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The Influence of Organizational Capabilities and Innovation Capabilities to Achieve Competitive Advantage on Sustainable Business Performance at PT Azbil

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Abstract: The purpose of this study was to determine the effect of Organizational Capability and Innovation Capability to Achieve Competitive Advantage on Sustainable Business Performance at PT Azbil. The sampling technique uses purposive sampling, amounting to 30 respondents. Data collection using a questionnaire. Data analysis techniques using Structural Equation Modeling (SEM) analysis which is processed with Smart PLS 2.0. The results of the study prove that organizational capability has a positive and significant effect on competitive advantage at PT Azbil. The capability of innovation has a positive and significant effect on competitive advantage at PT Azbil. Organizational capability does not significantly influence the sustainable business performance of PT Azbil. The capability of innovation has a positive and significant effect on the sustainable business performance of PT Azbil. Competitive advantage has a positive and significant effect on the sustainable business performance of PT Azbil.

Keyword: Organizational Capability, Innovation Capability, Competitive Advantage, Sustainable Business Performance.

INTRODUCTION

Competition in the business world in today's era of globalization is increasingly fierce, driven in part by rapid technological developments. Fierce competition in business requires companies to be more innovative, understand and comprehend market trends, and identify current consumer needs. Businesses also need to be aware of changes in the business environment to compete with other companies. Business pressure from strong competitors will indirectly impact business performance.

Monsur and Yoshi (2011) stated that entrepreneurs who want to achieve good performance must be supported by superior capabilities. Competitive advantage is a condition where a business unit has the advantage or strength to win over its competitors. the more tightness competition the, so company must understand what and how method For manage various source the power it has.

Companies must be able to manage all their resources to create competitive advantage and achieve superior company performance. Organizational resources that can be optimized to improve competitive advantage and organizational performance are all competencies within the organization. In general, competencies emphasize the productive behaviors that individuals must possess and demonstrate in carrying out a job to achieve outstanding performance (Hutapea and Nurianna, 2008, cited in Irmawati et al., 2018).

In level increasing competition tight and progress technology that is not can dammed so something product company will grow develop come to a point, where product the later will difficult differentiated between One with others. In order to win in something competition so in market product moment This manufacturer no only based on quality product only, but also depends from the strategies implemented by the company.

From the description above importance superiority compete in find performance sustainable company . This is also possible applies to industry Building Automation System (BAS) in Indonesia. Building Automation System (BAS) is equipment in the form of system as tool for help operational all over equipment supporters building in a way centralization so that convenience operational and efficiency energy. Function BAS equipment supports regulations Indonesian government regarding energy saving in Law No. 30 of 2007. Increasingly tall level industry and companies a country is increasingly big level too need power electricity and tend to will Keep going increase in the future come. Effort required is do savings use energy electricity, costs operational more cheap, business like This known with term conservation energy, which then can translated in form efficiency and savings cost operational. Controlling and monitoring energy electricity with use BAS systems are one of them solutions in industry offices, apartments, hotels, centers shopping and all building with various its functions and uses which have control extensive electricity. With the BAS system will make it easier for operators to do control and monitoring to performance tools electricity that must be monitored every when, and give report disturbance in a way periodically and automatically.

Study This done on one of the company BAS principal who has established in Indonesia since in 1997, namely PT Azbil . PT. Azbil is a joint venture engaged in sales, instrumentation, engineering and maintenance of industrial automation and building automation products and systems in Indonesia. PT. Azbil is an overseas affiliate in Indonesia of Azbil Corporation (formerly Yamatake) and a joint venture with PT. Berca Indonesia, PT. Azbil serves various industries with industrial automation and control products since 1997. In 2006, a new group philosophy and brand symbol "azbil" were formulated to reflect the commitment to realizing safety, comfort, and fulfillment in people's lives and contributing to the global environment through "human-centered automation". The company has an initiative to be a long-term partner for customers and society by offering solutions based on Azbil's technology and products. In the future, by pushing forward together as an integrated group and in pursuing "human-centered automation," Azbil will create new value on the job site together with its customers, with the aim of helping meet the various challenges they face.

