

## THE INFLUENCE OF ABSORPTIVE CAPACITY, COMMUNICATION COMPETENCY, SOURCE CREDIBILITY, TECHNOLOGY CAPABILITY AND KNOWLEDGE TRANSFER ON PERFORMANCE

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### ABSTRACT

*This paper proposes a conceptual model of knowledge transfer. This implies that foreign investment firms have to be able to transfer knowledge between organizations that affect performance. The purpose of this study is to investigate influence of absorptive capacity, communication competency, source credibility, technology capability and knowledge transfer on performance, and study the role of organizational culture as a moderating influence.*

Keywords: absorptive capacity, communication competency source credibility, technology capability, Knowledge transfer.

### INTRODUCTION

Knowledge transfer is becoming increasingly important in organizations. Firms of today are more often organized on a global basis in order to take advantage of differences in expertise, labor costs, and access to markets around the world. Effective management of these organizations requires that knowledge be transferred from one team, department, or geographical division to another (Argote et al., 2000). A growing body of empirical evidence indicates that organizations that are able to transfer knowledge effectively from one unit to another are more productive and more likely to survive than organizations that are less adept at knowledge transfer (Argote, Beckman, and Epple, 1990; Baum and Ingram, 1998; Darr, Argote, and Epple, 1995). Buckley, Clegg, and Tan, 2003 suggest that success in knowledge transfer depends on the business strategy of the foreign entrant and teamwork between foreign and local partners (Buckley, Clegg and Tan, 2006). Argote et al. (2000) suggest that knowledge transfer in organizations occurs through a variety of mechanisms. These mechanisms include personnel movement, training, communication, observation, technology transfer, “reverse engineering” products, replicating routines, patents, scientific publications, and presentations, interactions with suppliers and customers, and other forms of interorganizational relationships.

Most previous studies have examined the organization structure, operational structure, integrative mechanisms, employee’ ability, relation-specific variables or environment uncertainty affect on knowledge transfer (Liao and Hu, 2007; Minbaeva et al., 2003; Pak and Park, 2004; Persson,2006). Further Mascarenhas, 1992, 1997; Mitchell, Shaver and Yeung, 1994; Shaver, Mitchell and Yeung, 1997 studies that have explained these issues in an international context, most have focused on either North American multinationals entering foreign firms investing in North American. (Isobe, Makino and Montgomery, 2000). While traditional research mainly focuses on the

transfer of technology and management skills (Davidson and McFetridge, 1985; Grosse, 1996). Buckley, Clegg and Tan, 2004; Inkpen, 1995 suggest that knowledge transfer has been widely regarded as the key to subsidiary survival in foreign markets (Buckley, Clegg and Tan, 2006). Therefore the firm to focuses on investment provides knowledge about economics, politics, cultures, business customers as well as information about or access to labor forces, distribution channels; infrastructures, raw materials and other factors required to conduct business in their countries (Shrader, 2001). Simonin (1999) focuses on marketing and identifies some key barriers to knowledge transfer, such as cultural and organizational distance. Of particular interest are also Szulanski (1995), who outlines the stickiness of knowledge and emphasizes the importance of established linkages between units for knowledge transfer, as well as Kogut and Zander (1993), suggest the problematic transfer of tacit knowledge (Schlegelmilch and Chini, 2003). Accordingly cultural differences directly impact on behavioral management practices in the process of knowledge transfer (Inkpen, 1995; Tung, 1994).

Recently, this research theme has indicated antecedent and consequences of the knowledge transfer and the role of moderators. This study has a framework of knowledge transfer within a Joint Venture context which will be constructed. In the process, a knowledge transfer- based view of the firm will be highlighted. This study should be collect a sample of the analysis comprised joint ventures (JVs) formed by foreign investment firms in Thailand.

