




**Zaeem Ahmad**

MS Scholar, Department of Management Sciences, Lahore Garrison University, Pakistan

KEYWORDS	ABSTRACT
<p><b>Organizational Trust, Absorptive Capacity, Process Innovation</b></p>	<p>The aim of current study was to examine how absorptive capacity functions as mediator amid organizational trust and Process innovation. Employee information was gathered and basic linear and multiple regression analysis were used to further examine the data. The findings support hypothesis that organizational trust influences process innovation via absorptive capacity. The conditional indirect impact model demonstrates how absorptive ability mediates indirect link between organizational trust and process innovation. The cross-sectional design of this study was its main drawback. To deepen their understanding of the significance of organizational trust, researchers in human resource management should work to expand and imitate findings using multi-wave data. This is first example to demonstrate how absorptive capacity might affect organizational trust, which in turn can drive process innovation. The study offered significant results that helps in reaching the desired conclusions and offering certain recommendations to policymakers and future researchers in order to revisit their research regarding the issues under consideration.</p> <p> 2022 Journal of Social Sciences Development</p>
<p><b>Corresponding Author</b></p>	<p><b>Zaeem Ahmad</b></p>
<p><b>Email:</b></p>	<p><a href="mailto:zaeem.ahmad432@gmail.com">zaeem.ahmad432@gmail.com</a></p>
<p><b>DOI</b></p>	<p><a href="https://doi.org/10.53664/JSSD/01-02-2022-05-148-161">https://doi.org/10.53664/JSSD/01-02-2022-05-148-161</a></p>

## INTRODUCTION

The management literature generally acknowledges need of trust for organizational performance (Meyerson, Weick & Roferick, 2006; Sankowska, 2013; Beccerra & Gupta, 1999; Breuer, Hibben, Hüffmeier, & Hertel, 2020; Bibb & Kourdi, 2004) and that trust has advantages for organizations (Kramer, 1999; Law, Bhaumik & Sun, 2020). The organizational trust is described by Lee (2019) as "individuals' expectations about networks of organizational connections and conduct. Employees who identify with the company and are committed to developing enduring relationships with it are said to have high organizational trust (Bagdasarov, Connelly & Johnson, 2019). It is described as having faith in other people good intentions and that employers adhere to law (Paliszkievicz, 2019). This has been acknowledged in a variety of areas, including communication (Hartman et al. 2009;

Stopar, et al., 2019), problem-solving (Boss, 1978; Zand, 1972; Fonn, et al., 2019), quality enhancement (Jones, et al., 2020; Hacker & Willard, 2002), employee commitment (Darrrough, 2008; Paine, 2006; Ristić, 2004; Sankowska, 2013; Brown, Kramer & Cook, 2004; Dwivedi, 1983; Ismagilova, et al., 2017), profitability (Bibb and Kourdi, 2004; Davis et al., 2000; Abid, et al., 2020), team performance (Webber, 2002; Bodansky, 2020, Ferrin & Dirks, 2002), continuance of collaboration (Lumineau, & Mulotte, 2019; Malhotra & Lumineau, 2011) and organization health (Müller & Schwierien, 2020; Beccerra & Gupta, 1999).

According to Qureshi and Evans (2013), trust has positive significant effect on absorptive Capacity. "Absorptive capacity is defined as firm's ability to recognize value, acquire, transform or assimilate, and exploit knowledge" (Božič, & Dimovski, 2019). Absorptive ability enables an organization to recognize new information from external organization and to adjust and integrate that knowledge within (Yu, et al., 2020). Based on aforementioned concepts, it is possible to describe the absorptive capacity as "the capacity to acquire information from both inside and outside of organizations. It describes the goals of acquiring, transforming, absorbing, developing, and integrating information within an organization. In order to improve efficient operations, internal organizational, technical, and/or administrative procedures may be created, extended, as well as modified. Damanpour and colleagues (2009); Heij et al. (2020). A continuous process, innovation begins with an idea and ends with the creation of a new good or service (Jaruzelski et al., 2018). To increase resource efficiency through process innovation, all operational and management procedures must be systematically improved (Li et al., 2017). The term process innovation maybe definite as systematic development for creation, modification, and administrative extension and effective processes of organization based upon concepts.

Pakistan is the world's fourth-largest cotton grower (Malik & Ihsan, 2016). It contributes between 60 and 65 percent of Pakistan's total yearly foreign exchange earnings, or around \$5.5 billion. It is the backbone of the Pakistani economy, employing more over 40% of the country's industrial labour force, contributing 8.5% of GDP, accounting for 40% of bank credit, and making up 60% of all exports. Yet, it does not fully capture the potential of the Pakistan's textile sector (Ahmad & Siddiqui, 2016). Pakistan may significantly grow its market share in the globe if it manages it well and implements appropriate corrective measures (Ali et al., 2020). One of the world's top producers of textiles is Pakistan. Pakistan is 4th cotton producer in world (Malik & Ihsan, 2016). It contributes 60–65% of Pakistan's total yearly foreign exchange earnings, or around \$5.5 billion. More than 60% of the country's exports are made up of cotton textiles (Ahmad & Siddiqui, 2016). It accounts for 46% of all industrial goods and employs 38% of all industrial labour. Pakistani textile industry expanded significantly as result of availability of raw cotton and low labour costs (Ali et al., 2020). 8.5% of Pakistan's GDP is contributed by textile sector. It is recognized as Asia's 8<sup>th</sup> largest textile exporter (Shah, 2015).