Pérez-de-Lema, Alfaro-Cortes et al. (2012) stated that competitive advantage can be achieved through adequate organizational capabilities. Liu, Hou et al. (2011) defined organizational capability as the ability to interact both socially and economically. Good capabilities are formed through good human resource competencies. Research by Adiputra and Mandala (2017) proved that organizational capabilities have a positive and significant effect on competitive advantage. In competitively successful organizations, the company's knowledge base is embedded in, and reflected in, its capabilities and is a primary source of competitive environmental advantage. Similarly, research by Bungara et al. (2017) proved that organizational capabilities have a positive and significant effect on competitive advantage.

Budiastuti and Versia (2011) demonstrated that organizational capabilities, including organizational culture and quality management, influence competitive advantage and thus company performance. Tuan and Yoshi's (2010) research findings indicate that organizational capabilities, including cost reduction, quality, and innovation, can significantly impact a company's competitive advantage. However, research by Iskandar et al. (2018) demonstrated that declining marketing performance is primarily due to weak competitive capabilities. Wajdi and Arsjah (2019) demonstrated that organizational capabilities have no impact on organizational performance.

Research by Mulyana and Sutapa (2014) demonstrated that innovation capability significantly influences competitive advantage and performance. Setiawan (2012) demonstrated that product innovation is a method used by companies to create new ideas, innovative new products aimed at creating a competitive advantage. Similarly, innovation capability significantly influences company performance (Mulyana and Sutapa, 2014).

Day & Wensley (1988) in Prakosa (2005) stated that there are two pillars in achieving competitive advantage: resource advantage and position advantage. Their research demonstrated that a company's competitive advantage is influenced by its performance. Effective company performance is a configuration of practical management that facilitates the development of knowledge that forms the basis of competitive advantage. Meanwhile, research by Droge et al. (1995) shows that a company's competitive advantage ultimately influences its market performance, as measured by customer growth.

Satwika and Dewi (2018) and Febriatmoko and Raharjo (2015) demonstrated in their research that competitive advantage impacts business performance. This condition signals to business actors to improve business performance. A strategy that can be used is to emphasize competitive advantage, which can drive business performance, while maintaining and even enhancing the role of entrepreneurial orientation and market orientation to enhance competitive advantage. Increasing the role of entrepreneurial orientation and market orientation will enhance competitive advantage, ultimately improving business performance. Similarly, research by Hoiron et al. (2018) and Satwika and Dewi (2018) demonstrated that competitive advantage impacts business performance. This means that every increase in competitive advantage will be followed by an increase in company performance. Elijah and Millicent (2018) also demonstrated that competitive advantage impacts company performance. Companies use resources and the competitive environment to maintain competitive advantage and company performance. However, this differs from research by Setyawati and Abrilia (2013), which found that competitive advantage did not impact company performance.

Based on the description above and the existence of research gaps in several previous studies, the researcher wants to conduct a study on the Influence of Organizational Capabilities and Innovation Capabilities to Achieve Competitive Advantage on Sustainable Business Performance.

Organizational Capabilities

Liu, Hou et al. (2011) stated capability organization covers ability company in weave connection in a way economic and social. Tibon (2015) stated that the relationship that is formed from a sense of trust Good in something organization and between stakeholders is factor important in facing dynamics environment. The stakeholder relationship in question covers connection Good with supplier and buyer. Relationship with buyer can formed through marketing strategies, coordination, and provision good service (Limakrisna, Sudarso et al, 2015).

Capability organization is Power response or combination closely related components close with ability organization for adapt self and or adapt with changing environment. So the concept capability organization show existence flexibility and dynamics in ability organization.

Therefore that, capability organization can different One with others, or between companies in different industries (Ros, in Adiputra, 2017).

According to Grant (1991) in Mulyono (2013:129), organizational capabilities are the main source for achieving good company performance, and the implementation of capabilities depends on the available resources. This means that when the resources owned by a company are inadequate, the company will have difficulty managing those resources and therefore its capabilities will not be optimal. This is clear because with the company's ability to manage all its resources, the company's performance will increase. This is reinforced by the statements of several researchers (Lo, 2012:151) who stated that when a company is able to identify, develop, use, and maintain its resources that are different from its competitors, this will enable the company to maintain its competitive advantage.