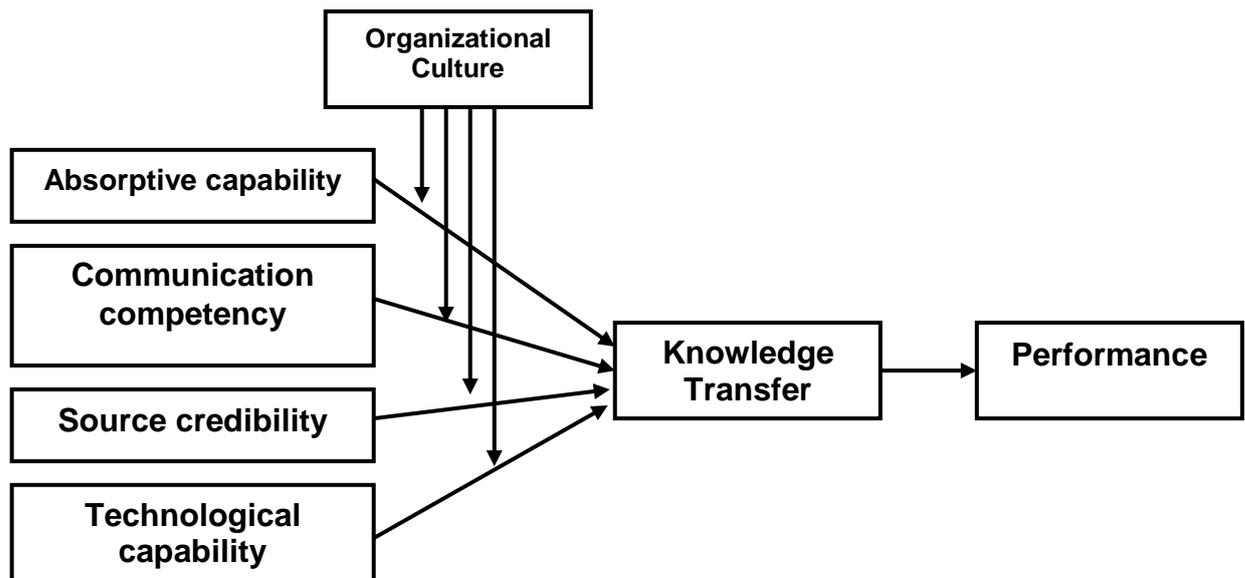
We chose Thailand as the location of investment for the analysis. Thailand has an open economic policy, resources, low cost of employees and a large amount of inward investment made by foreign multinationals, we believe that Thailand provides a good research environment for investigation.

In this study, the key research questions are how do absorptive capacity, communication competency, source credibility, and technology capability affect knowledge transfer; how does knowledge transfer influence performance; and how does the role of organizational culture operate as a moderator. The purpose of this study is to investigate influences of absorptive capacity, communication competency, source credibility, technology capability and knowledge transfer on performance, and study the role of organizational culture as a moderator.

### **RELEVANT LITERATURE REVIEW AND PROPOSITION**

This paper summarizes the ideas presented in the previous sections in the model illustrated in Figure 1. On the basis of our discussion, the study predicts the antecedent and consequences of knowledge transfer. In addition, these studies expect absorptive capacity, communication competency, source credibility and technological capability associations to influence knowledge transfer. Furthermore the knowledge transfer influences performance, while organizational culture is a moderator.

**FIGURE 1**  
**MODEL OF THE ANTECEDENT AND CONSEQUENCE OF KNOWLEDGE TRANSFER**



This is a paper with a theoretical framework consisting of a resource base (RBV), a Knowledge-based view (KBV), and communication theory.

