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INSTITUTE OF SOCIAL SCIENCES

İŞLETME YÜKSEK LISANS (ING)

BUSINESS ADMINISTRATION DEPARTMENT

THE IMPACT OF RELATIONSHIP LEARNING AND ABSORPTIVE CAPABILITY ON INNOVATION PERFORMANCE BASED ON EMPLOYEES PERCEPTION; EVIDENCE IN ZAIN COMPANY

MASTER THESIS

Rania Aliyadeh

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ABSTRACT

THE IMPACT OF RELATIONSHIP LEARNING AND ABSORPTIVE CAPABILITY ON INNOVATION PERFORMANCE BASED ON EMPLOYEES PERCEPTION; EVIDENCE IN ZAIN COMPANY

The goal of this study or research is to investigate the impact of relationship learning and absorptive capability on innovation performance based on employee perception using the employees of Zain Jordan as a research study. Based on a review of prior studies, this research seeks to enrich the management literature by examining and empirically testing the impact of each of the relationship learning and absorptive capability on innovation performance.

To better understand the relationship that exists between relationship learning and absorptive capability on innovation performance, a quantitative research method was utilized in which a set of standard questions on relationship learning, absorptive capability, and innovation performance. A total of 67 questionnaires were filled. The data that was collected was tabulated with the help of Microsoft Excel which was afterward analyzed with the help of SPSS software. The research results demonstrate that there is no relationship between relationship learning and innovation performance while there is a link between absorptive capacity and innovation performance.

Keywords: Relationship Learning, Absorptive Capability, Innovation, Zain Company.

PREFACE

It has been a long journey, but I dreamed, I had the ambition, and I wanted to work hard. I can say one step has been achieved, and so many more are yet to come. I want to thank my incredible family in particular for their love, support, and never-ending inspiration over the years.

I would especially like to thank my parents, because of them, I have the determination to overcome obstacles in my path and the vision to go for my goals.

I want to express my gratitude to myloving and encouraging brothers as well as my resilient sister. You are the salt.of the earth, and without you, I would not have been able to accomplish anything.

I wanted to take this time to say thank you to my advisor, ihsan Oguz Bakkalbası.Ph.D. for everything that you have done for me. Your efforts have never gone unappreciated, and you have helped me out more than you know.

I went through a lot of ups and downs; I experienced anew incredible thing—I've met new people who have become part of my heart.I would like to thank my friends too for being beside me whenever I'm in need.

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INTRODUCTION

The primary issue organizations faced over the previous century was first one of leadership skill, the traditional division of labor and the specialization concept are followed by the senior and intermediate management levels, followed by the practical executive level, which, in direct reference to its substantial area and wide relative weight in comparison to the components, is situated at the base of the organizational pyramid, in addition to its reliance on repetitive tasks that don't call for a lot of information and knowledge, the workers' other organizational structure. However, at the end of the 20th century, these organizations qualitatively changed from producing commodities to producing information-based services, or what is known as the "knowledge economy," as a result of significant changes in the means and forces of production, A significant issue has arisen as a result of information networks and remote control, and it relates to the urgent requirement for a new qualitative kind of organizations to keep up with and complement the new technical and cognitive advances. These groups are the learning organizations that take on and concentrate on this crucial duty.

The most successful organizations are those that have the capacity to innovate in accordance with the prevailing norms in the environment in which they operate, as well as strategic capabilities to address the problems brought on by this environment's rapid changes. They must be able to manage and create information in order to accomplish this, as well as utilize resources to their fullest potential in light of their advantages. They can acquire dominance, the ability to respond to external changes, and the capability to become educated companies by taking advantage of their vulnerabilities, opportunities, and threats in their business environment.

Examining variables that can stimulate innovation has become a serious concern for corporations due to the notion that it is a primary source of competitive advantage. Learning happens throughout the organizational innovation process, which covers the gathering, interpreting, and applying of knowledge. Combining

the organization's past knowledge with new information learned through learning activities leads to it. In a world that is changing quickly, businesses are relying more and more on outside knowledge sources to advance their technological capabilities and encourage innovation. Working closely with and learning from external partners enables businesses to accumulate and combine the varied knowledge of its partners, giving them access to fresh data, tools, and methodologies. The development of new goods can then be facilitated by the collection of information and skills, which can enhance businesses' ability to solve problems. (Fang et al., 2011:743).

The ability to absorb is also necessary to encourage innovation (Gebauer et al., 2012). The "ability of a corporation to perceive the value of fresh, external knowledge, assimilate it, and apply it to commercial purposes" is the definition of absorptive capacity given by Cohen and Levinthal (1990: 128). To do this, organizations must collect, assimilate, convert, and utilize new knowledge (Cohen & Levinthal, 1990; Todorova & Durisin, 2007: 778). The definition of absorbent capacity is a two-dimensional construct, according to Zahra and George's proposal (2002: 186): Transformation and exploitation include accomplished absorptive capacity elements while acquisition and assimilation represent potential absorptive capacity dimensions.

Considering the significance of the relationship between learning impact and absorptive ability on innovation performance from the previous, this study examined this effect in one of the leading mobile telecommunications companies in Jordan "Zain". The following two questions can be used to summarize the study problem:

What is the effect of relationship learning on innovation performance?

What is the effect of absorptive capability on innovation performance?

This study consists of three chapters. The first chapter presents "Learning organization" and deals with relationship learning, absorption capacity, and the learning organization idea. The second chapter of this study provides a

theoretical framework on innovation, while the third chapter presents "research, findings and results".

1. LEARNING ORGANIZATION

1.1 Learning organization

A new approach called the learning organization has recently gained popularity in place of more conventional ones. This transformation is due to:

- The growth of administrative expertise in working with employee capabilities. The priority of the task was the focus in traditional organizations, followed by the importance of the worker as the foundation for the learning organization. But for all those years, employee was hampered by the fact that this administrative relationship followed the conventional hierarchical structure (the manager - the worker) (Najm, 2004: 265).
- The growth of information technology (IT) and the internet has enabled organizations to be hyperconnected to their internal and external environments, making education a continuous and immediate practice. As a result, in the age of the digital revolution and the knowledge economy, ongoing innovation is required to maintain a competitive edge.
- Improvements in knowledge management as a result of the transition from traditional organizations, where management is responsible for knowledge, to learning organizations, where everyone is accountable for sharing knowledge and adding value. All the way to Internet-based electronic management to promote knowledge sharing among employees and between the business, clients, and the general public.

Definition of a learning organization

According to Senge (1990), a "learning organization" is one in which people continually enhance their efforts and skills to produce the outcomes they genuinely desire, where new and expansive patterns of thought are matured, and in which a set of objectives and shared ambitions are established. Rowden (2001:12) pointed out that the learning organization contributes to radical change in organizations and enables each individual to contribute to constantly identifying and solving problems. And Moilanen (2001:11) indicated that the organization is managed in a conscious and orderly manner, As one of the fundamental components of its values, visions, and goals as well as of its daily operations, the learning process is one that it consistently strives to remove structural barriers to, and seeks to build a structure that helps facilitate the learning process, and is concerned with evaluating learning levels and organizational development, as it invests in building leadership that helps individuals find their goals and the goals of the organization, and in collecting extensive information on points which represents the feedback received from the organizational learning process, and this indicates that building a learning organization requires the availability of five pillars: driving forces, finding purpose, interrogation, empowerment, and evaluation.

