Knowledge-based Approach To Innovation:
An Application For Construction Firms In Malaysia

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ABSTRACT

Knowledge-based View (KBV) is a subset of Resource-based View (RBV), which focuses on utilising a firm valuable, inimitable knowledge, skills and capabilities to enhance performance of the firm, thus gaining competitive advantages for the firm. Knowledge innovation provides new theories and methods for revolutionizing a firm's direction.

Knowledge-based View has been adopted in various industries and has recorded overwhelming results. However, construction industry still remained as an unexplored area of Knowledge-based View. Construction firms that are experiencing increasing competitions due to the globalisation and consolidation of the industry required an established and effective system such as Knowledge-based View to maintain its competitiveness.

This research focuses on the study of application of knowledge-based approach to innovation for construction firms in Malaysia. The study was conducted via semi-structure interviews with various construction firms based in Klang Valley, Malaysia. The findings shown that most of the construction firms in Malaysia have identified knowledge transfer as an important element for innovation and at the same time gaining the firm competitive advantages. Trust based permanent network is extremely important in establishing long term strategy and enhancing innovation performance of the firm.
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# TABLE OF CONTENTS

## CHAPTER 1

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>1.2</td>
<td>OBJECTIVES</td>
<td>2</td>
</tr>
<tr>
<td>1.3</td>
<td>SCOPE OF STUDY</td>
<td>3</td>
</tr>
<tr>
<td>1.4</td>
<td>LIMITATIONS OF THE STUDY</td>
<td>4</td>
</tr>
<tr>
<td>1.5</td>
<td>ORGANIZATION OF THE STUDY</td>
<td>5</td>
</tr>
<tr>
<td>1.6</td>
<td>BACKGROUND OF THE INTERVIEWED COMPANIES</td>
<td>6</td>
</tr>
<tr>
<td>1.6.1</td>
<td>GAMUDA BERHAD</td>
<td>6</td>
</tr>
<tr>
<td>1.6.2</td>
<td>ROAD BUILDER BERHAD</td>
<td>7</td>
</tr>
<tr>
<td>1.6.3</td>
<td>IJM CORPORATION BERHAD</td>
<td>8</td>
</tr>
<tr>
<td>1.6.4</td>
<td>MTD CAPITAL BERHAD</td>
<td>10</td>
</tr>
<tr>
<td>1.6.5</td>
<td>WCT ENGINEERING BERHAD</td>
<td>11</td>
</tr>
<tr>
<td>1.6.6</td>
<td>GADANG HOLDINGS BERHAD</td>
<td>12</td>
</tr>
<tr>
<td>1.6.7</td>
<td>PINTARAS JAYA BERHAD</td>
<td>12</td>
</tr>
<tr>
<td>1.6.8</td>
<td>COMPANY X</td>
<td>13</td>
</tr>
</tbody>
</table>

## CHAPTER 2

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>INTRODUCTION</td>
<td>14</td>
</tr>
</tbody>
</table>
2.2 KNOWLEDGE-BASED VIEW .................................................. 15