Many previous studies explain several definitions about knowledge. Polanyi (1966) builds on the distinction of knowledge between tacit knowledge or know-how, which is difficult to codify, such as production knowledge and explicit knowledge or information, which can be easily codified, such as facts (see also Kogut and Zander, 1992; Kogut and Zander, 1993; Nonaka, 1994; Nonaka and Takeuchi, 1995; Szulanski, 1995; Grant, 1996a,b; Szulanski, 1996). Nonaka and colleagues developed a theory of knowledge creation that separates basically two kinds of knowledge, tacit and explicit. Tacit knowledge is personal, context-specific knowledge that is difficult to formalize and communicate. It includes cognitive patterning (such as mental models and schemata), technical knowledge (concrete, skill-related know-how) and subjective insights (hunches). Explicit knowledge is transmittable in formal, systematic language expressed in symbols, words, and/or numbers (Nonaka, 1994; Nonaka and Konno, 1998; Nonaka and Takeuchi, 1995). Martensson (2000) explains about explicit knowledge as information that can be easily documented and shared through electronic or other media. Furthermore tacit knowledge is knowledge that resides in humans, such as beliefs, hunches, insights, intuition and values (Gore and Gore, 1999). The transformation of explicit into tacit, or tacit into explicit, happens through the processes of socialization, externalization, combination, and internalization (Nonaka and Takeuchi, 1995). Tacit knowledge can be transferred through organizational routines. “When firm specific assets are assembled in

integrated clusters spanning individuals and groups so that they enable distinctive activities to be performed, these activities constitute organizational routines and processes” (Teece et al., 1997).

In socialization, tacit knowledge is exchanged through joint activities, such as individuals’ spending time together or learning together, in order to produce some form of shared mental models, metaphors, analogies, or culture that then serve as a framework for moving forward. Successful socialization requires that individuals empathize with one another enough to incorporate others’ feelings and beliefs, so that a larger sense of situation and possibility can emerge (Nonaka and Konno, 1998). So firms have transfer of knowledge through joint activities that support their successful performance. Furthermore RBV, in this paper is associated to a knowledge-based view (KBV). The emphasis of KBV is on tacit knowledge, in the form of know-how, skills and practical knowledge of organizational members, tacit knowledge is closely associated with production tasks, and raises the more interesting and complex issues regarding its transfer within organizations (Grant, 1996a, p. 377). Moreover the knowledge-based view of the firm is the key role of the firm in creating, storing and applying knowledge, where the firm is an institution for knowledge integration (Kogut and Zander, 1992; Nonaka, 1994; Udo and Kogut, 1995; Conner and Prahalad, 1996; Grant, 1996a,b, 1997; Spender, 1996). In this paper I examine about learning where Pisano (1994) suggests that the role of learning that obtains to significant tacit knowledge through Learning by doing. In addition to learning complex forms of knowledge require face-to-face interaction and associates (Lane and Lubakin, 1998). Hitt et al. (2001) suggest that this process produces a combination of individual skills and knowledge that leads to novel and valuable outcomes.

Communications theory and organizational communication literature primarily focuses on communication within organizations. Research about knowledge transfer based on communication theory emphasizes the critical role of the context and the interaction between the various stakeholders involved in the knowledge transfer process (i.e., the sources and the recipients) on the knowledge transfer (Szulanski, 1996). Previous studies about theory of communication are studied on the mathematical theory of communication (Shannon and Weaver, 1949), Schramm's (Schramm, 1971) theory of mass communication, and Berlo's (Berlo, 1960) communication model. The basic elements of a communication include a message, a sender, a receiver, a channel, transmission, and a communication effect (Arrow, 1962; Berlo, 1960; Krone et al., 1987). A message refers to the content a communicator seeks to convey. A sender refers to the entity which sends the message. A receiver refers to a message's destination, that is, an entity which receives and deciphers a message. A channel refers to the vehicle or medium through which a message travels. The transmission element refers to the actual sending and receiving of messages through designated channels. Finally, the communication effect typically refers to the outcome or general results of the communication process (Joshi et al., 2007).

In a review of literature about knowledge transfer there is no study to investigate influence of absorptive capability, communication competency, source credibility, technological capability, knowledge transfer on performance. This paper explains the relationship between these variables. Furthermore this paper explains about constructs, definitions and propositions. Finally this paper provides an empirical study about data collection, measurement and analysis.

