

Explicating the Moderating Role of Absortive Capacity in Knowledge Transfer Mechanism: A Structural Equation Model Test

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Knowledge transfer is integrative process that involves knowledge to be transformed and absorbed into new knowledge in improving performance and innovative work behaviour. Although the body of literature suggests that absorptive capacity is a bridge of knowledge transfer mechanism, the understanding of moderating pathways remain limited. This paper fills the gap by combining two separate streams in knowledge transfer process, where the first involving the paradigm of motivation theory; where the second one discloses absorptive capacity as integral part of knowledge transfer. This research uses quantitative design through distribution of questionnaires to 162 subsidiaries. The research model was built using the structural equation model and analyzed with smartPLS-3 software. The findings of the study carry theoretical implications for the knowledge transfer literature by integrating motivation and absorptive capacity into integrative framework model. From practical perspective, the relationship among variables provide a proof on how employee knowledge transfer is composed and how it could be developed.

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