The cotton ginning, "cotton fabrics, fabric processing, home textiles, towels, hosiery, net goods, and ready-made" clothing are all part of the textile industry's production process. Such products are manufactured in both legal and unofficial textile sectors on a huge scale (Awan & Anwar, 2019). The Rationale of current study are. Firstly, current research examines wide-ranging framework for developing countries for Organization Trust, Absorptive Capacity, and Process Innovation in single

model. Secondly, this study explores the phenomenon of Organization Trust, Knowledge Creation Practices, Absorptive Capacity, and Process Innovation in the textile sector which is infrequently address in developing countries. Thirdly, Current study is initial effort to examine mediating effect absorptive capacity for relation of organizational trust with Process innovation. One of Pakistan's key industrial sectors is textile industry (Ali et al., 2020). Pakistan in the world with an 8% share of global output in export of cotton yarn (Ahmad 2018). Cotton yarn, cotton ginning, textiles, home textile, hosiery and knitwear, towels & ready-made clothing are among textile products produced in Pakistan. SME's, including cottage units, and major organized sector make up Pakistan's textile industry (LCCI, 2019).

The World Bank predicts a fall in Pakistan's economic growth in the following two years (2019). The GDP will increase at a slower rate of 3.4% in 2018–2019 and 2.7% in 2020. The macroeconomic imbalance will be addressed by tighter monetary policies, that will cause this fall (Ali et al., 2020). Reforms to structure of the economy can restart its expansion. Economic growth is anticipated to be 4% in 2021 if macroeconomic conditions improve and structural improvements along with fiscal management are adequately implemented (Awan & Anwar, 2019). Pakistan is the world's fourth-largest cotton grower (Malik & Ihsan, 2016). Pakistan has not been “successful in turning locally produced cotton into finished goods with added value”. Pakistan's value-added output for a million bales is only \$1.17 billion, compared to \$6 billion for Bangladesh and \$1.79 billion for India. Pakistan focuses on exporting raw materials since they are readily transformed into the finished goods and increase earnings. China and India, two other cotton-producing nations, have reduced yarn exports (Ali et al., 2020). In their value-added exports, they employ local yarn. Cotton is not produced in nations like Japan and South Korea. In this connection, they buy yarn from other nations, transform it into high-tech items with the value added, and then sell it for high prices on the global market (Arifeen, 2015).

According to Alam (2018), the majority of the machinery used in the textile sector in Pakistan is antiquated and obsolete. The downfall of Pakistan textile industry can be attributed to the failure to timely modernize equipment and technology. Pakistan's “manufacturing costs are significantly higher than those of China, India, and Bangladesh” as a result of this obsolete equipment. He added that owing to recent gas and electrical load shedding, almost 800 textile manufacturing facilities shuttered in the Punjab province alone. In addition, over 500,000 individuals lost their employment (Ali et al., 2020). Pakistani exporters must submit their goods for the permission to foreign nations. According to Khan and Bae (2016), emerging nations like Pakistan have a lot of difficulties with transportation. According to a different assessment by the Rawalpindi Chamber of Commerce and Industries, the cost of manufacturing was significantly impacted by the quick rise in raw material costs brought on by inflation (Ali et al., 2020). The absence of supply chain management inhibits Pakistani exporter's capacity to meet commitments on time, which results in lost business, according to this paper, which went on to further highlight the significance of the supply chain management (Iqbal, et al., 2017).

Although Pakistan has some advantages over these nations, such as the production of cotton and cheap labour, and government is working to update textile industry, there are certain issues with

Pakistani textiles that are reducing Pakistan's market share (Ali et al., 2020). Although Pakistan has some advantages over these nations, such as the production of the cotton and cheap labor, and government is working to renovate textile industry, there are some issues with Pakistani textiles that are reducing Pakistan's market share (Ali et al., 2020). Al-Sa'di et al. (2017) and Lendel et al. (2015) did a study with the main objective of compiling and analyzing data regarding the extent of using innovation processes in the Slovak organization. In that study, 321 managers from medium, small, and big businesses were interviewed (Lendel et al., 2015; Al-Sa'di et al., 2017). According to the findings (Al-Sa'di et al., 2017; Lendel et al., 2015), the majority of organizations (257/80.06%) produce creative ideas in response to the recognized client requirements. Nonetheless, the sizable portion of the organizations (186/57.06%) do not proactively generate new ideas; rather, they do so only when a problem arises (Lendel et al., 2015; Al-Sa'di et al., 2017), 29 firms (9.03%) claim that thoughts arise at randomly, while 19 companies (5.92%) claim that no ideas are ever formed. More than 61.28% of new ideas are unrecorded by any data system and information systems are used by 28.96% of people.