### **Knowledge transfer**

Previous studies have defined knowledge transfer. Szulanski (1996) sees transfer of knowledge as the transmission of a message from a source to the recipient in a given context (Joshi et. al, 2007). Argote and Ingram (2000) see knowledge transfer in an organization as a process through which one unit (e.g. group, department, or division) is affected by the experience of another. Wang et al. (2004) describe that knowledge transfer is the process of a systematically organized exchange of information and skills between entities. Modi, and Mabert (2007), defined it as the implementation of activities involving direct interaction between the procuring firms and vendors. Such activities are time and resource intensive for the procuring firm, and firms undertake them with the objective of increasing supplier capabilities, and Molina et al., (2007) defined knowledge transfer following Darr et al. (1995) as one organizational unit learning from the experience of another. Internal knowledge transfer indicates that the unit providing the knowledge is inside the firm itself.

Research suggest that knowledge transfer is closely related to the concepts of organizational learning and absorptive capacity. The research of Huber (1991) explains that knowledge transfer within or between organizations occurs if any company or any of its business units acquires knowledge that it recognizes as potentially useful to the organization. Inkpen and Dinur (1998) emphasize the importance of context in knowledge transfer and focus on context similarities between the knowledge source and the recipient in the transfer process. Researchers have studied various aspects that influence the transferability of knowledge across organizational boundaries. In this work, absorptive capability (Wang et al., 2007), communication competency (Ramasamy et al., 2006) source credibility (Santoro and Gopalakrishnan, 2000), technological capability, organizational culture (Simonin, 2004) have all emerged as important factors affecting interorganizational knowledge transfer.

### **Absorptive capacity**

Szulanski (1996) found that lack of absorptive capacity was a major barrier to internal knowledge transfer within organization. Gupta and Govindarajan (2000) suggest that a target unit's capacity to absorb incoming knowledge is a prime factor in determining knowledge inflows. Szulanski et al. (2004) suggest that the transfer is seen to be effective when it is absorbed by the recipient, and absorption often influences the behavior of the recipient in a certain way (Joshi et. al, 2007).

Cohen and Levinthal (1990) define *absorptive capacity* as the ability to use prior knowledge to recognize the value of new information, assimilate it, and apply it to create new knowledge and capabilities. Moreover, absorptive capacity can also be seen as a firm's ability to deal with the tacit component of transferred knowledge (Mowery and Oxley, 1995). Minbaeva et al. (2003) explain that building on the concept of absorptive capacity, Lyles and Salk (1996) included international joint ventures capacity to learn as independent variables to analyze knowledge obtainment from a foreign parent. Thus the capacity to learn is a significant indicator of knowledge obtainment from a foreign parent. Relative absorptive capacity is more important to interorganizational learning (Lane and Lubatkin, 1998). Kim (1998) suggest that the success of organizational learning depends on the firm's absorptive

capacity, which itself is determined by the firm's prior related knowledge. Simonin (2004) suggest that leaning capacity is a fundamental determinant of absorptive capacity. Greater leaning capacity translates into greater absorptive capacity. Zahra and George (2002) identify four complementary capabilities of absorptive capacity: knowledge acquisition, assimilation, transformation, and exploitation. Davenport and Prusak (2000) argued that the knowledge transfer process consists of transmission and absorption, culminating in a behavioral change by the recipient. They considered lack of absorptive capacity in the recipient as friction, which slows or prevents transfer. Boynton, Zmud, and Jacobs (1994) explain that if an organization's absorptive capacity is higher, it means that knowledge transfer should be more effective. Furthermore Wang et al. (2007) found that absorptive capacity is positively related to knowledge transfer.

This paper presumes that the absorptive capacity should have a positive impact on knowledge transfer. In addition, this paper also examines the association between absorptive capacity and knowledge transfer. Therefore it is has the following hypothesis:

**Hypothesis 1:** absorptive capacity is likely to have a positive influence on knowledge transfer.

### **Communication competency**

Griffith (2002) definition that *communication competency* refers to a set of abilities and knowledge related to communication that enables an individual to engage in appropriate/meaningful communications with international partners (Cui, Van den Berg and Jiang, 1998; Kim, 1991; Triandis, 1973). communication competency encompasses three broad areas:: cognitive, affective, and operational (Kim, 1991). Communication is the process of giving and receiving information, and an essential step in learning (Tsang, 2002). In addition, Ramasamy et al. (2006) define the level of communication to be the willingness to communicate as well as the responsiveness of communication between individuals. Bresman et al. (1999) examined knowledge transfer among alliances and found that communication and frequency of meetings were significant predictors of knowledge transfer. Szulanski (1996) examined the impediments of the transfer of best practices in a firm and concluded that frequent communication between the source and the recipient facilitates the creation of a shared meaning and context, which is crucial for effective knowledge transfer. Cumming and Teng (2003) studied the transfer of knowledge and found that transfer success increases with frequent communication among the stakeholders.