Sugerman (1998: 62-64) pointed out that the learning organization is the one that pushes the workers to participate in it as creators through the processes of modification and change of work rules, in addition to the organization that benefits from the energies resulting from the individual and group learning processes.

Foster (2001:7) indicated that the learning organization is an organization whose management has the capacity for foresight and understanding by analyzing and benefiting from the experiences and experiences it undergoes, whether those experiences have positive results or negative results. The learning organization was defined through its role in analyzing experiences and benefiting from them.

The cognitive perspective of the learning organization expresses its capacity to create systems with the capacity and ability to acquire information over the long term, enabling it to implement ongoing change processes. Today, one of the most important duties of a manager is having the capacity for knowledge creation, acquisition, and transfer (Hunger & Wheelen, 2007:4).

Bleed (2004: 1) identified a learning organization as one whose leadership continuously assesses its experiences and translates them into facilitating knowledge for all of its human resources, and it is tied to its fundamental goals.

What distinguishes training and education from learning is that training carries a mechanical dimension in transferring the skill that is represented in the set of movements in dealing with the machine for production. The same holds true for education that is provided in a classroom setting to indoctrinate and impart knowledge. Both situations involve the transfer of a static case from the expert to the apprentice or student, with all that this entails for hierarchical and frequently one-sided communication. However, with organizational learning, the exchange, interaction, and sharing take place in a relationship between two parties that goes beyond formal to informal, and from mechanical transmission to human interaction. Senge confirms this by observing that through learning, new information is not acquired, but rather the expansion of ability to achieve goals.

Training and education can be obtained outside the work site, while learning is special knowledge that can only take place within the work and its context and in interaction with its people, things, values and secrets, so learning can only be contextual, but training and education are considered non-contextual activities.

Also, training and education put an emphasis on abilities and general knowledge, and they also carry a measure of change related to the outside perception of what a person is doing, which is represented by the information dimension in the process of developing or altering trends, but education continues to bear the external character and its general dimension that cannot be distinguished in this company. In contrast to learning, It is only possible within the context of the

company's work, in connection to its past, present, and future, as well as what sets it apart from other businesses in terms of culture and style of thinking. Which makes it more influential on the company's distinction on the one hand and more reflective on its return.

Characteristics of a learning organization

Senge identified key features of these organizations:

• Systems thinking (everyone is part of a single synergistic system open to the external environment)

• Personal dexterity

• mental models

• Building a shared vision

• Team building, The hierarchy hinders learning because (Knowledge is concentrated at the top without being shared with the bottom).

It was defined by David Garvin:

• Solve problems in a systematic way

• Creative Experimentation

• Learning from past experience

• Study the best practices of others.

• Quickly and efficiently spread knowledge throughout the company

As Richard Daft defined it with six networked elements:

1.Designed leadership, teacher and patron

2. The participatory strategy (participation and emergence. All organizations were learning, but what was new is that learning organizations are characterized by strategic learning.)

3. Strong adaptive culture (openness and cultural sharing)

4. Team-Based Structure (Network Organization)

5. Administrative empowerment of employees

6. Open information through requesting, acquiring and generating knowledge. (Daft, 2000: 42)

1.2 Relationship learning

Relationship learning was defined by Johanson and Vahlne (2003) as "firms learning in relationships, which enables them to enter new country markets" (Johanson and Vahlne, 2003: 83).

Building trusting relationships and business alliances with the many corporate stakeholders can increase both parties' value and boost their competitive advantages (Vargo and Lusch, 2004). In order to increase value for both parties, businesses should spend time and money developing and implementing partnerships with specific parties, while also considering both primary (Clients, vendors, staff, investors, and regions) and secondary stakeholders (government, rivals, media, special interest, and consumer advocate groups) (Freeman et al., 2007). Similar to this, collaboration, which involves communication, sharing, and co-creation, was defined by Ashok et al. (2016) as the process through which a firm and its key partners together create value. They also found that investing in knowledge management strategies is necessary to maximize the benefits of outside expertise for process innovation.

By preserving a framework for relationship learning, businesses might be able to collect all the priceless relationship-based knowledge. According to the interaction viewpoint on relationship development, Hallen et al. (1991: 29-37) and Hakansson and Snehota's and other researchers' works were the first to conceptualize relationship learning as an organizational competence (1995). Selnes and Sallis' definition of the phrase "Relationship learning" (2003: 80-95)

is "a joint activity in which two parties strive to create more value together than they would individually or with other partners."

The definition of relationship learning is "a joint activity between a supplier and a buyer in which two parties share information, which is jointly interpreted and integrated into a shared relationship-domain specific memory that changes the likelihood of potential relationshipspecific behavior" by Cheung et al. (2011: 1061-1082).

According to other works, information sharing is the aim of relationship learning, which is a cooperative endeavor between a company and one or more stakeholders like a partner, customer, or supplier,etc. (Leal-Rodriguez et al., 2014: 894-907). Information sharing, cooperative sensemaking, and knowledge integration are three first-order reflective notions, which combine cooperation (alignment of interests) and knowledge integration, shape the multidimensional construct of real-world learning (RL). Information sharing is the information exchange between a business and one or more interested parties (Gulati et al., 2005: 415-440). These three elements form an overall framework that influences the environment in which.

A company's capacity to support and leverage relationship learning mechanisms may favor a competition strategy that could result in benefits in the marketplace and increased corporate performance. Strategic goals like risk allocation and the outsourcing of specific value-chain tasks can also be achieved through relationship learning (Gulati et al., 2000: 205).

The creation of new inventions depends on the establishment of cooperative networks between enterprises and stakeholders (Bossink, 2002: 311-320). Businesses can create strategic alliances, joint ventures, inter-firm networks, research and development consortia, benchmarking experiences, and other partnerships to collect best practices from its stakeholders (Doz et al., 2000: 240-242).

The development of cooperative networks between enterprises and stakeholders is necessary for the production of new inventions (Bossink, 2002: 311-320). To

gather best practices from its stakeholders, businesses might develop strategic alliances, joint ventures, inter-firm networks, R&D consortia, benchmarking experiences, and other partnerships (Doz et al., 2000: 239-266).

Access to external specialized knowledge that the firms may lack to overcome current technological shortcomings, the development of deeper and broader knowledge bases within firms, a more fluid transfer of complementary expertise and resources between parts, and the sharing of risks and research costs, Huang and Rice (2012: 125) list numerous advantages of supporting openness in product and process innovation, including reductions in costs and other expenses. As a result, businesses that actively seek out partnerships and collaborations may be able to successfully innovate by fusing their complementary assets and competencies (Powell, 1998).

According to Pfeffer and Salancik's (1978: 230) theory of resource dependence, organizations create cooperative relationships to handle uncertainty and, as a result, organize their resources. In order to increase their knowledge base, skill set, and level of competitiveness through shared learning mechanisms and adjusting their behavior as appropriate, firms should promote information sharing with a variety of clients and suppliers. Relationships may change depending on each component's ability to learn due to the intricacy of the process. Relationship learning may be particularly helpful in this setting because innovations is characterized by a high level of complexity and uncertainty and where working with outside partners is particularly relevant (De Marchi, 2012: 614-615, Cainelli et al., 2015: 211-220).