Lack of innovation contributed to lower productivity in South America (Paus 2019). According to Zhang et al. (2019), in order for business organizations to thrive over the long term, they must adopt innovative methods (both technical and non-technological). In USA and European nations, threat and strain of global rivalry regarding innovation in originations is quite noticeable (Pfothenauer et al., 2019). Altaf et al. (2019), Pakistani firms lag far behind in terms of innovation. He goes on to say that the Higher Education Commission (HEC) of Pakistan encourages and supports institutions in doing research to foster innovation in businesses. Since, the export markets only acquire items when local firms become internationally compliant, Pakistan's textile industry tends to be productive and inventive for those markets. According to a study that examined 125 textile companies in Pakistan (Hag, 2019). The study used a single case study research approach to analyses a textile organization and its surrounding situations (Kamau, 2014; Kiragu, et al 2019). Every subject requires significant number of painstakingly conducted case studies to broaden its foundation of practical knowledge and deepen its understanding (Flyvbjerg, 2007; Borsati, & Albalate, 2019). In management, case studies are typically used to understand linkages and to create groups of "best practices" (Klonoski, 2013; Kurthakoti, & Good, 2019).

### **Sapphire Textile Mills Limited**

Vertical integration fusions textile company Sapphire Textile Mills Limited (STML) produces fabric, cotton yarn, and home textiles. The Sapphire Group's main business and a major player in the textile manufacture of many products is STML. It has an over 10% proportion of the market's sales (listed Companies only). In Pakistan, STML was established in 1969 as a limited liability company, and the Karachi Stock Exchange lists its shares. The firm's five production plants produce 360 looms, 3,120 rotors, 139,433 spindles and 215 stitching machinery (2020). Following are the research questions for conducting the research.

1. Does Organizational Trust impact on (a) Process Innovation, (B) absorptive capacity in the employees of Sapphire textile?
2. Does Absorptive Capacity an impact on the Process Innovation in employees of Sapphire textile?

3. Does Absorptive Capacity mediate relationship of the Organizational trust and process Innovation in employees of Sapphire textile?

### LITERATURE REVIEW

#### Organizational Trust

Organizational trust is described by Lee et al. (2013) "individuals' expectations regarding networks of organizational connections and actions". It may alternatively be defined as "workers' collective impression of their organization's credibility" (Li, et al., 2012). Organizational trust emphasizes the traits of organization that make up trust and guarantee that its members operate in (Kars & Inandi 2018). In order to build trust within a company, a safe environment where people are not scared to make mistakes and completely expose themselves is necessary (Adams & Wiswell, 2008; Kars & Inandi 2018). Tendency to work in groups and levels of involvement in decision-making procedure rise in companies wherein feeling of trust is pervasive, there is open and participatory atmosphere, members take ownership of obligations, and efficiency is high (Teyfur et al., 2013; Kars & Inandi, 2018). Employee recognition and desire to forge enduring relationships with company are mostly a result of organizational trust.

Employees always adhere to corporate rules because of a sense of trust, and they are also willing to discuss any discouraging circumstances that may arise at work. It's form of institutional trust, where the organization as a whole, senior management, and supervisors should all be trusted (Costa, 2003; Schoorman, et al., 2007 Eckel, & Wilson, 2004; Yu, et al., 2018). The highly motivated employees work very hard to achieve on-time targets and also to support other employees in helping to resolve that particular troubling situation if they have strong trust in the organization (Green, 2018). If the employees have strong trust in the organization, then they are ready to face any issue, risk, and such dangerous situation within the organization. Each organization's ability to compete and continue operating depends on its ability to build and maintain trust. Because of the organizational trust, it is believed that organization would work hard to meet its goals and produce favourable results for everyone (Paliszkievicz, 2019).

#### Absorptive Capacity

Business intelligence and analytics' absorptive power converts insights into useful knowledge. Also, this process is supported by human, interpersonal, and technology skills, which form the basis of the process of assets (Boi, & Dimovski, 2019). The ability of companies to deal with fresh external information entering the firm is known as absorptive capacity (Rafique et al., 2018). Most often, it is seen as a procedure involving the knowledge (acquisition, assimilation, & exploitation) created by (Cohen & Levinthal 1990; Rafique et al., 2018). It is acknowledged that absorptive ability may be used to gain and maintain competitive advantage (Vlai et al., 2019). Organization's strategic and routine process of gathering, assembling, transforming, and using knowledge is called AC. Besides, they divided AC into subgroups "realised absorptive capacity" and "potential absorptive capacity". Yet, AC focuses on knowledge utilisation via transformation and such as exploitation for product creation. AC aims to seek knowledge through acquisition and assimilation and to assess emerging opportunities (Flor, et al., 2018).