Moreover the research supports the study by Joshi et al. (2007) that associates between communication extent positive significant effects to knowledge transfer. Ramasamy et al. (2006) investigate the level of communication which should have a positive impact on knowledge transfer and found that the results have significance. Rulke, Zaheer, and Anderson (2000) examine the effectiveness of various communication channels in conveying information about organizational capabilities in the retail food industry.

This paper postulates that the communication competency should have a positive impact on knowledge transfer related to the communication affect of knowledge

transfer. In addition, this paper also examines the association between communication capacity and knowledge transfer. Therefore it is hypothesizing that:

**Hypothesis 2:** Communication competency is likely to have a positive influence on knowledge transfer.

### Source credibility

Joshi et al. (2007) defined that *source credibility* as the extent to which a recipient perceives a source to be trustworthy and reputable. The credibility concept has two dimensions consisting of trust and reputation. Scholars have implied that the presence of trust is crucial in order for individuals to transfer knowledge (Ford, 2007; Gupta, 2000; Joshi et al., 2007; Szulanski et al., 2004). Dasgupta (1988) and Fukuyama (1995), define trust as the expectation of regular, honest, and cooperative behavior of other actors that arises, based on norms. Rolland and Chauvel (2000) suggest that trust is after all, the single most important precondition for “knowledge exchange.” Davenport et al. (1998) explain that the knowledge source's reputation is seen as critical, since it is often used by the potential recipient to screen and evaluate the value of the source's knowledge, furthermore in the absence of reputation of a source, recipients perceive a source's knowledge to be less persuasive and valuable (Joshi et al., 2007). Source credibility is more likely to influence the behavior of a recipient (Szulanski, 1996). Likewise the knowledge source is perceived as credible, so the recipients are more open and receptive to the message (Szulanski et al., 2004). Roberts (2000) confirm that the importance of source credibility is amplified in the context of a knowledge transfer process because this process is not amenable to enforcement by contract. (Joshi et al., 2007). Ko et al. (2005) examined the transfer of knowledge between the clients and the consultants in an ERP implementation project and found source credibility to be critical to knowledge transfer. Joshi et al. (2007) discussed that an individual who is perceived as credible will be able to transfer more knowledge to his/her team members.

The business environment has uncertainties and possible opportunistic behaviors of partners, trust is regarded as one of the most important managerial issues of the corporate world (Buckley and Casson, 1988; Inkpen and Currall, 1998; Lui and Ngo, 2004). Ebers (1997) suggest that the benefits of trust include reliable and open information exchange and improved coordination. Butler (2006) suggests that trusting relationships lead to greater exchange with people more willing to give useful knowledge and more willing to listen to and absorb other's knowledge (Lyon, 2000; Levin and Cross, 2004; Stobard, 2004). Xin and Pearce (1996), said that trust has to be nurtured and maintained to reduce risks and afford better business control in unstable environmental conditions. Trust between partners is the foundation of cooperation. It comprises technical trust and personal trust (Chang and Rosenzweig, 1995). Therefore, the non-equity bargaining power enjoyed by foreign partners in the JVs made trust a more important factor in attaining efficiency of knowledge transfer and utilization. Trust has thus extended from personal trust between foreign and local managers to inter-organizational trust between foreign and local partners. (Buckley, Clegg and Tan, 2006).