According to De Marchi (2012: 615), research and development collaboration with suppliers fosters environmental innovation more than other types of innovation. Due to the high degree of complexity that environmental innovations entail, they can only be addressed by combining a diverse range of specialists who must be dispersed across various organizations (De Marchi and Grandinetti, 2013). Companies must build and maintain close cooperation links with the many actors constituting their value network in order to solve the complexity

underlying the pursuit of a proactive inventive approach toward avoiding environmental consequences.

There are two stages to relationship learning: relationship and learning. Organizations must first establish a relationship with one another before exhibiting the corresponding learning behavior using the existing connection as the link. Knowledge acquisition, comprehension, and memory are all examples of general learning behavior. As a result, organizational relationship learning consists of three dimensions: connection memory, common understanding, and information exchange (Chen, 2011).

Participation of partners in cooperative learning activities within organizations, i.e, is referred to as relationship learning. The composition of relationship learning is shown in Figure. (1).

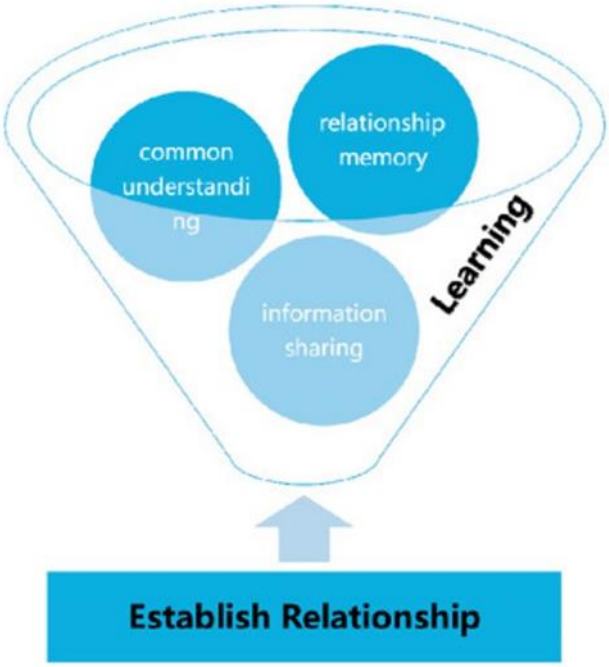

Figure 1 The composition of relationship learning (Xue, Fang & Dong, 2021)

Building trusting business partnerships and interactions with the many corporate stakeholders can raise both parties' value and competitive advantages (Vargo and Lusch, 2004). In order to increase value for both parties, businesses should spend time and money developing and implementing partnerships with specific parties, while also taking into account both primary (consumers, suppliers, employees, financiers, and communities) and secondary (government, competitors, media, special interest, and consumer advocate groups) stakeholders (Freeman et al., 2007). Similar to this, Ashok et al. (2016) found that knowledge management practices investments are crucial for maximizing the value of external knowledge for processes. Collaboration is defined as the process by which a company and its key partners work together to create value through exchange, sharing, and co-development.

The existence of some kind of relationship between partners is a distinguishing feature of inter-organizational learning known as relationship learning. The three main subprocesses that comprise relationship learning are sharing of knowledge, shared sense-making, and memory for particular relationships (Selnes & Sallis, 2003: 80-95). Earlier research on relationship learning, on the other hand, frequently discusses its consequences on the effectiveness or efficiency of a partnership (namely, cost and price reduction) (Selnes & Sallis, 2003; Johnson & Sohi, 2003; Johnson, Sohi, & Grewal, 2004). Despite the fact that the flow and stock constructs are essentially dissimilar from one another, Selnes and Sallis (2003: 80-95) and Li (2006) did not discriminate between them or see them as parallel in analysis.

2. ABSORPTIVE CAPABILITY

Every organization has its own distinct traits, procedures, and methods for gathering knowledge. These methods vary from organization to organization. Knowledge is frequently discovered randomly. The information we seek is frequently already present in the organization. We occasionally travel a path after leaving our organization that brings us back. When this occurs, we frequently become perplexed and wonder why there isn't a system of documentation and registration in the company.

Absorptive capacity enables the flow of opposing and divergent knowledge. Therefore, the absorptive and developmental characteristics of firms are combined to form their inventive ability. The conceptual and analytical framework combines an institution's ability to absorb knowledge from the outside world, consolidate it, and work toward disseminating it through dissemination and distribution. As well as the developmental capacity of institutions to create, develop and exploit this knowledge.

Since 1989, through the writings of Cohen and Levinthal, organizations have begun to look at and care for absorptive capacities, in the sense that it is a process whose goal is to discover errors and automatically solve problems confronting the organization, and to develop decisions in a way that allows it flexibility to respond to different situations, by leveraging existing experiences and knowledge outside the business.

The definition of absorptive capacity was: “the ability to recognize, perceive, understand, apply and market the value of new information” (Levinthal & Cohen, 1990).

In their definition of absorptive capacity (Noblet & Simon, 2010), they shed light on the skills used when absorbing knowledge, as they defined it as: "a wide range of skills that reflect the need to adapt to technology acquired from external sources."

Finally, the definition proposed by (Zahra & George, 2002) highlights the multidimensionality of absorptive ability, focusing on the dynamic dimension of this capacity, as it refers to: “a set of organizational procedures and processes through which organizations acquire, absorb, transform it uses external knowledge to build its dynamic capabilities."

From the above, it can be said that there is no contradiction between the previous definitions that tried to explain the idea of absorbent capacity, as there is an integration between them that shows that its possession and development aims to reach the organization to a common vision that enables it to develop its capabilities to innovate and adapt to the successive and increasing changes in the surrounding environment from through dynamic capacity building and depending on the knowledge available outside it.

The assimilation of knowledge is a dynamic and necessary process that individuals and organizations need alike to survive, grow and develop, as it enables them to understand the changes and developments that occur and thus determine the appropriate situations in dealing with them. There is a conflict in

determining the levels of absorptive capacity, but two classifications can be distinguished:

According to the organizational level: We can distinguish between two types of absorptive capacity on the basis of the organizational level, (Zahra & George, 2002):

- Individual assimilation capacity: the assimilation of knowledge according to this level takes place at the individual level, and individual is obliged to absorb it in order to be qualified to perform the tasks assigned to him in the organization, whose main objective is to consolidate his expertise and experience;
- Organizational absorptive capacity: depends on the cognitive and analytical capacity of the organization to evaluate the environment around it. The importance of this level lies in being a comprehensive and integrated entrance to the absorptive capacity, because it achieves learning at the level of the organization and not the individual level.

According to the source of knowledge: Simon & Noblet (2010) indicated that it falls into three main levels:

- Absorptive capacity of knowledge within a single industry: its source is the industry in which the organization is active, as it finds great ease in accessing and absorbing knowledge because it falls within the scope of its knowledge expertise;
- Absorptive capacity for inter-industry knowledge: the source of knowledge is other firms that can offer promising knowledge

opportunities for the organization, especially in light of the openness of the market and the linkage of industries to each other;

- The absorptive capacity of scientific knowledge: It relates to absorbing new knowledge in the field of technology and/or raw scientific knowledge that comes from universities and academic research centers.

The researchers' work revealed the existence of several absorptive capacity models, albeit not all of them may be applicable to all organizations due to the differences in their natures, structures, and resources. Cohen and Levinthal are considered among the first thinkers who laid the first foundations for the idea of an organization's capacity to absorb knowledge from outside sources, and their model is built on a number of factors that together make up that capacity, as they highlighted in their first article in 1989 the importance of external sources of information in increasing the effectiveness with which knowledge is used by the organization.

