagement, driving the co-creation of social value and fostering inclusive development. Thus, open innovation serves as a comprehensive strategy that not only drives performance across multiple fronts but also enhances an organization's capacity to meet societal and environmental expectations.

2.1.7 Challenges of Open Innovation Initiatives on Non-Financial Performance

Despite its potential benefits, open innovation presents challenges that can impede non-financial performance, particularly in organizational culture, intellectual property management, collaboration dynamics, and resource allocation. Resistance to change often arises in organizations entrenched in traditional closed innovation models, where silos and reluctance to collaborate with external partners prevail (Chesbrough, 2003; West & Bogers, 2014). Addressing these cultural barriers requires strong leadership and change management to build a culture of openness, trust, and collaboration.

Another critical challenge lies in managing intellectual property rights and ownership during collaborative innovation efforts. Sharing ideas and technologies with external partners raises concerns about intellectual asset protection and equitable benefit distribution (Chesbrough, 2006; Awoyemi & Adeniji, 2019). Clear governance mechanisms, agreements, and guidelines are essential to mitigate risks and incentivize all stakeholders. Additionally, effective collaboration with diverse stakeholders, often with differing priorities and objectives, demands trust-building, proactive relationship management, and aligned goals to ensure success (West & Bogers, 2014; Laursen & Salter, 2006).

Resource allocation further complicates open innovation, requiring organizations to invest in technology, infrastructure, and talent while balancing ongoing operations (Chesbrough, 2006; Laursen & Salter, 2006). These projects may strain budgets and necessitate strategic resource planning to maximize value creation. Furthermore, regulatory and legal complexities, such as intellectual property laws and data privacy regulations, can constrain collaboration, especially in highly regulated industries (Chesbrough, 2003; Awoyemi & Adeniji, 2019). Overcoming these multifaceted challenges is crucial for organizations to realize the full value of open innovation initiatives.

2.2 Theoretical Framework

2.2.1 Open Innovation Theory

Open Innovation Theory by Henry Chesbrough opens with a concrete plan for firms to harness resources from outside and make them look like internal ones to create innovation and superiority in the market (Chesbrough, 2003). The notion most prominently deviates from the traditional conservative R&D companies that depend on themselves and instead goes about the joint venture, coaching of the supply train, partnerships stemming from the extension of the concept outside of the organization to customers, suppliers, universities, and competitors (Chesbrough & Bogers, 2013). Following the open innovation methodology, corporates would open alternative channels of in-flow of diverse viewpoints, rare expertise, and additional funds that will work as motivational energy, on their part, and supply the necessary tools for the commitment endeavour.

The theory elucidates instances such as external technology sourcing, collaborative R&D, licensing, joint ventures, and crowdsourcing, which in turn allow firms to draw on external knowledge networks as well as thereby, quickly innovate with a decrease in risk and at a more affordable cost (Chesbrough & Vanhaverbeke, 2011). Generating the actual relationship between the reward distribution basis as well as the protection of intellectual property rights is part of the process of providing the governance mechanisms and defining the management of good values for all the partners involved (Chesbrough, 2006). Moreover, Chesbrough built a concept of Open Innovation Theory to assimilate the changeable innovation landscapes, therefore organizations are being urged to rethink their strategies to adapt to the rapidly evolving market conditions, technological developments, and competitive rivals, as well (Chesbrough, 2019). The focused strategic plan lays out a well-defined blueprint for the organization, which makes it efficient in implementing partnerships, innovation, and the creation of value in a shifting business environment.

3.0 Methodology

Nigerian Breweries PLC is the focus of this scientific investigation which is of descriptive survey research design in an attempt to check the open innovation impact on the non-financial operational performance of Nigerian Breweries PLC. The study population was 2,305 employees in the company, who worked at different departments and hierarchical levels The sample size, calculated based on Taro Yamane's formula, was 341 questionnaires to enable the representativeness of the whole sample of the employees. The structured questionnaires were administered with two sections: Section A - demographic and Section B, which assessed the respondents' awareness and opinions regarding open innovation practices. A 5-point Likert scale was used in the scoring system to allow the respondents to express the degree of their agreement with the statements which were set forth to achieve the study objectives. Validity was attained through expert opinion whereby the revision form was used by the researcher to refine the research instrument concerning content and structure. To check reliability, the pilot test was given to 40 firms' employees not included in the study which came up with a high level of internal reliability where the Cronbach Alpha was found to be equal to 0.791. Data were collected from Nigerian Breweries PLC, Ijebu-Ode, Nigeria, with the help of a research assistant. The company's HR department granted permission for the the study, and the questionnaires were given out to the selected sample after the participants had been briefed on the study's objectives and given an assurance of privacy. A standardized protocol that maintained the highest accuracy and reduced bias in the whole process was maintained. Data were analysed using descriptive statistics from percentage and frequency counts.