Weinstein & Azoulay (1999) in Mulyono (2013) state that there are three types of capability, namely dynamic capability , technological capability , and managerial capability as follows.

Dynamic capability.

The understanding of dynamic capabilities according to several researchers can be stated as the ability of a company to use its resources - especially in the process of integrating, reconfiguring, acquiring and releasing resources - which allows the company to respond quickly to new opportunities and even if possible be able to create market changes thanks to innovation as a means of adapting to changes in the external environment. This understanding of capabilities is essentially the ability of a company to adapt - by coordinating and reconfiguring its resources - which is the company's response to changes that occur in its environment in order to remain able to survive in its industry, which is expected to be better than its competitors.

Technological capability

Technological capability, according to several researchers, can be defined as a company's ability to develop existing technologies into newer technologies to ensure its products meet market demands, thereby enabling it to produce products that also meet market demands. For a company to survive and thrive in its industry, it requires the capability to continuously adopt, reproduce, adapt, and improve new technologies to generate technological capability.

Managerial capability

Managerial capability is a company's ability to ensure efficient management and implement organizational innovation. Zawislak et al. (2012:19) define managerial capability as the ability of management to maintain a smooth flow of information and output to achieve a high level of efficiency. Based on these understandings of managerial capability, it can be stated that this capability is carried out by managers in a company who, with their abilities, are able to manage all activities within the company well, thereby creating high efficiency and effectiveness to achieve the desired goals.

Innovation Capability

Freeman (2004) in (Satwika and Dewi, 2018) stated that innovation is a company's effort through the use of technology and information to develop, produce, and market new products for the industry. Innovation is something that already exists, then given added value. Innovation can create market segment development, form a good corporate position, and increase company growth (Mulyana and Sutapa, 2014). Innovation is the ability to find creative solutions to problems and opportunities to improve or enrich life (Zimmerer, 2008). Product and process innovation is very important for organizations and will determine the organization's success (Nusair, 2012).

Romijn and Albaladejo in Yanuarto et al. (2012) stated that innovation capability is an organization's ability to develop and modify its existing products and technologies, or to create new ones. Innovation capability has a significant impact on companies' ability to make breakthroughs to improve their performance.

Referring to the research of Momeni et al (2015), it is understood that innovation capability depends on other capabilities in the organization which can be classified into three dimensional groups, namely: 1) Structural Ability : Structural capabilities depend on the internal processes of the organization as managerial capacity, cultural capacity, communicative capacity and knowledge capacity of the organization. 2) Personnel Capability : Personnel capabilities depend on individual knowledge capacity, discovery of business environment opportunities and the ability to generate ideas based on human resource creativity. 3) Operational Capability Operational capability is highly dependent on technological capacity and support capacity.

Competitive Advantage Advantage)

Superiority compete (competitive advantages) is a formulation strategy designed company in reach opportunities that are not can imitated by competitors For maximize Profitable and profitable (Pakaya , 2011). Advantages compete is key success for organization or companies that are in an environment that is Keep going continuously experience change fast in environment competition is tight and deep period time is getting longer short (Main, 2010). So the advantage compete This can achieved with utilise source resources existing power in the company the.

Superiority compete is results from implementation of strategies that utilize various source Power human possession company. According to Porter, the advantages compete No only can understood with method look at A company as something overall in design, produce, market, deliver and support the product. Advantages compete as a profit strategy from companies that do cooperation in create more competition effective in the market (Fatah, 2014).

Competitive advantage according to Sihite et al (2016) is measured through several dimensions and indicators, namely: a. Time (delivery time, consistency, and supply chain). b. Quality (service quality, standards and guarantees). c. Costs (production costs, efficiency, and economics). d. Flexibility (customer needs, operational flexibility, and organization). e. Differentiation (being known by employees, being known by customers, providing added value).

Business Performance

Business performance is a measure of the results of a business's work, both in quality and quantity (Purnomo, 2010). Performance is a description of the achievement of a program or policy in realizing an organization's goals, objectives, vision, and mission, as outlined in an organization's strategic planning (Lisa, Mattila, & Lee, 2016). Similarly, according to Purnomo (2010), business performance is a measure of a company's success in achieving its goals.