3. INNOVATION

3.1 Definition of innovation

Over the past two decades, researchers that have attempted to define, categorize, and examine the consequences of innovation on performance have found it to be a fascinating subject of study, especially given its practical importance. One of the core tools of growth plans meant to break into new markets and provide firms a competitive edge is innovation. Promoting creativity and innovation is necessary given the competition between businesses (Hu, 2014).

Therefore, innovations are a crucial component of corporate plans for a number of reasons, including the use of more productive manufacturing methods and enhanced market performance, the pursuit of a positive reputation in the perception of customers and, gaining a competitive advantage that is long-lasting. Innovations give businesses the strategic direction they need to solve their problems and pursue a long-term competitive edge (Alegre & Chiva, 2013; Gunday, Ulusoy, Kilic, & Alpkan, 2011; Hitt, Ireland, Camp, & Sexton, 2001).

Consequently, there are two primary methods for approaching innovation in the literature (Leskovar-Spacapan & Bastic, 2007). First, the strategic approach, which views innovation as a cultural phenomenon brought about by all company members acting under strategic direction. The second approach is technological, according to which R&D and technology play a major role in the development of new products (Pérez & Ros, 2014).

Innovation, according to Thompson (1965), is the development, adoption, and use of fresh ideas, methods, products, or services. A new organizational structure or a new program for the personnel of the organization are examples of new thoughts or behaviors that fall under the definition of innovation provided by (Damanpour, 1991).

Innovation is the application of fresh concepts to a service, a method, or any other area of a business, according to Rogers & Rogers (1998). According to

(Drucker, 2002), innovation is a particular task performed by entrepreneurs as a means of developing new sources of revenue.

3.2 The importance of innovation

Innovation is significant because it provides a means of gaining a competitive edge and helps to ensure accuracy, transparency, delivery on time, minimizing errors, and providing distinguished services and products. It is one of the most important things that companies compete to achieve in order to gain customer satisfaction and provide market requirements that enhance their competitive position, as entering the world of competition between banks in the competitive market needs innovation because it gives the bank the strength to continue and increases its ability to adapt and keep pace with market requirements, as competition has become based on the small things that form the basis of innovation processes and through which creative innovative ideas can be extracted that support the performance and productivity of banks and enhance their competitiveness. By looking for any form of innovation among its employees and supporting it either by doing something different or doing the same thing in a different creative way, which adds value to the production and performance processes of banks, which thus leads to attracting and retaining customers, increasing profitability and achieving competitive advantage (Katz & Wagner, 2014).

Urbancova (2013) believes that the innovation process is divided into two main parts. The first, when the idea was presented, and the second, when it was implemented in the market. As the basis of the innovative idea depends on knowing the needs of customers and working hard to meet their desires and needs in a creative and distinct manner. The human element is indispensable in the innovation process, as innovation contributes to reaching the competitive advantage and maximizing profits for the bank. The importance of innovation lies in the following:

Building a strong relationship between the market and the new product. It helps banks to maintain large market shares and increase profits. Achieving growth and development through unpriced factors such as design, quality, individuality, and others. The ability to replace expired products. Shorten production time and speed up the development of new products compared to competitors. From the foregoing, it is noted that it is very important to work on innovating and developing innovative mechanisms and methods, because of their role in improving performance, developing service work, achieving the competitive advantage of the banking institution, reducing errors, and providing services and products that are distinct from competitors in order to gain customer satisfaction.

3.3 Stages of innovation

Howell (2015) indicates that innovation can be divided into:

- Making something new through imitation, invention, or discovery is the process of innovation.
- Innovation is a human capacity for imagination, ingenuity or creativity.
- Innovation is change in any area of life, whether it be a change in culture, society, organization, politics, or technology.
- Innovation by marketing new products and dividing them into several dimensions.

And Schulz (2008) divided the stages of innovation into four stages, which are:

- Having a new idea for the application or presentation.
- Providing information through communication networks and ensuring the extent of the benefit they may provide to the system.
- The time horizon within the idea of creativity and adoption, with a group of people.
- The social system that depends on the creation of different denominations of the diffusion currency.

As for Kheider (2014), divided the stages of innovation as follows:

- Discovery: brainstorming (planning), valuable innovation.
- Pre-validation: developing ideas for the database for the market, technical and competitive analysis.
- Checking the details of the administrative file and evaluating the scoring models, and the economic models.
- Development: Provides the consumer with valuable information in the shortest possible period of time.
- Testing and validating experiments, and testing the e-commerce marketplace.
- Implementation: launching the product into the market.
- Post-launch review: Profit quantitative analysis.

3.4 Innovation types

Oslo Manual (OECD, 2005), provides the primary worldwide framework for the definition and assessment of innovation efforts, as well as for the gathering and utilization of relevant data. According to the manual, innovation is the implementation of a new or significantly enhanced product (good or service), process, marketing strategy, or way of setting up internal or external corporate operations.

There are four basic categories of innovation given in the Oslo Manual (OECD, 2005). These include organizational innovation, marketing innovation, process innovation, and product innovation.

These types are compatible with what this study aims at, where the study explores the opinions of employees about the ability of their company to improve the quality of its products (which represents product innovation), accelerating the pace of marketing new products and making profit from new products (marketing innovation), and about the company's ability to develop A new

technology to improve the operational process (process innovation), and finally, about the business's acquisition of new tools or equipment to boost productivity (organizational innovation). The four categories of invention are described below.

Product innovation

A product innovation refers to the launch of a good or service that is either entirely new or significantly improved in terms of its features or intended applications, including significant advancements in terms of technical specifications, components and materials, embedded software, user-friendliness or other functional characteristics. (OECD, 2005).

Process innovation

Process innovation is the adoption of a fresh or vastly better production- or delivery-method. This comprises material modifications to procedures, tools, and/or software.

Process innovations may seek to generate or provide new or significantly enhanced products, raise quality, or decrease unit production or delivery costs (OECD, 2005).

For (Fagerberg, Mowery, & Nelson, 2005) While the launch of new products is typically thought to have a clear positive impact on employment and income growth, the impact of process innovation may be less evident because of its focus on cost-cutting.

Marketing innovation

Marketing innovation is the adoption of a new marketing strategy entailing substantial modifications to product positioning, pricing, promotion, or packaging (OECD, 2005). Marketing innovations seek to increase sales by better serving customer requirements, creating new markets, or positioning a company's product in the market. According to the four Ps of marketing, they

are closely tied to pricing tactics, product packaging design attributes, product placement, and promotional activities (Kotler & Armstrong, 1991).

Organizational innovation

Finally, implementing a new organizational strategy into a company's operations, workplace structure, or external relations is known as organizational innovation. By lowering administrative and transaction expenses, granting access to non-marketable assets (like uncodified external information), or lowering supplier costs, organizational innovations frequently improve business performance (OECD, 2005).

3.5 Factors affecting innovation

The factors affecting the innovation process are divided into the following: (AbdulWahab, 2012: 40)

- Factors affecting the status of each employee in the organization.
- Factors affecting the enterprise level.
- Factors affecting the level of the environment surrounding the institution.

