Knowledge Sharing, Absorptive Capacity, Innovation Capability and Competitive Advantage in Hong Kong Higher Education Industry

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Statement of Originality

The thesis contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text. I give consent to the final version of my thesis being made available worldwide when deposited in the University’s Digital Repository**, subject to the provisions of the Copyright Act 1968.

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Man Fung LO

Date: 9 April 2016
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Dedication

My late beloved uncle, Harry Lo, I dedicate this to you.
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### ACRONYMS

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<tr>
<td>ACAP</td>
<td>Absorptive Capacity</td>
</tr>
<tr>
<td>AVE</td>
<td>Average Variance Extracted</td>
</tr>
<tr>
<td>CB-SEM</td>
<td>Covariance-based SEM</td>
</tr>
<tr>
<td>CR</td>
<td>Composite Reliability</td>
</tr>
<tr>
<td>HE</td>
<td>Higher Education</td>
</tr>
<tr>
<td>HEI</td>
<td>Higher Education Institution</td>
</tr>
<tr>
<td>INNOCAP</td>
<td>Innovation Capability</td>
</tr>
<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>KM</td>
<td>Knowledge Management</td>
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<tr>
<td>KS</td>
<td>Knowledge Sharing</td>
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<tr>
<td>PACAP</td>
<td>Potential Absorptive Capacity</td>
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<tr>
<td>PLS-SEM</td>
<td>Partial Least Squares Structural Equation Modeling</td>
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<tr>
<td>RACAP</td>
<td>Realized Absorptive Capacity</td>
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<tr>
<td>SEM</td>
<td>Structural Equation Modeling</td>
</tr>
<tr>
<td>SPSS®</td>
<td>Statistical Package for the Social Sciences®</td>
</tr>
<tr>
<td>UGC</td>
<td>University Grants Committee</td>
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<tr>
<td>VIF</td>
<td>Variance Inflation Factor</td>
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SYNOPSIS

Higher Education Insititutions (HEIs) in Hong Kong face a number of challenges in recent years. Prior studies argue that institutions can gain competitive advantage through effective knowledge sharing (KS) process. The aim of this dissertation is to contribute to the limited prior studies on KS in Hong Kong Higher Education (HE) sector. Based on an extensive review of literature, this study first sets out to investigate the impacts of indiviudal, organizational and technology factors on KS process. Secondly, this study attempts to address the relationships among KS process, absorptive capacity (ACAP) and innovation capability (INNOCAP). Furthermore, the association between INNOCAP and competitive advantage is examined. A research model with ten hypotheses was proposed. A questionnaire-based survey was conducted and 166 faculty members’ responses were received from eight University Grants Committee (UGC)-funded institutions in Hong Kong. This study applied Partial Least Squares Structural Equation Modeling (PLS-SEM) to examine the hypothesized relationships in the research model. The empirical results show that one individual factor (enjoyment in helping others) and one organizational factor (organizational culture) have significant positive relationships with KS behaviors. Moreover, another individual factor (knowledge self-efficacy) and the technology factor (use of information and communication technology (ICT)) were found to have positive associations with knowledge donating sub-process of KS behavior. In addition, the relationship between KS and INNOCAP must be mediated by ACAP. Another finding reveals that the higher the INNOCAP level, the greater is the competitive advantage. These findings provide useful insights to Hong Kong HE leaders and administrators in formulating knowledge management (KM) strategies or in reviewing their existing KM practices. The limitations and recommendations for further research are also discussed.