4.0 Results and Discussion of Findings

4.1 Descriptive Statistics of Respondents Bio Data

Table 4.1 Descriptive Statistics

Characteristics	Classification	No Of Response	Percentage(%)
Gender	Male	269	76.8
	Female	79	23.2
	Total	**341**	**100.0**
AGE	18-25 years	119	34.9
	26-35 years	173	50.7
	36 and above	49	14.4
	Total	**341**	**100**
Position in the Company	Manager	68	19.9
	Supervisor	113	33.1
	Employee	122	35.8
	Others	38	11.1
	Total	**341**	**100.0**
Educational Qualification	O'Level	63	18.5
	NCE/OND	156	45.7
	B.Sc	118	34.6
	Post Graduate	4	1.2
	Total	**341**	**100.0**
Years of Experience	Less than a year	60	17.6
	1-3 years	235	68.9
	4-6 Years	6	1.8
	More than 6 years	40	11.7
	Total	**341**	**100.0**

Source: Researcher's Field Survey (2024)

4.2 Analysis of Research Hypotheses

H_{o1}: There is no significant relationship between open innovation on the non-financial performance of an organization**.**

Table 4.2.1 Research Hypothesis One

ANOVA[a]

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	.027	1	.027	.151	.048[b]
	Residual	60.671	339	.179		
	Total	60.698	340			

Correlation is significant at the 0.05 level (2-tailed)

The research found a very strong relationship between open innovation and the non-financial performance of Nigeria Breweries PLC. The obtained F-value is 0.151, calculated at a significance level of 0.048, which is lower than 0.05, is commonly used. It means that the model created succeeded in demonstrating the correlation between open innovation and non-financial performance. The result gives evidence to reject the null hypothesis, which means that it elicits the influence of open innovation on the non-financial success of the organization on a statistical level.

H_{o2}: There is no significant impact of inbound open innovation on non-financial performance in Nigeria Breweries PLC, Ijebu Ode

Table 4.3.2 Research Hypothesis Two

ANOVA[a]

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	.373	1	.373	2.093	.025[b]
	Residual	60.325	339	.178		
	Total	60.698	340			

Correlation is significant at the 0.05 level (2-tailed)

The observation reveals the influence of inbound open innovation on non-financial performance explicitly. The F-value is 2.093 with a significance level of 0.025, which is less than the 0.05 threshold. Thus, it is concluded that inbound open innovation has a significant influence on non-financial performance, so the null hypothesis is rejected.

H_{o3}: There is no significant impact of outbound open innovation on non-financial performance in Nigeria Breweries PLC, Ijebu Ode

Table 4.3.3 Research Hypothesis Three

ANOVA[a]

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	.101	1	.101	.567	.045[b]
	Residual	60.597	339	.179		
	Total	60.698	340			

Correlation is significant at the 0.05 level (2-tailed)

For outbound open innovation, the analysis shows a significant impact on non-financial performance. The computed F-value is definitely at the level of 0.567 with a significance level of 0.045. The fact that the significance level is less than 0.05 reflects that the null hypothesis should be rejected. The results obtained from the study show that outbound open innovation has an essential impact on the non-financial performance of the company.

H_{o4}: There is no significant impact of coupled open innovation on non-financial performance in Nigeria Breweries PLC, Ijebu Ode

Table 4.3.4 Research Hypothesis Four

ANOVA[a]

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	.143	1	.143	.801	.037[b]
	Residual	60.555	339	.179		
	Total	60.698	340			

Correlation is significant at the 0.05 level (2-tailed)

The analysis of mixed open innovation reveals a significant impact on non-financial performance at Nigeria Breweries PLC, Ijebu Ode. The ANOVA Table demonstrates an F-value of 0.801 with a significance level of 0.037. This p-value is less than the conventional level of 0.05, suggesting that the effect of coupled open innovation on non-financial performance is statistically significant.

4.4 Discussion of Findings

Based on empirical data, it can be concluded that the open innovation strategy can lead to non financial performance improvement if applied by Nigeria Breweries PLC, Ijebu Ode branch. The first step for an organization to stimulate innovation is to establish effective cooperation with its external partners such as suppliers, clients, and academic institutions. These findings, which are in line with the research conducted by Augustina et al. (2023), showed that a high level of individual creativity, group creativity, internal environment, and knowledge generation inside an organization can directly influence the performance of small and medium-sized enterprises (SMEs). This particular approach, in which employees can participate in information and idea exchange and thus create new knowledge, serves as a tool for the input of new ideas to the organization. Integrating technological information and other factors into organizational practices has given the company a competitive edge and enhanced its profile as a sound corporate citizen in the industry.