The company is able to predict how much the information upon product-based development and innovation needs to be protected. It offers a way to link, accelerate learning, lower the cost of high-quality learning, and other thorough rival narration (Brusoni, et al., 2001; Dibiaggio, 2007; Chen, & Chang, 2019). The capacity of any company to comprehend value of the most recent information, gather it, and use it for economic purposes is known as AC (Cohen & Levinthal, 1990; Kale, 2019). AC offers real-time assistance for the comprehending, gathering, analysing, expanding, and using outside information in a contemporary manner (Lane et al., 2006; Kale, 2019). Moreover, it supports organizational management's efforts to foster client pleasure and real-time loyalty (Tzokas et al., 2015; Kale, 2019). The companies must invest in their capacity for absorption. Understanding the significance of the most recent information, its gathering, and its implications for the commercial purposes is what is meant by an organization's AC (Flatten et al., 2011; Kale, 2019). It comprises using outside knowledge to investigate the learning, modify learning, and exploit learning (Lane, et al., 2006; Kale, 2019).

### Process Innovation

Companies must invest in their capacity for absorption. Understanding the significance of the most recent information, its gathering, and its implications for commercial purposes is what is meant by an organization's AC (Flatten et al., 2011; Kale, 2019). It comprises using outside the knowledge to investigate learning, modify learning, and exploit learning (Lane, et al., 2006; Kale, 2019). Process innovation improves a company's performance (Perez, et al., 2014; Li & Atuahene, 2001). Generally, innovation promotes economic expansion and financial system constancy (Lerner, & Tufano, 2011). Process innovation generally refers to systemic changes made to the entire operational process and management structure to increase effectiveness of all available resources (Li et al., 2017). It could make room for process and innovation based on green products. Process innovation help business become more profitable.

To modify operational and other managerial practices, the process innovation takes a significant investment (Li et al., 2017). The uniform selection criterion is crucial for the proper source allocation and performance assessment throughout the whole innovation process (Dewangan & Godse, 2014; Evanschitzky et al., 2012; Dziallas, & Blind, 2019). As a result, " term innovation pertains to a novel concept that is effectively marketed. For the sake of simplicity, this study uses the term "innovation" to refer to both creative ideas that have previously been successfully marketed and ideas that are intended to be commercialized. The lack of innovation data is a concern for many institutions in different situations and contexts. Organizations are typically thought to be extremely unwilling to respond to the queries concerning their innovation processes that are deemed sensitive (Dziallas, & Blind, 2019).

### Theoretical Framework

Growth theory outlines how innovation works in its entirety (Nelson & Winter 1977). They said that doubt existed among various individuals and organizations as a result of a lack of trust, and some employees made an effort to support their claims. This is why organizational trust is included in the current study as an independent variable. Similarly, this thought said that it was important to pinpoint the elements that would encourage innovation process. Moreover, taking into account

this idea, [Kostopoulos, et al. \(2011\)](#) highlighted how absorptive ability had a favorable impact on process innovation in different situations, while [Esterhuizen, et al. \(2012\)](#) looked at the effects of the process innovation.

### Hypotheses Development

Organizational innovation and trust have a positive and positive relationship ([Wang et al., 2017](#)). Furthermore, [Rashid \(2016\)](#) contends that organizational trust influences process innovation in a favourable way. According to [Qureshi and Evans \(2013\)](#) Trust has positive significant impact on absorptive Capacity. On the basis of these hints from the literature present study has proposed the following hypotheses.

H1(a): Organizational Trust is positively related with Process Innovation.

H1(b): Organizational Trust is positively related with absorptive Capacity.

[Nieto and Quevedo, \(2005\)](#); [Tsai, \(2001\)](#); [Spithoven et al., \(2011\)](#) and [Song \(2015\)](#) examine that the absorptive capacity has significant positive impact on the process innovation. On the basis of these facts, below is hypotheses.

H2: Absorptive Capacity is positively related with Process Innovation.

According to [Qureshi and Evans \(2013\)](#), the Organizational Trust has positive significant effect on absorptive Capacity. Ford, (2004) explains that organizational trust has positive significant effect on Absorptive Capacity. [Nieto and Quevedo, \(2005\)](#); [Tsai, \(2001\)](#); [Spithoven et al., \(2011\)](#) and [Song \(2015\)](#) examine that absorptive capacity has significant positive impact on process innovation and thus hypothesis is:

H3: Absorptive Capacity mediates relationship of Organizational Trust and Process Innovation.

### RESEARCH METHODOLOGY

The current original study target group is Sapphire Textile employees. Information from 170 workers was obtained. With the aid of a questionnaire, data were gathered. Using the population of interest list, 170 workers were chosen at random. In two months, data were collected. Using a proportionate random sampling technique, data were gathered from 5 branches of Sapphire Textile. In this drive, the data were gathered from the list of chosen branches from 170 employees using the Snowball sampling approach. 1:10 is predicated on the theory of item response ([McCarthy, & Milner, 2020](#)) for current research.