A previous study that provides four reasons to show how trust reduces this vulnerability and helps to institutionalize the knowledge transfer process is that of

Santoro and Gopalakrishnan, 2000. First, when collaborating organizations build trust, they develop confidence about their partner's abilities and expected behavior (Das and Teng, 1998; Luhmann, 1988). Second, trust leads to cooperation rather than skepticism. Consequently, the firm devotes its energies to task-related activities rather than on gauging the opportunism of the institution (Das and Teng, 1998). Third, trust lessens relationship ambiguity (Lewis and Weigert, 1985). Finally, trust serves as a control mechanism that helps govern economic transactions (Bradach and Eccles, 1989). Further researchers reflect the importance of trust for example Weber and Weber (2000) investigate trust has a positive effect on knowledge transfer, and this was strongly confirmed and knowledge transfer has a positive effect on organizational performance. Santoro and Gopalakrishnan (2000) explore that trust has a positive effect on knowledge transfer.

This paper postulates that the source credibility should have a positive impact on knowledge transfer because previous studies explain relationships between source credibility affect to knowledge transfer. In addition, this paper also examines associations between source credibility and knowledge transfer. Therefore it is hypothesizing that:

**Hypothesis 3:** Source credibility is likely to have a positive influence on knowledge transfer.

### **Technological capability**

*Technological capability* refers to the roots of a firm's long term competitive advantage (Duysters and Hagedoorn, 2000; Henderson and Cockburn, 1994; Kim, 2000; Lee, lee and Penninings, 2001; Nelson, 1991). Hobday and Rush (2007) defined it as the accumulated knowledge, skill, experience and organizational base which enable a firm to acquire, develop and use technology to achieve competitive advantage. In this study technological capability consists of three dimension: ICT infrastructure, ICT tool and ICT know-how (Syed-Ikhsa and Rowland, 2004). Zahra et al. (2006) explain that the firms control this power by synthesizing their diverse knowledge and can develop dynamic technological capabilities and achieve competitive advantages. Zahra et al. (2007) describe that getting employees to share their knowledge to fuel the development of technological capabilities, however, is a challenging task. Organizations, therefore, often rely on formalized knowledge sharing practices to facilitate this process. Acha (2000) conceptualized technological capability as the knowledge and skills required for the identification, development, and utilization of techniques, while Howells (1994) and Kim (2000) explain that a firm's technological capability is the ability to develop and use the knowledge from scientific research in production.

Madanmohan et al. (2004) construed that the technological capability acquisition is a process of adoption of technology. They explain that a firm with considerable international experience should prefer to transfer technology through wholly owned subsidiaries, partly because they have a network through which new technology can be disseminated. Syed-Ikhsa and Rowland (2004) said that technology (e.g. ICT infrastructure and ICT know-how) have a positive relationship with knowledge transfer. These show that technology plays key roles in managing knowledge in an organization and can be considered as an effective means of capturing, storing, transforming and disseminating information.

This paper postulates that the technological capability should have a positive impact on knowledge transfer because previous studies explain the relationship between technological capability affect on knowledge transfer. In addition, this paper also examines association between technological capability and knowledge transfer. Therefore it is hypothesized that:

**Hypothesis 4:** Technological capability is likely to have a positive influence on knowledge transfer.

### **Organizational culture**

This paper examines organizational culture as a moderator. Santoro and Goplakrishnan (2000) suggest that organizational culture is a complex construct consisting of many concepts including: values (Barney, 1986), basic assumptions (Schein, 1990), stories (Martin et al., 1983), rites and ceremonies (Trice and Beyer, 1984), and shared meanings (Deal and Kennedy, 1982). Culture is important since it influences the actions of organizational members by imposing a repertoire of skills, habits, and values (Denison, 1990; Gordon and DiTomaso, 1992). Smircich (1983) suggests that organizational culture can be viewed from a functionalist perspective where culture is an organizational variable. That is, culture is something that an organization has. From this perspective, organizations are social instruments for task accomplishment where culture provides an overarching collective order (Gregory, 1983). Simonin (2004) explain that organizational culture variables that influence and context in which learning takes place. Some organizations are more driven and successful than others in their approach to developing an open context propitious to learning. Therefore it is hypothesized that:

**Hypothesis 5:** Organizational culture has positive moderating effects on absorptive capacity and knowledge transfer.

**Hypothesis 6:** Organizational culture has positive moderating effects on communication competency and knowledge transfer.