Factors influencing an individual's involvement in an organization's innovation process

An explanation of the factors influencing the level of the individual working in the organization throughout the innovation process is provided below. The individual is the crucial component in the innovation process: (AbdulWahab, 2012: 41-42)

The following is a set of personality traits that influence innovation:

- Curiosity, asking questions about work;
- They challenge traditional ways of doing things;
- They prefer to look beyond frames of reference and think outside the box;
- They bring new perceptions of ways to face problems and opportunities

The following is a set of behaviors that affect innovation:

- Complexity by thinking things out of the ordinary.
- Skepticism that leads an individual to search and seek a more innovative method.
- Deepening the perception and linking events may form the individual's intuition, which contributes to his invention of new things.
- Self-motivation motivates him to innovate if he is doing something he loves.
- Restriction and limitation limit one's ability to innovate and develop.

Factors affecting the enterprise level in the innovation process

The elements influencing the enterprise level in the innovation process are described below: (AbdulWahab, 2012: 43-45)

Enterprise strategy: The enterprise strategy has a major role in the innovation process, as it can stimulate if it follows a supportive strategy for innovation, and it may adversely affect if it is directed and restricted and does not give the individual the opportunity to innovate and develop.

Leadership Management style: Leadership greatly affects the innovation process. If leadership is supportive of innovation, this will be reflected on an individual who seeks to innovate and develop.

Team: Supports the team in providing an environment conducive to innovation and development.

Organization culture: It is the character that distinguishes the organization, and the organization's culture will be more receptive to change and innovation if it tends to innovate and evolve.

Influencing factor: the individual works to raise the level of the innovation process whenever he is open to development and teamwork.

Communication: Infrastructure helps to communicate between members of the organization, accelerate the process of innovation and raise its efficiency.

Factors affecting the level of the environment surrounding the institution in the innovation process

The following provides an explanation of the elements influencing the institution's environment level during the innovation process: (AbdulWahab, 2012: 45-47)

Environmental factors prevailing in society There are many cultural and social factors that determine the personality and behavior of the innovator, in addition to the fact that political factors will motivate innovators to innovate and develop if political leaders support innovation.

Institutional base for research and development in society The community's possession of an integrated infrastructure encourages the innovation process, as it provides the innovator with a sound environment for creativity and development, and the policies that provide this structure: the patent system that preserves the rights of innovators, research centers and universities.

Numerous authors have discussed a variety of elements, including leadership, that tend to have a substantial impact on creativity (Ye, Liu, & Tan, 2021; Maziti, Chinyamurindi, & Marange, 2018; García-Morales, JiménezBarrionuevo, & Gutiérrez-Gutiérrez, 2012; García -Morales, Lloréns-Montes, & Verdú-Jover, 2008; Noruzy, Dalfard, Azhdari, Nazari-Shirkouhi, & Rezazadeh, 2013); organizational learning (Patky, 2020; Alegre & Chiva, 2013; Hu, 2014; Jiménez-Jiménez & Sanz-Valle, 2011) and knowledge management (Siregar, Suryana, Ahman,& Senen, 2019; Abbas, & Sağsan, 2019; Ugalde-Binda, Balbastre-Benavent, Canet-Giner, & Escribá-Carda, 2014; Wu, Parker, & De Jong, 2014).

Innovation consists of creating new knowledge (Cabrilo & Grubic-Nesic, 2013; Nonaka & Takeuchi, 1995) or using prior knowledge in novel ways (Fleming & Sorenson, 2001). The main source of innovation is the production of new information (Nonaka & Takeuchi, 1995; Teece, Pisano, & Shuen, 1997). Rehman, Hawryszkiewycz, & Sohaib, 2018 considers knowledge creation to be a part of the innovation process.

Innovation being a procedure that largely relies on the gathering, analyzing, and sharing of information and data about clients, rivals, and technologies advances (Beyene, Shi, & Wu, 2016). Therefore, one of the main strategies of successful companies is to gradually create and diffuse knowledge throughout the business and swiftly incorporate it into the creation of new goods and technology, which will ultimately strengthen organizational innovation (Jyoti, Chahal, & Rani, 2017). According to Shahin, Barati, Dabestani, Khalili, and Research (2017), innovation calls for the exploitation and transformation of already-existing information, which is then integrated with knowledge obtained from sources outside the company and shared among team members. organization, typically through the sharing of information and knowledge.

4. DESIGN OF THE RESEARCH

This section presents the research methodology to guide this study. It covers research objectives and model, research design, study population and sample size, sampling design and demographics, and statistical measurements.

4.1 The Aim of Study

The purpose of this study is to clarify the relationship between innovation performance and relationships with learning and organizational absorptive power. This will allow it to be determined whether relational learning and/or absorptive capacity have any effect on organizational innovation.

4.2 Study Importance

This study's significance can be attributed to the fact : it presents the most important administrative and economic topics circulating among researchers in the economic arena within both developed and emerging nations, as the current time is characterized by major economic transformations that have a clear impact on the importance of organizations in economic and social life.

Therefore, the importance of this study does not appear only because of the lack of previous studies that dealt with this topic in Jordan, but because this topic takes on a great importance in organized learning in most of the countries of the world. From innovation management that enables the company to take advantage of any opportunity, internal or external, and to leverage its innovative efforts to introduce new concepts, procedures, or goods.

4.3 Research Hypotheses

Hypothesis 1. Relationship learning is positively associated

with their innovation performance.

Hypothesis 2. Absorptive capacities are positively associated

with their innovation performance.

4.4 Study Model

A hypothetical model was created to illustrate the logical relationship between the study variables based on the aims and problem of the investigation, as well as the literature and prior studies connected to the study's topic. The model is shown in figure (2). The dependent variable is innovation performance, and the independent variables are relationship learning and absorptive capacity.

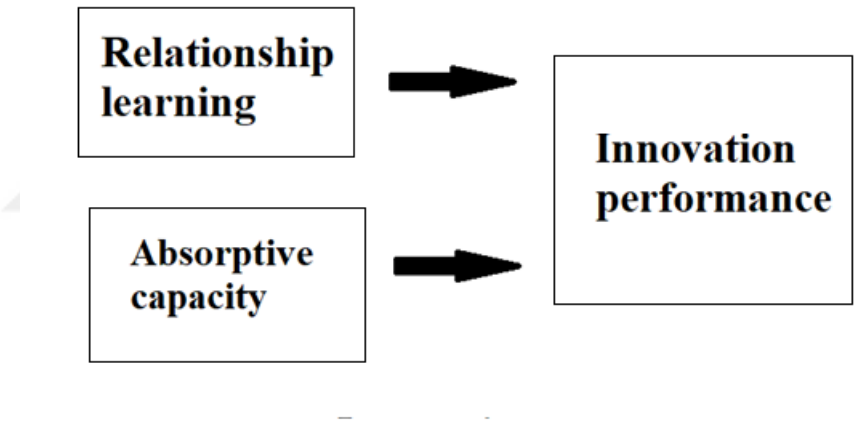

Figure 2 Study model

4.5 The Universe, Sampling and Data Gathering

The universe, in fact, involves all organizations; particularly the ones whose performance is based on mostly the information and innovation. However, due to the difficulties concerning with carrying out an international master degree thesis and with the time schedule problems, the sample is just an unique organization: Zain Company. But the Zain Company is a good sample whose

presentation potential is high since it uses the information very intensively and Jordan, the country where the Zain has located is country who has already triggered a “digital revolution leap”.