Table 1 Measurement & Instrument

Variable Name	Instrument	No. of Items
Organizational Trust	Alhidari, et al., (2018)	04
Process Innovation	Liao, et al., (2007)	05
Absorptive Capacity	Roberts (2015)	08

### RESULT & DISCUSSION

Collected data was analysed through SPSS and AMOS 24. The results are discussed in proceeding paragraphs. When "Cronbach's Alpha is more than 0.60, the data" is considered credible. Findings

show that organizational trust has a “Cronbach’s Alpha value” of 0.706, Process innovation has a Cronbach’s Alpha 0.756 and Absorptive capacity is 0.707 which are “higher than 0.60 and shows that data” is reliable.

Table 2 Correlation Analysis

		MV	SD	1	2	3
1	Process Innovation	3.9854	0.33163	1		
2	Absorptive Cap	3.9607		0.437**	1	
			0.29187			
3	Organizational Trust	3.9915	0.30349	0.465**	0.533**	1

There is a strong positive association between all of the factors. The relationship between process innovation and absorptive capacity is positive, with a 0.437\*\* coefficient of correlation. The process innovation and organizational trust are positively correlated, with 0.465\*\* coefficient of association between two. The “correlation coefficient between organizational trust” and absorptive capacity is 0.533\*\*, and it is positive.

Table 3 Mediation of Knowledge Creation amid Organizational Trust & Process Innovation”

Testing Step of Mediation	“β”	SE	F	R <sup>2</sup>	Decision
Step 1 (Path c)					
Outcome: Process Innovation					
Predictor: Organizational Trust	0.508	0.055	86.334	0.216	0.000<0.01
Step 2 (Path a)					
Outcome: “Absorptive Capacity”					
Predictor: “Organizational Trust”	0.319	0.043	54.859	0.149	0.000<0.01
Step 3A (Path b)					
Outcome: Process Innovation					
Predictor: “Absorptive Capacity”	0.496	0.058	73.716	0.191	0.000<0.01
3B Path (c): Outcome: “Process Innovation”					
Mediator: “Absorptive Capacity”	0.300	0.065			0.000<0.01
Predictor: “Organizational Trust”	0.354	0.063			0.000<0.01

Organizational trust has impact on process innovation. 0.01 is value here. This confirms the validity of the theory regarding the influence of “organizational trust on process innovation”. The value of is 0.508 in this connection. This demonstrates that a change in one organizational trust unit causes a process change of 50.8%. The approach developed by Baron and Kenny is currently being used in studies to examine the mediation effect of absorptive ability (1986). The first criterion of mediation is met since organisational trust and Organizational trust has impact on process innovation. 0.01 is the value here. This confirms the validity of the theory regarding the influence of “organizational trust on the process innovation”. The value of is 0.508 in this connection. This demonstrates that a



change in one organizational trust unit causes a process change of 50.8%. So, hypothesis of this relationship is accepted.

The result is 0.319 for second path "a," where organisational trust on absorptive capacity is strongly associated ( $p$  less than 0.01). As a result, the second need of mediation is also met and hypothesis of this relationship is accepted. Absorptive capacity is highly related with process innovation in step 3A ( $p$  less than 0.01); in path "b," its score is 0.496. and hypothesis of this relationship is accepted. The results of step 3B, which examined the simultaneous effects of the organisational trust and absorptive capacity on process innovation, are noteworthy ( $p$  0.01) and have a score of 0.354. As a result, the impact of "organizational trust on process innovation" is equal to 0.508, and the impact of organizational trust and thus absorptive ability combined is equal to 0.354. Indicating partial mediation.

### CONCLUSION

This study demonstrates the connection between process innovation, absorptive capacity, and organizational trust. According to the findings, process innovation and absorptive capacity are both positively impacted by organizational trust. Process innovation is positively influenced by absorptive capacity and organizational trust. Moreover, "relationship between organizational trust and process innovation" is also partially mediated by absorptive ability. Process innovation helps businesses sustain an innovation flow throughout all organizational processes. Fostering the quality benefits organizations greatly. Due to advantages of this quality, organizations acquire competitive edge over other organizations and maximize their profit. Evaluated empirically, proposed research model of process innovation is supported well. This study is carried out on employees of Sapphire Group which may be used as guideline research for other textile organizations like Suraj Textile, Ejaz textile, Shahtaj Textile, Din Textile, Masood Textile, Mahmood Group, Gul Ahmad Textile and Yunus Textile. Current research examines wide-ranging framework for developing countries for Organization Trust, Absorptive Capacity, and Process Innovation in a single model. This research explores the phenomenon of Organization Trust, Absorptive Capacity, and Process Innovation in textile sector which is infrequently addressed in developing countries. Current study is initial effort to examine the mediating effect of absorptive capacity for the relation of organizational trust with Process innovation.