The truth remains that open innovation is the key component of the company's ability to maintain cost leadership, engage employees in the process of generation of new ideas and understand and align its corporate values, which makes it possible to improve non-financial performance.

According to the study, the non-financial performance of Nigeria Breweries PLC, Ijebu Ode is positively influenced by inbound open innovation. Through the incorporation of external ideas and innovations, the organisation strengthens its capacity to generate novel concepts and increase product development procedures. This aligns with the conclusions of Allessandra et al. (2023), who demonstrate that digital small and medium-sized enterprises (SMEs) can optimise expenses by minimizing the costs related to external operations and focusing on their core business activities. The company's capacity to recognise and exploit market opportunities has been enhanced by successful collaborations with external partners, which have demonstrated their effectiveness in producing substantial product innovations. Furthermore, these efforts have fortified consumer loyalty, as the open innovation strategy successfully corresponds with the demands and customers' expectations. Resultantly, inbound open innovation plays a crucial role in helping the company to maintain agility and as well swift responsiveness to market changes, inculcate strong customer relationships, and positively improve overall organisational performance.

The impact of outbound open innovation on the non-financial performance of Nigeria Breweries PLC, Ijebu Ode, is significant. The firm's strategy of the knowledge and skills dispelled to the external partners makes way for successful partnership, which enhances visibility and strengthens the company's position in the industry.

By strategically utilizing the external networks, the company successfully investigates untapped markets and prospects, thereby stimulating expansion and setting objectives beyond its known limits. A study by Sung et al. (2020), which investigated the impact of internal performance on external performance, affirms this position as it was discovered that implementing open innovation and creating additional products with innovative content can promote customer satisfaction and generate revenue in the cultural tourism industry. The outbound activities enhance the company's position in the industry and help play a crucial role in establishing robust external partnerships all aligned with its long-term strategic objectives. Therefore, utilization of outbound open innovation by the company is paramount within the innovative strategy of the company, whereby it maintains its capabilities and keeps up with ever changing market needs.

Open innovation, characterised by collaboration between internal and external partners, has a substantial impact on the non-financial performance of Nigeria Breweries PLC, Ijebu Ode. The implementation of this approach enables the organisation to integrate a broad range of concepts and resources, thereby promoting the development of innovative products and services. The rationale for this can be justified by the study of Sung et al. (2020), which gives us deeper insights of our understanding on the implementation of open innovation and enables the development of more goods with innovative content. These goods are developed to enhance customer happiness and generate revenue within the cultural tourism industry.

Collaborative initiatives are also deployed to communicate company's mission to target client to ensure engagement, establishing a feeling of one purpose. Nevertheless, the results indicate that although paired open innovation has a significant beneficial effect on staff commitment, its influence is not seen consistently throughout the whole organisation. Hence, although coupled innovation plays a crucial role in driving innovation and consumer engagement, there exist possibilities to enhance its impact on employee morale and internal alignment.

5.0 Summary, Conclusion and Recommendation

5.1 Summary of Findings

The major aim of this study was to examine the relationship between Nigeria Breweries PLC, located in Ijebu Ode, and its non-financial performance and business innovation. The findings showed that:

1. Open innovation significantly enhances the non-financial performance of Nigeria Breweries PLC, Ijebu Ode.
2. Inbound open innovation positively impacts the non-financial performance of Nigeria Breweries PLC, Ijebu Ode.
3. Outbound open innovation has a considerable influence on the non-financial performance of Nigeria Breweries PLC, Ijebu Ode.
4. Coupled open innovation, which involves collaboration between both internal and external partners, plays a significant role in the non-financial performance of Nigeria Breweries PLC, Ijebu Ode.

5.2 Conclusion

The study concludes that open innovation plays a pivotal role in enhancing the non-financial performance of Nigeria Breweries PLC, Ijebu Ode. The integration of external knowledge, collaboration with diverse partners, and the fostering of a strong internal innovation culture are important in maintaining the company's competitive edge. Inbound and outbound open innovation strategies have proven effective in driving product innovation, improving market responsiveness, and strengthening customer loyalty. Coupled open innovation, though beneficial, shows room for improvement in terms of its impact on employee commitment and internal alignment. Overall, the findings underscore the importance of a well-rounded open innovation strategy in sustaining long-term non-financial success.

5.3 Recommendation

Based on the findings, it is recommended that:

1. Nigeria Breweries PLC should strengthen collaboration with research institutions and industry partners to sustain innovation-driven performance.
2. The company should actively integrate external knowledge from suppliers, universities, and technology firms to improve product development and efficiency.
3. Increasing knowledge-sharing programs, licensing agreements, and strategic alliances can enhance market reach and competitive advantage.
4. Implementing cross-functional teams and training programs will ensure better internal alignment and maximize the benefits of combined inbound and outbound innovation strategies.

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