Business performance is the results achieved by a company in financial and non-financial aspects, when compared with the standards or targets set by the company, this measurement is seen from the perspective of effectiveness, efficiency and adaptability (Hartini, 2012).

The concept of business performance (Venkatraman & Ramanujam, 1986:803-804) narrowly focuses on the use of results based on financial indicators that are assumed to reflect the fulfillment of the company's economic goals, this concept refers to financial performance such as market growth, profitability, earnings per share . While the concept of business performance broadly, in addition to financial performance indicators, also includes operational performance indicators (i.e. non-financial).

Gronholdt et al (2014) explain that business performance can be measured using two main dimensions, namely:

Market performance

Market performance is measured by perceptions of product and service quality, customer satisfaction, customer loyalty, attracting new customers and corporate image.

Financial performance

Financial performance is measured by market share, turnover, gross operating profit, productivity and return on invested capital. Based on the literature review and studies of previous research that have been conducted, the theoretical framework of this research can be described to answer the research questions, namely:

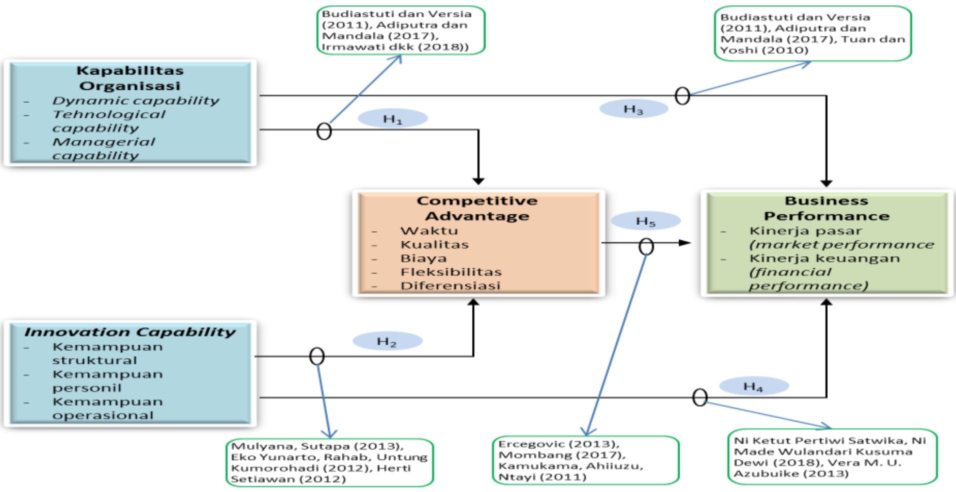

Figure 1. Research Conceptual Framework

Based on this framework of thought, the hypothesis in this study is as follows: H1 : Organizational capabilities have influence positive to superiority compete . H2: Capability innovation influential in a way positive to superiority compete. H3 : Organizational capabilities have an effect in a way positive to performance business . H4 : Capability innovation influential in a way positive to performance sustainable business . H5 : Superiority compete influential positive to performance sustainable business.

METHOD

This research focuses on the field of strategic management and specifically discusses the variables of organizational capability and innovation capability, their influence on competitive advantage, and their implications for sustainable business performance. In accordance with the objectives and benefits of this research, this research design uses a quantitative type that aims to analyze the relationship between one variable and another (causal relationship) through hypothesis testing. The target population is the Director and General Managers or managers and team leaders at a company engaged in the Building Automation System industry in Jakarta, namely PT. Azbil with a sample size of 30 respondents. The data analysis technique uses analysis SEM (structural equation model) statistics processed with software SmartPLS.

RESULTS AND DISCUSSION

Verification Analysis

In Structural Equation Modeling, two types of models are formed: the measurement model (outer model) and the structural model (inner model) . The measurement model explains the proportion of variance in each manifest variable (indicator) that can be explained in the latent variable. Through the measurement model, it will be known which indicators are dominant in the formation of the latent variable. After the measurement model for each latent variable is described, the next step is to describe the structural model that will examine the influence of each exogenous latent variable on the endogenous latent variable .