### REFERENCE

- Ali, A., Khan, M., Ishaq, A., Hussain, A., Rehman, S. U., Khan, I. A., & Shah, S. F. A. (2020). Pakistan textiles can bounce back vigorously. *International Review of Management & Marketing*, 10(2), 30-40.
- Altaf, A., Hassan, I., & Batoool, S. (2019). The role of ORIC in the evolution of the triple helix culture of innovation: The case of Pakistan. *Technology in Society*, 56, 157-166.
- Adams, F. G., & K. W. Graham. (2017). "Integration, Knowledge Creation and B2B Governance: Role of Resource Hierarchies in Financial Performance." *Industrial Marketing Management* 63: 179-191.
- Awan, A. G., & Anwar, S. (2019). Impact of trade restrictions on export of textile industry in Pakistan. *Global Journal of Management, Social Sciences and Humanities*, 5(1).

- Arifeen, S., Hill, K., Jamil, K., Nahar, Q., & Streatfield, K. (2015). Maternal mortality in Bangladesh: A Countdown to 2015 country case study. *The Lancet*, 384(9951), 1366-1374.
- Beccerra, M., & Gupta, A. K. (1999). Trust within the organization: integrating the trust literature with agency theory and transaction costs economics, *Public Administration Quarterly*, 23 (2), 177-203.
- Beccerra, M. and Gupta, A.K. (1999), "Trust within the organization: integrating the trust literature with agency theory and transaction costs economics", *Public Administration Quarterly*, 23 (2), 177-203
- Breuer, C., Hüffmeier, J., Hibben, F., & Hertel, G. (2020). Trust in teams: A taxonomy of perceived trustworthiness factors and risk-taking behaviors in face-to-face and virtual teams. *Human Relations*, 73(1), 3-34.
- Božič, K., & Dimovski, V. (2019). Business intelligence and analytics for value creation: The role of absorptive capacity. *International Journal of Information Management*, 46, 93-103.
- Borsati, M., & Albalade, D. (2019). On the modal shift from motorway to high-speed rail: evidence from Italy. *Research Institute of Applied Economics Working Paper*, 10.
- Boss, R.W. (1978), "Trust and managerial problem solving revisited", *Group & Organization Management*, 3 (3), 331-42
- Bagdasarov, Z., Connelly, S., & Johnson, J. F. (2019). Denial and empathy: Partners in employee trust repair? *Frontiers in psychology*, 10, 19.
- Chow, I.H.-S. (2008), "How trust reduces transaction costs and enhances performance in China's business", *SAM Advanced Management Journal*, 2, Spring, 25-34.
- Cheung, S. O., Li, K., & Chow, O. Y. (2020). Reactive Devaluation as a Psychological Impediment to Construction Dispute Negotiation. *Journal of Management in Engineering*, 36(4).
- Driscoll, J.W. (1978), "Trust and participation in organizational decision making as predictors of satisfaction", *Academy of Management Journal*, 12 (1), 44-56.
- Davis, H., Schoorman, D., Mayer, C. & Tan, H. (2000), The trusted general manager and business unit performance: empirical evidence of competitive advantage, *Strategic Management Journal*, 21 (5), 563-76.
- Dzialis, M., & Blind, K. (2019). Innovation indicators throughout the innovation process: An extensive literature analysis. *Technovation*, 80, 3-29.
- Dwivedi, R. S. (1983). "Management by trust: a conceptual model", *Group & Organization Management*, 8 (4), pp. 375-405.
- Damanpour, F., Walker, R. M., & Avellaneda, C. N. (2009) Combinative effects of innovation types and organizational performance: a longitudinal study of service organizations. *Journal of Management Studies*, 46,4, 650-675.
- Ferrin, D. L. & Dirks, K. T. (2002), "Trust in leadership: meta-analytic findings and implications for research and practice", *Journal of Applied Psychology*, 87 (4), pp. 611-28.
- Flor, L., Cooper, Y., & Oltra, J. (2018). External knowledge search, absorptive capacity and radical innovation in high-technology firms. *European Management Journal*, 36, 183-194.
- Flyvbjerg, B. (2007). Policy and planning for large-infrastructure projects: problems, causes, cures. *Environment and Planning B: planning and design*, 34(4), 578-597.