**Hypothesis 7:** Organizational culture has positive moderating effects on credibility and knowledge transfer.

**Hypothesis 8:** Organizational culture has positive moderating effects on technological capability and knowledge transfer.

### **Knowledge transfer and performance**

Previous research studies about relationships between knowledge transfer and performance found that knowledge transfer is related with performance of the firm. Molina et al. (2007) found that knowledge transfer was highly and significantly related to a firm's performance. Weber and Weber (200) investigated knowledge transfer having a positive effect on PC's organizational performance.

This paper presumes that knowledge transfer should be having a positive impact on performance. In addition, this paper also examines the association between knowledge transfer and performance. Therefore it is hypothesized that:

**Hypothesis 9:** knowledge transfer is likely to have a positive influence on performance.

## RESEARCH METHODS

### Sample Selection and Data Collection Procedure

This study collected data from the Thai Board of Investment. The sample is foreign firms with investment in the electronic industry in Thailand. The study used a questionnaire as a measuring instrument. The key participants in this study are managers. The questionnaires were sent by mail and the next step was to estimate of non-response bias which was calculated by comparison of first wave and second wave data respondents (Armstrong et al., 1977). This study investigated non-response bias by using a t-test.

### Reliability and Validity

This study investigated the internal consistency reliability by calculating Cronbach's alpha values. The reliability of the constructs have Cronbach's alpha, which is above the acceptable threshold (0.70) (Nunnally and Bernstein, 1994). The average variance extracted achieved the minimum requirement of 0.50 (Fornell and Larcker, 1981). The validity of data in the questionnaire was checked by factor analysis (Kerlinger, 1964). Factor analysis is employed to test the validity of data in the questionnaire. Because multi-item constructs measure each variable, factor analysis was employed to check unidimensionality among the items. The study investigated the use confirmatory factor analysis (CFA) to examine the validity of each construct. Factor loading of each construct presents a value higher than 0.5. All factors loading are greater than the 0.4 cut-off and are at a statistically significance level (Hair, Anderson, Tatham, and Black, 1998). That is, factor loading of each construct should not be less than 0.4.

### Statistical Technique

The multiple regression analysis was used to investigating statistics to test the hypothesis in the empirical study.

### Measures

All variables was measured by using a five-point Likert-type scale, ranging from 1 (strong disagree) to 5 (strong agree). Most items derived from the literature and face validity by scholars in academic research. This paper adopts measures of the *absorptive capacity* based on Szulanski (1996) where five items were adapted with some modification in words; *communication competency* is a set of abilities and knowledge related to communication that enables an individual to engage in appropriate communications. This paper adapts the measure of communication competencys based on Ramasamy et al. (2006) with five items; *source credibility* is measured by three items and was adapted with some modification in words from Mayer et al. (1995); *organizational culture* adapted a measure of the organizational culture based on Burn and Stalker (1961) with three items; *knowledge transfer* was measure based on Simonin (1999) with two items, assessing the extent to which knowledge was transferred; This paper adapts measures of the *performance* of the firm based on Murray and Kotabe (1999) with five items.

## DISCUSSION AND LIMITATIONS

The model attempts to illustrate the influence of antecedent knowledge transfer, knowledge transfer affects on performance and the role of the moderator. Future empirical research needs to focus on survey design. For measures of technological capability these consist of three dimensions: ICT infrastructure, ICT tool and ICT know-how (Syed-Ikhsa and Rowland, 2004) say that there should be in-depth interviews with managers about technological capability and advice from professionals. Further research should review literature concerning other variables associated with knowledge transfer and add to the study the role of leadership which may affect knowledge transfer, see the research of Gercia-Morales et al. (2007) who investigate that transformation leadership has a positive effect to absorptive capacity, tacitness, organizational learning and innovation. Simonin (2004) suggests that leaning capacity is related to, but at the same time distinct from, absorptive capacity, while Kim (1998) suggests that the success of organizational learning depends on the firm's absorptive capacity. However this depends on the aim of the research.

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