The calculation results of the entire model using SmartPLS 2.0 are as follows:

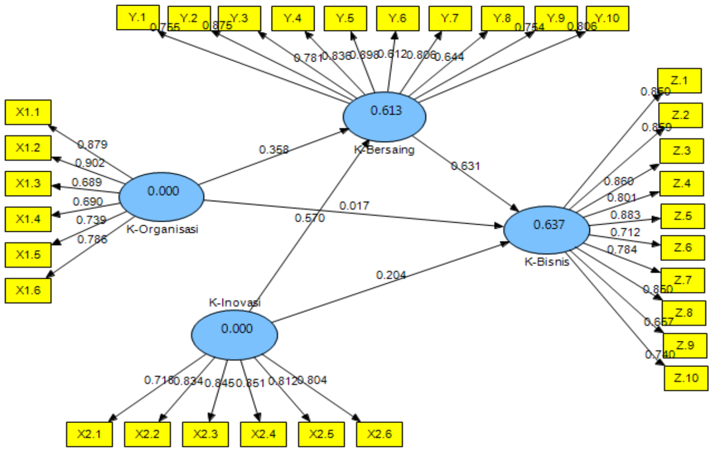

Figure 2. Output Path Diagram of PLS Algorithm

Testing the Measurement Model (Outer Model)

Measurement model testing (outer model) is used to determine the specifications of the relationship between latent variables and their manifest variables. This testing includes convergent validity , discriminant validity and reliability.

Validity Test

Validity can be tested using the Variance Extraced (AVE). An AVE value is considered good if it is > 0.5. The AVE output can be seen in the following table.

Table 4.1 Average Variant Extracted (AVE)

Variables	AVE
Organizational Capabilities	0.659
Innovation Capability	0.617
Competitive Advantage	0.611
Sustainable Business Performance	0.645

Source: Data processed using PLS *software*

Based on the data presented in the table above, it is known that the AVE value for the variables organizational capability, innovation capability, competitive advantage, and sustainable business performance is >0.5. Thus, it can be stated that each variable has good discriminant validity .

Cronbach Alpha

The reliability test using the composite reliability above can be strengthened by using the Cronbach alpha value . A variable can be declared reliable or meets the Cronbach alpha value if it has a Cronbach alpha value > 0.7. The following are the Cronbach alpha values for each variable:

Table 4.2 Cronbach Alpha

Variables	Cronbach's Alpha

Organizational Capabilities	0.897
Innovation Capability	0.877
Competitive Advantage	0.928
Sustainable Business Performance	0.938

Source: Data processed using PLS software

Based on the data presented above, it can be seen that the Cronbach alpha value for each research variable is > 0.7. Thus, these results can indicate that each research variable has met the Cronbach alpha value requirements , so it can be concluded that all variables have a high level of reliability.

Measurement of Structural Model (Inner Model)

The inner model is a test of the structural model conducted to examine the relationship between latent constructs. In this study, the inner model was tested by showing the R2 value for the endogenous latent construct. Furthermore, the structural model in the inner model was tested using the predictive relevance (Q2) value .

The hypothesis in this study will be tested using the path coefficient and t-values presented as follows.

Coefficient of Determination (R^2)

Coefficient determination is numbers that show big contribution the influence exerted exogenous latent variables to Endogenous latent variables . Based on results testing use SmartPLS 2.0 software , obtained results as following :

Table 4.3 Coefficient Values Determination (^{R2} Test)

Latent Variable	R^2
Organizational capabilities and innovation capabilities → Competitive advantage	0.613
Organizational capabilities, Innovation capabilities and Competitive Advantage →Sustainable business performance	0.637

Source : Processed data use PLS *software*

In the table above , it can be seen mark R Square for Competitive Advantage variable which is obtained is of 0.613 or 61.3 %. The results show that organizational capabilities and innovation capabilities in general together give influence as big as 61.3 % against Competitive advantage, whereas as much as (1- R Square) 38.7 % the rest is big contribution influence exerted by other factors that are not researched.

Then the value R Square for Sustainable Business Performance variable which is obtained is of 0.637 or 63.7 %. The results show that organizational capabilities, innovation capabilities and competitive advantage in a way together give influence as big as 63.7 % against Sustainable business performance, while as much as (1- R Square) 36.3 % the rest is big contribution influence exerted by other factors that are not researched.