- Evanschitzky, H., Eisend, M., Roger, J., Calantone, R. J., & Jiang, Y. (2012). Success factors of product innovation: an updated meta-analysis. *J. Product. Innov. Manag.* 29 (S1), 21–37.
- Green, M. (2018). How an organization's CSR communication style makes or breaks consumer trust. *Annals in Social Responsibility*, 4(1), 7–9.
- Heij, V., Volberda, W., Bosch, F. A., & Hollen, R. M. (2020). How to leverage the impact of R&D on product innovation? Moderating effect of management innovation. *R&D Management*, 50(2), 277–294.
- Hassan Baig, M., Ahmad, K., Roy, S., Mohammad Ashraf, J., Adil, M., Haris Siddiqui, M., & Choi, I. (2016). The computer aided drug design: success and limitations. *Current Pharmaceutical Design*, 22(5), 572–581.
- Hartman, J., Žitnik, A., & Marc, T. (2019, July). emmy–Trust–Enhancing Authentication Library. In IFIP International Conference on Trust Management (pp. 133–146). Springer, Cham
- Jones, S. M., Parchman, M., McDonald, S., Cromp, D., Austin, B., Flinter, M., & Wagner, E. (2020). Measuring attributes of team functioning in primary care settings: development of the TEAMS tool. *Journal of Interprofessional Care*, 34(3), 407–413.
- Ismagilova, E., Dwivedi, Y. K., Slade, E., & Williams, M. D. (2017). Traditional Word-of-Mouth (WOM). In *Electronic Word of Mouth (eWOM) in the Marketing Context* (pp. 5–15). Springer, Cham.
- Khan, R., Yun, J. H., Bae, K. B., & Lee, I. H. (2016). Enhanced photoluminescence of Zn nanorods via coupling with localized surface plasmon of Au nanoparticles. *Journal of Alloys and Compounds*, 682, 643–646.
- Khan, Q. U., Ihsan, M. B., Fazal, D., Malik, F. M., Sheikh, S. A., & Salman, M. (2016). Higher order modes: solution for gain, wide band patch antennas for different vehicular applications. *IEEE Transactions on Vehicular Technology*, 66(5), 3548–3554
- Kamau, E., Allanson, J., Williams, G. B., Monti, M., & Bekinschtein, T. A. (2014). Spectral signatures of reorganised brain networks in disorders of consciousness. *PLoS computational biology*, 10(10), e1003887.
- Klonoski, R. (2013). The case for case studies: Deriving theory from evidence. *Journal of Business Case Studies (JBCase)*, 9(3), 261–266.
- Kostopoulos, K., Papalexandris, A., Papachroni, M., & Ioannou, G. (2011). Absorptive capacity, innovation, and financial performance. *Journal of Business Research*, 64(12), 1335–1343.
- Kurthakoti, R., & Good, D. C. (2019). Evaluating Outcomes of Experiential Learning: An Overview of Available Approaches. In *The Palgrave Handbook of Learning and Teaching International Business and Management* (pp. 33–61). Palgrave Macmillan, Cham.
- Kramer, R. M. (1999). Trust and distrust in organizations: Emerging perspectives, enduring questions. *Annual Review of Psychology*, 50, 569–598.
- Kar., & Inandi, Y. (2018). Relationship between school principals' leadership behaviors and teachers' organizational trust. *Eurasian Journal of Educational Research*, 18(74), 145–164.
- Kramer, R.M. and Cook, K.S. (2004), "Trust and distrust: dilemmas and approaches, trust and distrust in organizations", in Kramer, R.M. and Cook, K.S. (Eds), *Dilemmas and Approaches*, Russell Sage Foundation, New York, NY, pp. 1–18

- Lendel, V., Hittmár, Š., & Siantová, E. (2015). The Management of innovation processes in company. *Procedia economics and finance*, 23, 861-866.
- Law, K. A., Bhaumik, A., & Sun, P. (2020). Identifying the trust relationship between employers and employees: in the context of Chinese organizations. *International Journal of Psychosocial Rehabilitation*, 24(4).
- Li, P., Bai, Y., & Xi, Y. (2012). Contextual antecedents of organizational trust: A multidimensional cross-level analysis. *Management and Organization Review*, 8(2), 371-396.
- Lee, D. (2019). The convergent, discriminant, and nomological validity of the depression anxiety stress scales-21 (DASS-21). *Journal of affective disorders*, 259, 136-142.
- Lane, P. J., Koka, B. R., & Pathak, S. (2006). The reification of absorptive capacity: A critical review and rejuvenation of the construct. *Academy of management review*, 31(4), 833-863.
- Lerner, J., 2012. *The Architecture of Innovation: The Economics of Creative Organizations*. Harvard Business Press, Boston, MA
- Li, D., Zheng, M., Cao, C., Chen, X., Ren, S., & Huang, M. (2017). The impact of legitimacy pressure and corporate profitability on green innovation: Evidence from China top 100. *Journal of Cleaner Production*, 141, 41-49
- Lumineau, F., & Mulotte, L. (2019). How governance modes intertwine over time: Beyond an embeddedness-based approach to post-acquisition divestitures. *Academy of management discoveries*, 5(2), 201-204.
- Lee, D. (2019). The convergent, discriminant, and nomological validity of the depression anxiety stress scales-21 (DASS-21). *Journal of affective disorders*, 259, 136-142.
- Malhotra, D. and Lumineau, F. (2011), "Trust and collaboration in the aftermath of conflict: the effects of contract structure", *Academy of Management Journal*, 54 (5), 981-98.
- Müller, J., & Schwieren, C. (2020). Big Five personality factors in the Trust Game. *Journal of Business Economics*, 90(1), 37-55
- Meyerson, D., Weick, K.E. and Roferick, M. (2006), "Swift trust and temporary groups", in Kramer, R.M. (Ed.), *Organizational Trust*, Oxford University Press, New York, NY, pp. 415-44.
- Montoya-Weiss, M.M., & Calantone, R. (1994). Determinants of new product performance: a review and meta-analysis. *Journal of Product Innovation Management*: 11(5), 397-417.
- Mowery, D.C., Oxley, J., & Silverman, B. (1996) Strategic alliances and interfirm knowledge transfer. *Strategic Management Journal* 17: 77-91.
- Mulki, J.P., Jaramillo, F. & Locaander, W.B., 2006, 'Effects of ethical climate and supervisory trust on salespersons' job attitudes and intentions to quit', *Journal of Personal Selling & Sales Management*, XXVI (1), 19-26.
- Muraliraj, J., Kuppusamy, S., Zailani, S., & Santha, C. (2019). Lean, Six Sigma and its influence on potential and realized absorptive capacity. *International Journal of Lean Six Sigma*.
- Nahapiet, J. and Ghoshal, S. (1998), "Social capital, intellectual capital, and the organizational advantage", *Academy of Management Review*, 23 (2), pp. 242-66.
- Najafi Tavani, S., Sharifi, H., Soleimanof, S., & Najmi, M. (2013). Empirical study of firm's absorptive capacity dimension, supplier involvement & product development performance. *International Journal of Production Research*, 51(11), 3385-3403.