Zain Jordan was founded in 1994 in Jordan, is part of the Zain Group, one of the top businesses in the Middle East and North Africa for mobile telecommunications innovations. Zain Jordan has recorded an exceptional rate of subscriber growth since its inception, through a strategic investment strategy that incorporates the newest technology to deliver the newest solutions, it keeps its top spot in the market. Zain Jordan is still working to support the digital transition, build Jordan's digital infrastructure, and offer the most recent information and communication technologies.

Table 1 Demographic characteristics of the study participants in terms of frequencies and percentages (n=67)

Items	**Frequencies n**	**Percentages %**
Age		
20-30	12	17.9
30-40	35	52.2
40-50	18	26.9
50-60	2	3.0
Gender		
Male	44	65.7
Female	23	34.3
Job rank		
Employee	51	76.1
Director	3	4.5
Assistant manager	6	9.0
Manager	7	10.4
Years of experience		
less than 5 years	12	17.9
5-10 years	27	40.3
more than 10 years	28	41.8
Educational degree		
Bachelor's	63	94.0
Postgraduate-Masters/Postgraduate-PhD	4	6.0

As shown in the previous table, the study included 65.7% males and 34.3% females. According to the job rank of the participants, 76.1% are employees, 9% are assistant managers, 4.5% are directors, and 10.4% are managers. On the other hand, according to years of experience, 17.9% had 5-10 years of experience, 40.3% had 5-10 years, and 41.8% had more than 10 years.

4.6 Scales Used and Statistical Methods

The (organizational) innovation performance is the dependent variable in this thesis. On the other hand, the relationship learning (skill) and the (information) absorptive capacity are the independent variables. Questionnaires are referred of the Chen's paper (Chen et.al 2009). Although the original paper has four different questionnaires, one of them is excluded for this thesis. The excluded one concerns the measuring the relative competitivity. Here a single company is analyzed and competitivity wouldn't be a trustable variable and Additionally, this thesis' primary goal is to clarify the connection between innovation performance and information "sources"; does the relationship learning or organizational absorptive capacity effect more the innovation performance? That's the question.

Hence the competitivity is eliminated as a variable in this thesis and three questionnaires are used for measuring three different variables. The questionnaires are mentioned in the annexes. Choices of the items for the respondents are "Completely disagree - 1; disagree - 2; neutral - 3; agree - 4 and completely agree - 5"

SPSS 23.0 software was used to execute analysis techniques. The appropriateness of the normal distribution was assessed using a single sample Kolmogorov-Smirnov test, and the normal distribution was discovered. Parametric significance tests are employed throughout the investigation as a result.

5. FINDINGS OF THE RESEARCH

5.1 Reliability Analysis

In order to reach better findings, first, it is concentrated to the reliability of the scales. In that frame it is aimed to eliminate the items whose reliability is insufficient. It is possible and preferred to omit the items whose reliability decrease the common reliability of the scale (Saruhan & Özdemirci; 2016).

The first scale's function is to measure the relationship learning based on the capacity of information sharing among the stakeholders. So, we define this variable here, as "information sharing". Related questions about the information sharing are as follows:

> **VAR 1** – "My company exchanges information related to changes in the technology of products with its relevant partners".
>
> **VAR 2** – "My company exchanges information related to changes in market structure, such as mergers, acquisitions, or partnering with its relevant partners".
>
> **VAR 3** – "My company is frequently influenced by its relevant partners to adjust its common understanding of trends in technology related to its business".
>
> **VAR 4** – "My company is common to establish joint teams to analyze and discuss strategic issues with its relevant partners".
>
> **VAR 5** – "My company and its relevant partners frequently meet face-to-face in order to refresh the personal network".

The reliability analysis of this scale, reaches to 0.707 of alpha (α) value (Table 1); but analyze advices us to remove item 5 for reaching higher reliability (Table 2).

Table 2 The reliability analysis of information sharing scale

The reliability analysis of information sharing scale				
N of Items= 5				
Cronbach's Alpha= 0.707				
The reliability analysis of information sharing scale if item deleted (for the five items of the scale)				
	Scale Mean if Item Deleted	**Scale Variance if Item Deleted**	**Corrected Item-Total Correlation**	**Cronbach's Alpha if Item Deleted**
My company exchanges information related to changes in the technology of products with its relevant partners	158,806	1,258	,023	,775
My company exchanges information related to changes in market structure, such as mergers, acquisitions, or partnering with its relevant partners	160,000	,848	,623	,595
My company is frequently influenced by its relevant partners to adjust its common understanding of trends in	159,851	,712	,835	,485

technology related to its business				
My company is common to establish joint teams to analyze and discuss strategic issues with its relevant partners	159,851	,712	,835	,485
My company and its relevant partners frequently meet face-to-face in order to refresh the personal network	158,507	,977	,166	,816
The reliability analysis of information sharing scale after item five deleted				
N of Items= 4				
Cronbach's Alpha= 0.816				
	Scale Mean if Item Deleted	**Scale Variance if Item Deleted**	**Corrected Item-Total Correlation**	**Cronbach's Alpha if Item Deleted**
My company exchanges information related to changes in the technology of products with its relevant partners	118,060	,916	,044	,951
My company exchanges information related to changes in	119,254	,525	,768	,703

market structure, such as mergers, acquisitions, or partnering with its relevant partners				
My company is frequently influenced by its relevant partners to adjust its common understanding of trends in technology related to its business	119,104	,446	,902	,622
My company is common to establish joint teams to analyze and discuss strategic issues with its relevant partners	119,104	,446	,902	,622
The reliability analysis of information sharing scale after item 1 and 5 were deleted				
N of Items= 3				
Cronbach's Alpha= 0.951				
	Scale Mean if Item Deleted	**Scale Variance if Item Deleted**	**Corrected Item-Total Correlation**	**Cronbach's Alpha if Item Deleted**
My company exchanges information related to changes in market structure,	78,806	,470	,795	1,000

such as mergers, acquisitions, or partnering with its relevant partners				
My company is frequently influenced by its relevant partners to adjust its common understanding of trends in technology related to its business	78,657	,391	,952	,884
My company is common to establish joint teams to analyze and discuss strategic issues with its relevant partners	78,657	,391	,952	,884
The reliability analysis of information sharing scale after item 1, 2 and 5 were deleted				
N of Items=2				
Cronbach's Alpha= 1.000				
	Scale Mean if Item Deleted	**Scale Variance if Item Deleted**	**Corrected Item-Total Correlation**	**Cronbach's Alpha if Item Deleted**
My company is frequently influenced by its relevant partners to adjust its common understanding of trends in	39,403	,118	1,000	.

technology related to its business				
My company is common to establish joint teams to analyze and discuss strategic issues with its relevant partners	39,403	,118	1,000	.

Item five has been deleted based on Table 2 which indicates that the reliability will become higher if it is deleted. Table 3 and Table 4 show the reliability analysis of information sharing scale after item five deleted.

After eliminated the item 5, we saw that there is still a way to reach higher reliability values (Table 3) and we eliminated item 1 and 2 later (Table 4). Finally, we reached the highest reliability value (α=1) with the items 3 and 4.

Similar reliability tests are carried out for both other two scales and we reached highest reliability values.

Second scale's function is to measure the organizational capacity of looking, gathering and using the information. This capacity can be briefly defined as the absorptive capacity (Chen et.al., 2009). The reliability analyzes show the necessity to omit item 6 in order to reach the highest reliability. Hence, item 6 is omitted and highest reliability value is reached with items 7 and 8 for the scale of absorptive capacity. Here below the second scale's items:

VAR - 6 - My company has the ability to apply new external knowledge commercially and invent new products

VAR - 7 - The corporation of my company has the ability to understand, analyze and interpret information from external knowledge.

