

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

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2001

Submitted to the Graduate School of Business
Faculty of Business and Accountancy
University of Malaya, in partial fulfillment
of the requirements for the Degree of
Master of Business Administration

March 2005

Perpustakaan Universiti Malaya



A511904540

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.

ACKNOWLEDGEMENTS

First of all, I would like to express my greatest gratitude to Associate Professor Dr. Mohd Nazari Ismail for his kind guidance throughout the research process. Associate Professor Dr. Mohd Nazari Ismail has assisted me in narrowing the scope and focus of the research and written a reference letter to request for interview. I also would like to thank the University of Malaya Graduate Business School for preparing a reference letter and conducted a comprehensive briefing regarding the research project's requirements. Last but not least, I also would like to extend my heartiest appreciation to all the interviewees including the directors, technical managers and project managers from various construction firms for their contribution of information and their valuable time amidst their busy schedule.

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