Predictive – Relevance (Q^2)

Changes in the R2 value are used to determine whether the measurement of exogenous latent variables on endogenous latent variables has a substantial impact. This can be measured using the effect size f2 . A model is considered to have relevant predictive value if the Q - square value is greater than 0 (>0). The predictive-relevance value is obtained using the formula:

$$Q^2 = 1 - (1 - R_1^2)(1 - R_2^2) \dots (1 - R_n^2)$$

$$Q^2 = 1 - (1 - 0.637)(1 - 0.613)$$

$$Q^2 = 0.860$$

Based on the calculation results above, the Q-Square value was 0.860. This indicates that 86.0% of the research data diversity can be explained by the research model. The remaining 14 % is explained by factors outside the model. Therefore, this research model can be considered to have good goodness of fit .

Analysis Results Testing Hypothesis

Hypothesis testing is performed by examining the t-statistic, measured using a t-table. Hypothesis testing in PLS is performed using the bootstrapping method on the sample. The results of the overall model calculation using SmartPLS 2.0 are as follows:

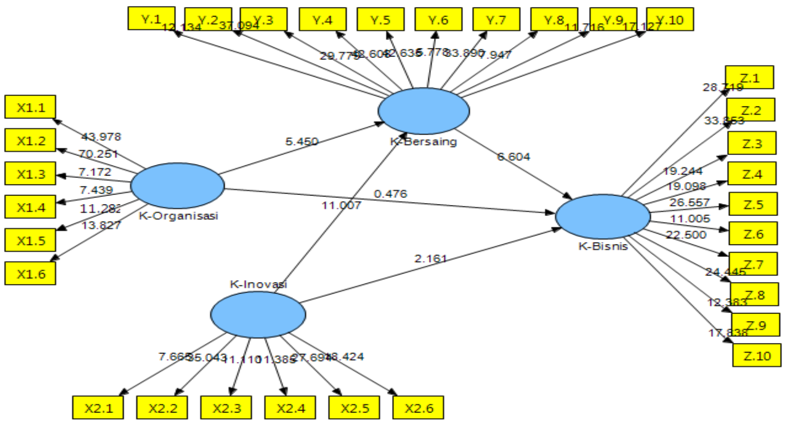

Figure 4.2 T-Values Diagram

Based on the data processing, the results can be used to answer the hypothesis in this study. Hypothesis testing in this study was conducted by observing the T-Statistics value > 1.96 (significance level = 5%) . The following are the results of the hypothesis testing:

Table 4.4. Hypothesis Testing Results

Construct Relationship	Path Coefficient	T Statistics (|O/STERR|)	T-table	Information	Conclusion
Organizational capabilities -> Competitive advantage	0.358	5,450	1.96	H0 is rejected	Significant
Innovation capability -> Competitive advantage	0.570	11,007	1.96	H0 is rejected	Significant
Organizational capabilities -> Sustainable business performance	0.017	0.476	1.96	H0 is accepted	Not Significant
Innovation capability -> Sustainable business performance	0.204	2,161	1.96	H0 is rejected	Significant
Competitive advantage -> Sustainable business performance	0.631	6,604	1.96	H0 is rejected	Significant

Discussion

The Influence of Organizational Capabilities on Competitive Advantage

Research results demonstrate that organizational capabilities significantly influence competitive advantage. This means that improved organizational capabilities will lead to increased competitive advantage. Conversely, declining organizational capabilities will result in a company's competitive advantage decreasing.

The results of this study support previous findings by Budiastuti and Versia (2011), who demonstrated that organizational capabilities, measured by organizational culture and quality management, have a positive and significant impact on competitive advantage. Adiputra and Mandala (2017) and Irmawati et al. (2018) demonstrated that capabilities have a positive and significant impact on competitive advantage.

PT Azbil's organizational capabilities received a positive response from respondents in terms of the company's ability to maintain good relationships with company stakeholders and the company's ability to allocate company resources. This has an impact on increasing the company's competitive advantage, namely in the quality of the company's services received a high response from respondents. Likewise, the company's level of standardization was stated to be high so that it forms a competitive advantage of PT Azbil in the field of instrumentation, engineering and maintenance of industrial automation and building automation products and systems in Indonesia.