VAR - 8 - My company has the ability to combine existing knowledge with newly acquired and assimilated knowledge.

Table 3 The reliability analysis of the organizational capacity scale

The reliability analysis of the organizational capacity scale					
N of Items=2					
Cronbach's Alpha= 0.858					
	Scale Mean if Item Deleted	**Scale Variance if Item Deleted**	**Corrected Item-Total Correlation**	**Squared Multiple Correlation**	**Cronbach's Alpha if Item Deleted**
My company has the abılity to apply new external knowledge commercıally and ınvent new products	80,597	,239	,504	.	1,000
The corporatıon of my company has the abılity to understand, analyze and ınterpret ınformatıon from external knowledge	80,299	,181	,866	.	,670
My company has the abılity to combıne exıstıng knowledge wıth newly acquıred and assımılated knowledge	80,299	,181	,866	.	,670
The reliability analysis of the organizational capacity scale after item 6 deleted					
N of Items=3					
Cronbach's Alpha= 1.000					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
The corporatıon of my company has the abılity to understand, analyze and ınterpret ınformatıon from	40,299	,060	1,000	.	.

external knowledge					
My company has the abılıty to combıne exıstıng knowledge wıth newly acquıred and assımılated knowledge	40,299	,060	1,000	.	.

And lastly third scale's function is to measure the innovation performance of the organization. The reliability analyzes show the necessity to eliminate items 9, 10, 13 in order to reach the highest reliability. Hence, highest reliability value is reached with eliminating items 9, 10, 13 and items 11 and 12 are considered as the main variables on innovation performance based on the reliability analyze. The items of the innovation performance scale:

VAR -9- My company can improve its product quality by innovation.

VAR -10- My company can accelerate the commercialization pace of the new products by innovation.

VAR -11- My company makes a considerable profit from its new products.

VAR -12- My company can develop new technology to improve the operational process.

VAR -13- My company purchases new instruments or equipment to accelerate productivity.

Table 4 The reliability analysis of the innovation performance scale

The reliability analysis of the innovation performance scale					
N of Items= 5					
Cronbach's Alpha= 0.724					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
My company can ımprove ıts product qualıty by ınnovatıon	160,448	,680	,165	.	,775
My company can accelerate the commercıalızatıon pace of the new products by ınnovatıon	161,194	,592	,342	.	,729
My company makes a consıderable profit from ıts new products	160,746	,403	,861	.	,499
My company can develop new technology to ımprove the operatıonal process	160,746	,403	,861	.	,499
My company purchases new ınstruments or equıpment to accelerate productıvıty	160,448	,589	,281	.	,758
The reliability analysis of innovation performance capacity after item 9 deleted					
N of Items= 4					
Cronbach's Alpha= 0.775					

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
My company can accelerate the commercıalızatıon pace of the new products by ınnovatıon	120,746	,494	,366	.	,818
My company makes a consıderable profit from ıts new products	120,299	,332	,858	.	,557
My company can develop new technology to ımprove the operatıonal process	120,299	,332	,858	.	,557
My company purchases new ınstruments or equıpment to accelerate productıvıty	120,000	,485	,321	.	,848
The reliability analysis of innovation performance capacity if item 13 deleted					
N of Items= 3					
Cronbach's Alpha= 0.848					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
My company can accelerate the commercıalızatıon pace of the new products by ınnovatıon	80,299	,302	,458	.	1,000
My company makes a consıderable	79,851	,197	,872	.	,625

profit from ıts new products					
My company can develop new technology to ımprove the operatıonal process	79,851	,197	,872	.	,625
The reliability analysis of innovation performance capacity after item 10 deleted					
N of items= 2					
Cronbach's alpha= 1.000					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
My company makes a consıderable profit from ıts new products	40,149	,076	1,000	.	.
My company can develop new technology to ımprove the operatıonal process	40,149	,076	1,000	.	.

5.2 Factor Analysis

In order to find the dimensions of the variables we analyze the items with the factor analyzing tests. It contains the “Kaiser-Meyer-Olkin Measure of Sampling Adequacy Test” and Bartlet’s test of sphericity. Those tests did not mention any positive or negative results regarding the adequacy of the items for a factor analyze. It is clear that it’s a noteworthy “ambiguity”. However, trusted on the reliability results we nevertheless continue to factor analyzing and here below the results. First analyzing is regarding to the relationship learning. Based on the results of these tests:

Communalities

	Initial	Extraction
VAR00001	1,000	,617
VAR00002	1,000	,803
VAR00003	1,000	,962
VAR00004	1,000	,962
VAR00005	1,000	,478

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Square
	Total	% of Variance	Cumulative %	Total
1	2,783	55,657	55,657	2,783
2	1,040	20,796	76,453	1,040
3	,937	18,735	95,188	
4	,241	4,812	100,000	
5	-5.55E-13	-1.11E-11	100,000	

Component Matrix[a]

	Component	
	1	2
VAR00004	,981	-,005
VAR00003	,981	-,005
VAR00002	,883	,154
VAR00001	,062	,783
VAR00005	,274	-,635

Extraction Method: Principal Component Analysis. a. 2 components extracted.

Rotated Component Matrix[a]

	Component	
	1	2
VAR00004	,976	,103
VAR00003	,976	,103
VAR00002	,894	-,065
VAR00001	,139	-,773
VAR00005	,210	,659

Component Transformation Matrix

Component	1	2
1	,995	,100
2	,100	-,995

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2,000	100,000	100,000	2,000	100,000	100,000
2	2.22E-13	1.11E-11	100,000			

Component Matrix[a]

	Component 1
VAR00004	1,000
VAR00003	1,000

Rotated Component Matrix[a]

a. Only one component was extracted. The solution cannot be rotated.

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.[a]

a. Rotation converged in 3 iterations.

Finally, despite the homogeneity problem of the answers, the factor analyze is carried out and the results emerged similarly with the reliability analyze. It was clear that the relationship learning would be measured by items 3 and 4; absorptive capacity would be measured by items 7 and 8 and the innovation performance would be measured by items 11 and 12. And these factors are unified.

Further, the analyzing for figuring out the relations between variables are carried out.

5.3 Outcome Model of Factor Analysis

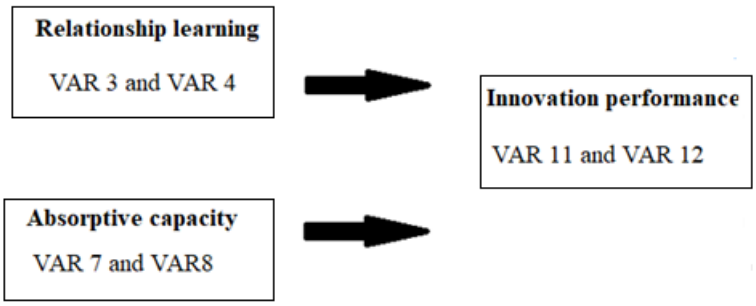

Figure 3 Research model derived from factor analysis

Hypothesis 1a. The company is frequently influenced by its relevant partners to adjust its common understanding of trends in technology related to its business, is positively associated with innovation performance.

Hypothesis 1b. The company is common to establish joint teams to analyze and discuss strategic issues with its relevant partners, is positively associated with innovation performance.