2.2.1 KNOWLEDGE DIMENSIONS .............................................. 15

2.2.2 HIERARCHY OF KNOWING ................................................ 17

  2.2.2.1 Skill ........................................................................... 17

  2.2.2.2 Know-how ................................................................. 18

  2.2.2.3 Expertise .................................................................. 18

2.3 KNOWLEDGE CREATION AND KNOWLEDGE TRANSFER .......... 19

  2.3.1 FAMILIARITY: INTERNAL DEVELOPMENT AND DIFFUSION OF KNOWLEDGE 22

  2.3.2 EXTERNAL SOURCE OF KNOWLEDGE .................................. 24

  2.3.3 RELATIONSHIP BETWEEN INTERNAL AND EXTERNAL KNOWLEDGE ....... 25

2.4 KNOWLEDGE-BASED STRATEGY ............................................ 25

  2.4.1 KNOWLEDGE TRANSFER BETWEEN INDIVIDUAL PROFESSIONALS .......... 28

  2.4.2 KNOWLEDGE TRANSFER FROM INDIVIDUALS TO EXTERNAL STRUCTURE .. 28

  2.4.3 KNOWLEDGE TRANSFER FROM EXTERNAL STRUCTURE TO INDIVIDUALS .. 29

  2.4.4 KNOWLEDGE TRANSFER FROM COMPETENCE TO INTERNAL STRUCTURE 29

  2.4.5 KNOWLEDGE TRANSFER FROM INTERNAL STRUCTURE TO COMPETENCE 30

  2.4.6 KNOWLEDGE TRANSFER FROM EXTERNAL TO INTERNAL STRUCTURE ..... 30

  2.4.7 KNOWLEDGE TRANSFER FROM INTERNAL TO EXTERNAL STRUCTURE ..... 31

  2.4.8 KNOWLEDGE TRANSFER WITHIN INTERNAL STRUCTURE ...................... 31

2.5 KNOWLEDGE TRANSFER AND INNOVATION IN CONSTRUCTION

  INDUSTRY .................................................................................. 32
2.5.1 Characteristic of Knowledge Recipient (Construction Firms) … 34
2.5.2 Characteristic of Knowledge Sources …………………………… 37
2.5.3 Context of Knowledge Transfer …………………………………… 37
2.5.4 Governance Mechanism ………………………………………….. 39

2.6 Knowledge Innovation and Knowledge Transfer in Asia ……………… 41
2.6.1 Knowledge and Innovation Development in China ……………….. 41
2.6.2 Knowledge Diffusions in Singapore ……………………………… 44
2.6.3 Knowledge-based Economy in Malaysia ………………………… 45

Chapter 3
Research Methodology ………………………………………………….. 47
3.1 Research Hypotheses ………………………………………………… 47
3.2 Research Instrument ………………………………………………… 48
3.3 Sampling Design …………………………………………………….. 49
3.4 Data Collection Procedure ………………………………………….. 49
3.5 Data Analysis Techniques …………………………………………… 50

Chapter 4
Research Results ………………………………………………………….. 51
4.1 Summary Statistic of Respondents …………………………………… 51
4.1.1 Summary of findings of MTD Capital Bhd via e-mail response ..... 51

4.2 Analysis of Measures ............................................................................. 54

4.2.1 Analysis of Table 4.1 (A) ................................................................. 54

4.2.2 Analysis of Table 4.1(b) ................................................................. 55

4.2.3 Analysis of Table 4.1(c) ................................................................. 59

4.2.4 Analysis of Table 4.1(d) and Table 4.1(e) ....................................... 60

4.2.5 Analysis of Table 4.1(f) ................................................................. 64

4.3 Testing of Propositions ....................................................................... 68

4.3.1 Proposition 1 .................................................................................. 68

4.3.2 Proposition 2 .................................................................................. 68

4.3.3 Proposition 3 : ............................................................................... 69

4.3.4 Proposition 4 : ............................................................................... 69

4.3.5 Proposition 5 : ............................................................................... 70

4.3.6 Proposition 6 : ............................................................................... 71

4.3.7 Proposition 7 : ............................................................................... 71

4.4 Summary of Research Results ............................................................. 73

CHAPTER 5

Conclusions and Recommendations ....................................................... 75

5.1 Summary and Conclusions ................................................................. 75

5.2 Suggestions for Additional Research ............................................... 76
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table No.</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1(a)</td>
<td>Summary Of The Characteristics Of The Construction Firms</td>
<td>79</td>
</tr>
<tr>
<td>4.1(b)</td>
<td>Evidence Of Knowledge Transfer In Construction Firms</td>
<td>81</td>
</tr>
<tr>
<td>4.1(c)</td>
<td>Types Of Knowledge Transfer In Construction Firms</td>
<td>82</td>
</tr>
<tr>
<td>4.1(d)</td>
<td>Types of Innovation In Construction Firms</td>
<td>83</td>
</tr>
<tr>
<td>4.1(e)</td>
<td>Evidence of Innovation In Construction Firms</td>
<td>84</td>
</tr>
<tr>
<td>4.1(f)</td>
<td>Factors Affecting Innovation In Construction Firms</td>
<td>86</td>
</tr>
<tr>
<td>4.2</td>
<td>Summary Of The Research Results</td>
<td>88</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure No.</th>
<th>Figure Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>SECI As Process Of Self-transcendence Source : (Nonaka, 1994)</td>
<td>89</td>
</tr>
<tr>
<td>2.2</td>
<td>Inter-organizational Knowledge Flow For Localized Innovations In Project-based Industries</td>
<td>90</td>
</tr>
<tr>
<td>2.3</td>
<td>Need For External Sourcing of Technology and knowledge Source : (Leonard, D., 1998)</td>
<td>90</td>
</tr>
<tr>
<td>2.4</td>
<td>External Sources Of Technological Knowledge Source : (Leonard, D., 1998)</td>
<td>91</td>
</tr>
</tbody>
</table>