The Influence of Innovation Capabilities on Competitive Advantage

The research results show that innovation capability has a significant influence on competitive advantage . The better the innovation capability, the greater the competitive advantage. These results indicate a positive and fairly strong relationship between innovation capability and competitive advantage . with competitive advantages .

The results of this study align with previous findings by Setiawan (2012), who demonstrated that product innovation influences competitive advantage. Product innovation is a method used by companies to create new ideas; innovative new products aim to create a competitive advantage for the company. Sutapa (2014) also demonstrated that innovation capability influences competitive advantage. A company's ability to innovate products, markets, services, and technology is crucial for creating a competitive advantage. Product innovation involves adding models, variations, and colors to suit the target market segment. Service innovation involves improving service quality, and market innovation involves finding new market segments that meet the target market. Technological innovation involves keeping up with developments in information technology to support sales systems. Something new and different created through creative thinking and innovative action creates added value and becomes a competitive advantage in the market. A company's ability to perform better than other companies in the same industry demonstrates a competitive advantage.

PT. Azbil has realized that by carrying out innovations both in the processes and products produced, it can increase superior value in the minds of customers, so that it can survive even in very tight competition.

The company's innovation capabilities, including its ability to conduct research and interact with others to seek support for innovation, are considered strong. Similarly, the company's research and development capabilities are also considered strong. This has resulted in increased competitive advantage for the company, which includes the application of advanced technology in office and industrial building automation, and the implementation of the SAP Business One business management application system to enhance its competitive advantage.

The Influence of Organizational Capabilities on Sustainable Business Performance

The results of this study demonstrate that organizational capabilities do not significantly influence sustainable business performance. This is due to the relationship between organizational capabilities and sustainable business performance. The relationship between sustainable business performance and performance is very low. This very low relationship indicates that the organizational capabilities (with dimensions of dynamic capability, technological capability , and managerial capability) developed by the company are still unable to improve its performance sustainably.

The results of this study support previous research by Faisal and Rahmi (2019), which demonstrated that dynamic capability has no impact on the performance of the food processing industry. Similarly, research by Amrul and Hardi (2010) demonstrated that information technology capability has no impact on financial performance. The insignificant direct effect of information technology capability on financial performance may be due to the low quality of human resources in information technology in publicly traded manufacturing companies in Indonesia.

The results of this study differ from previous findings by Budiastuti and Versia (2011), which demonstrated that company capabilities can significantly and positively influence performance. Capabilities have a positive effect on company performance (Adiputra and Mandala, 2017). There is a positive relationship between capabilities and performance (Tuan and Yoshi, 2010).

PT Azbil's organizational capabilities are relatively good, including its ability to launch new products or enter new markets in the Building Automation System sector , as well as its ability to adopt or adapt technological capability solutions . However, this has not significantly improved its business performance, such as increasing sales growth from new customers or profitability over the past five years.

The Influence of Innovation Capabilities on Sustainable Business Performance

The results of this study demonstrate that innovation capability significantly influences sustainable business performance. The better the innovation capability, the greater the impact on sustainable business performance. These results indicate a positive relationship between innovation capability and sustainable business performance. with sustainable business performance.

These findings support previous research by Satwika et al. (2018), which demonstrated that innovation capability impacts business performance. Business owners who develop new processes and products tailored to consumer preferences will then purchase the company's products, thereby improving business performance, including sales, profits, and target market. Azubuike (2013) also demonstrated that technological innovation capability correlates with a company's performance in developing new products.

PT Azbil has realized that by creating or developing something new, both in processes and products that are tailored to consumer desires, consumers will buy the company's products, thereby increasing business performance, namely sales, profits and market targets.

PT Azbil's innovation capabilities are inextricably linked to the competence and knowledge of its human resources, as well as the creativity of its employees in developing business ideas. Companies with these resources will have a high level of research and development capability, resulting in a high customer perception of the quality of its products and services. These innovations enable the company to attract new customers and ensure customer satisfaction with its products and services.