Hypothesis 2a. The company has ability to understand, analyze and interpret information from external knowledge is positively associated with innovation performance.

Hypothesis 2b. The company's ability to combine existing knowledge with newly acquired knowledge and assimilation are positively associated with innovation performance.

5.4 Correlation Analysis

Table 5 Correlation analysis

	Rel.Learn.	**Abs. Cap.**	**Inn. Perf.**

Rel. Learn.	Pearson Correlation	1	,022	,010
	Sig. (2-tailed)		,862	,939
	N	67	67	67
Abs. Cap.	Pearson Correlation	,022	1	,445**
	Sig. (2-tailed)	,862		<,001
	N	67	67	67
Inn. Perf.	Pearson Correlation	,010	,445**	1
	Sig. (2-tailed)	,939	<,001	
	N	67	67	67
**. Correlation is significant at the 0.01 level (2-tailed).				

As it is seen in the table, there is not any correlation between relationship learning and innovation performance while there is a correlation between absorptive capacity and innovation performance.

5.5 Regression Analyzes

Table 6 Regression analyzes

Model	**R**	**R Square**	**Adjusted R square**	**F**
1	,445[a]	,198	,185	16,007
	B	**Beta**	**T**	**Sig.**
	2,000		3,964	<,001
Absorptive Cap.	,500	,445	4,001	<,001
a. Dependent Variable: innovation performance				
b. Predictors: (Constant), Absorptive cap.				

Dependent variable: innovation performance

Hypothesis 2. Absorptive capacities are positively associated with innovation performance.

We can say that the regression confirms the correlation. And further it is possible to formulize the relation model. Here below the model:

(Inn= Innovation Performance) and (Abs=Absroptive Capacity)
Inn = 2,000 + 0,500Abs ve R2= 0,185
Sm = (0,505) (0,125) F = 16,007
t (3,964) (4,001)
Since t statistic is 3,964 and "p" <0,05 the regression's results are considered as Similarly, F is 16,007 and p<0,001. It confirms the significance.
Therefore, absorptive capacity explains 18,5% of innovation performance. The reason of innovation performance's 0,5 unit increasing is the absorptive capacity's 1 unit increasing.
It means absorptive capacity can improve the innovation performance. It means the organizations who can gather the information from the external environment and who can use this information within its internal structure, increases its revenue from new products or services and uses the new technologies for improving the operational processes.
According to these findings, our H2 hypothesis is supported.

CONCLUSIONS

This study sought to provide light on the connections between innovation performance, relational learning, and organizational absorptive power. The study sample was made up of workers at Zain Jordan. Although this study was conducted in one company, this company is a good sample whose presentation potential is high since it uses the information very intensively and Jordan, the country where the Zain has located is a country who has already triggered a “digital revolution leap".

The opinions of Zain employees were collected through a self-administered questionnaire. The survey includes the views of the dependent variable, relational learning, and absorptive ability, the three factors that make up this study (innovation performance). According to the study's findings, relational learning and innovation performance are unrelated, whereas absorptive capacity and innovation performance are related.

The relationship between interpersonal learning and absorptive capacity and innovation performance has not been examined in Jordanian organizations, despite previous studies emphasizing their importance. As a result, this research is unique to Jordan.

A firm's investment in absorptive ability can boost innovation performance, according to the study. It refers to businesses that are able to gather information from their external environment and make use of it within, increase their revenue from new products or services and use new technologies to improve operational processes.

The majority of the knowledge required for innovation is typically thought to be contained within the business. A more modern perspective, however, highlights the value of utilizing outside expertise to increase an organization's capacity for innovation.

Where the innovation process comes from is the adoption of external knowledge. From here, it turns out that the The institution faces significant issues

due to its absorptive capacity since how it manages information absorption affects its capacity for innovation and the attractiveness of its learning environment. The institution faces significant issues due to its absorptive capacity since how it manages information absorption affects its capacity for innovation and the attractiveness of its learning environment.

The benefit of absorptive capacity is that organizations are more open to incorporating new thoughts and ideas when they have some past knowledge, which is typically stimulated externally. Whereas institutions perceptive and educational institutions support and reinforce the idea of learning. This indicates that they are actively looking for novel concepts, because their previous education has prepared them to quickly assimilate new information or associate concepts. These institutions are superior to others because they are able to identify novel concepts that might spur innovation and are motivated to advance their knowledge of communication, integration, and experimenting with it.

The better the organization's capacity for learning and knowledge acquisition, the greater is the ability of the leadership to create innovative practices and rules by increasing the capabilities and capabilities. Therefore, the leadership of companies produces these points of consensus that become a part of their routine and practice to contribute to the growth of their inventions and capacities for future innovation activity by having a strong idea management system in place. Once acknowledged and established as a system, the absorptive capacity encourages the pursuit of new knowledge, which improves one's potential to establish the new connections required for innovation to take place.

Continual learning is encouraged by the acquisition of continuous knowledge. Additionally, it generates positive feedback because it increases the talents and energy needed for future innovative activities. Once acknowledged and established as a system, the absorptive capacity encourages the pursuit of new knowledge, which improves one's potential to establish the new connections required for innovation to take place.

In order for this freshly acquired knowledge to flow and integrate, open innovation should be encouraged both inside and externally. After that, we may more effectively apply this information to create new applications or provide value. Knowing that there are many important obstacles in the pursuit of open innovation today that need to be resolved, but the free sharing of knowledge often breaks down barriers and builds the innovative identity of the organization.

By implementing the capacity system, the flows that are required to keep innovation moving ahead, inspire the hunt for new ideas, and enable others to capitalize on this knowledge can be produced.

RECOMMENDATIONS

The study presents a set of recommendations as follows:

The organization or company invests in the absorptive capacity as it improves the performance of innovation. It refers to businesses that are able to gather information from their external environment and make use of it within, increase their revenue from new products or services and use new technologies to improve operational processes.

Conducting more studies in countries that aim at what this study aimed at and comparing the results

This study was conducted in one of the telecommunications sector companies in Jordan, so we recommend conducting future studies in Jordan in other sectors and in several companies.

We also recommend conducting future studies in the same company after a period of time to confirm the impact and identify the factors affecting it.

LIMITATIONS

The study was conducted in one company (Zain) in Jordan. If it is conducted in several companies, the results may differ based on different perspectives and perceptions. Similarly, if the study is conducted in other countries, the results may also be different due to different organizational cultures, so as to benefit from international and local experiences in the field of supporting learning organizations and adopting better means that prove.

Its success in promoting sustainable development, particularly in underdeveloped nations. The investigation was carried out in 2022. It is contestable that the perceptions of the employees as well as their innovation capacity will stable as time goes by. Newer studies should concentrate same questions in the future in order to confirm our results.

The administrative staff of the company participated in the study. May be blue collar employees' looking/perception would be different; newer studies can focus on blue collar employees in the future.

Participants' opinions were collected through a self-administered questionnaire. Like all studies in social science we should trust on respondents' answers. Scholar may look for the new measurements that are not based on the perceptions in the future.

Unfortunately, homogeneity results of the factor analyze did not allow a such "activity". Nevertheless, based on the positive reliability analyze results, we still continue to the research and found our results despite that question. That is the study's most significant flaw.

The compared organizational performance could be the dependent variable in the study. But we cannot do it due to such analyze implies a couple companies, at least. But we did not have a chance to spread the research to the different enterprises.

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