The Influence of Competitive Advantage has an Influence on Sustainable Business Performance

The results of this study demonstrate that competitive advantage significantly influences sustainable business performance. The stronger the competitive advantage, the greater the impact on sustainable business performance. These results indicate a strong positive relationship between competitive advantage and sustainable business performance. with sustainable business performance.

These findings align with previous research by Majeed (2011), which found that competitive advantage can improve business performance. These findings are also supported by research by Kamukama, Ahiauzu, and Ntayi (2011), which, in a theoretical study, stated that competitive advantage impacts company performance through the support of intellectual capital. Talaja and Ercegović (2013), in their latest research, stated that competitive advantage can improve sustainable business performance.

PT Azbil's competitive advantages include its standardization and consistent efforts to improve service quality. The company differentiates its products and services to provide superior value to customers. Other advantages include its price competitiveness compared to competitors and its flexibility in responding to customer needs.

A strong competitive advantage will create a positive company image in the eyes of customers within the Building Automation System. Every employee has the capability to improve their performance to increase company revenue. Therefore, every employee is required to increase the company's sales growth from new customers.

CONCLUSION

This study trying to answer objective research, namely for analyze Influence Organizational Capabilities and Innovation Capabilities towards Competitive Advantage and The implications to Sustainable Business Performance with the following research conclusions:
1.Organizational capability significantly influences PT Azbil's competitive advantage. Therefore, as organizational capability improves, the company's competitive advantage will increase. Organizational capability, in the form of service quality and a high level of company standardization, forms PT Azbil's competitive advantage in the fields of instrumentation, industrial automation engineering and maintenance, and building automation products and systems in Indonesia.

2. Innovation capability significantly impacts PT Azbil's competitive advantage. Therefore, as innovation capability improves, the company's competitive advantage will increase. Innovation capability, including the company's research and development capabilities and its ability to interact and seek support for innovation, has increased the company's competitive advantage in implementing advanced technology in the field of office building automation.3. Organizational capabilities does not have a significant impact on sustainable business performance at PT Azbil. Thus, organizational capabilities are proven to be unable to has not been able to improve business performance sustainably at PT Azbil, such as increasing the company's sales growth from new consumers or profitability levels.4. Innovation capability influential significant to sustainable business performance at PT Azbil. Increasingly tall innovations made, This will have an impact on increasing sustainable business performance.

The company's innovation capabilities are supported by competence and knowledge. source Power the human being he has For do innovation, employees creative in develop business ideas so that the company capable interesting customer new and provide satisfaction to customer on its products and services.5. Competitive advantage influential significant to sustainable business performance at PT Azbil. Increasingly tall The competitive advantages that the company has will have an impact on increasing sustainable business performance at PT Azbil . good competition will give image a company that is positive in the eyes of customer in Building Automation System.

Managerial Implications

1.Based on results research and basis theory so expected PT. Azbil can improve its organizational capabilities in the form of the company's ability to adopt or adapt technological capability solutions. Improve innovation capabilities with the company's ability to provide supporting work. Then, it can increase its competitive advantage while still paying attention to the level of cost production company so that it is not too high.

Ultimately, the company is expected to be able to improve its business performance by increasing growth. sale company from consumer new.2.Based on results research and basis theory so expected PT. Azbil can increase Ability innovation, with improvement competencies and resources Power human beings. Through creativity employee in development of business ideas . With The Company will own level high ability do research and development so that customer own high perception on quality from products and services provided company , and with development innovations the company capable interesting customer new and provide satisfaction to customer on products and services company3.Things outside the company whose developments cannot be controlled by the company and which have an impact on the company should be paid close attention to by company leaders, such as competition between companies, suppliers of raw materials, and developments in information technology and other determining factors.

Suggestion

Study This in the future upcoming expected can serve results further research quality Again with existence a number of input about a number of matter including: 1.For study furthermore expected For add samples accordingly with standard research, so that produce more information good again.

2.For researchers furthermore expected capable develop research models This with add other variables that influence superiority competitive and performance supported companies with theories and issues latest. 3.For PT Azbil, in order to be able to increase capability organization, capabilities innovation and also improve superiority compete so that can increase performance business sustainable for company. Which can have an impact on increasing growth sales, level profitability company, satisfaction customer on its products and services as well as give positive image for company in the eyes customer in business Building Automation System..

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