- Narine, L. K., Harder, A., & Roberts, T. G. (2019). Farmers' intention to use text messaging for extension services in Trinidad. *The Journal of Agricultural Education and Extension*, 25(4), 293-306.
- Nelson, R. R., & Winter, S. G. (1975). Growth theory from an evolutionary perspective: The differential productivity puzzle. *The American Economic Review*, 65(2), 338-344.
- Nelson, R. R., & Winter, S. G. (1977). In search of a useful theory of innovation. In *Innovation, economic change and technology policies* (pp. 215-245). Birkhäuser, Basel.
- Nemanich, L.A., Keller, R.T., Vera, D. and Chin, W.W. (2010), "Absorptive capacity in R&D project teams: a conceptualization and empirical test", *IEEE Transactions on Engineering Management*, 57 (4), pp. 674-688.
- Nieto, M., & Quevedo, P. (2005), "Absorptive capacity, technological opportunity, knowledge spillovers, and innovative effort", *Technovation*, 25 (10), pp. 1141-1157
- Nonaka, I. & Konno, N. (1998). The concept of "ba": Building a foundation for knowledge creation. *California Management Review*, 40(3), 40-54.
- Nonaka, I. (1994). A dynamic theory of organizational knowledge creation. *Organization Science*, 5, 14-37.
- Nonaka, I., & Takeuchi, H. (1995). *The knowledge-creating company: How Japanese companies create the dynamics of innovation*. Oxford university press.
- Nonaka, I., & Ryoko, T. (2003). The knowledge-creating theory revisited: Knowledge creation as a synthesizing process. *Knowledge management research & practice* 1: 2-10.
- Olekals, M., & Smith, L. (2009). Mutually dependent: Power, trust, affect and the use of deception in negotiation. *Journal of business Ethics*, 85, 347-365.
- Ozyilmaz, A., Erdogan, B., & Karaeminogullari, A. (2018). Trust in organization as a moderator of relationship between self-efficacy and workplace outcomes: A social cognitive theory-based examination. *Journal of Occupational and Organizational Psychology*, 91(1), 181-204.
- Pfotenhauer, S. M., Juhl, J., & Aarden, E. (2019). Challenging the "deficit model" of innovation: Framing policy issues under the innovation imperative. *Research Policy*, 48(4), 895-904.
- Paliszkievicz, J. (2019). Information security policy compliance: Leadership and trust. *Journal of Computer Information Systems*, 59(3), 211-217.
- Paliszkievicz J, Gołuchowski J, editors. *Intuition, trust, and analytics*. Boca Raton (FL): CRC Press; 2017.
- Rafique, M., Hameed, S., & Agha, M. H. (2018). Commonality, conflict, and absorptive capacity: Clarifying middle manager roles in pharmaceutical industry. *Management Decision*, 56(9), 1904-1916.
- Sankowska, A. (2013). Relationships between organizational trust, knowledge transfer, knowledge creation, and firm's innovativeness. *The Learning Organization*, 20(1), 85-100.
- Stopar, M., Bizjak, M., Hartman, J., & Marc, T. (2019). Trust-Enhancing Authentication Library. *In IFIP International Conference on Trust Management* (pp. 133-146). Springer, Cham.
- Shockley-Zalabak, P. S., Morreale, S. P., & Stavrositu, C. (2019). Voters' perceptions of trust in 2016 presidential candidates, Clinton and Trump: Exploring the election's outcome. *American Behavioral Scientist*, 63(7), 856-887.

- Tsai, W. (2001), "Knowledge transfer in interorganizational networks: effects of network position and absorptive capacity on business unit innovation and performance", *Academy of Management Journal*, 44 (5), 996-1004.
- Qureshi, & Evans, (2013, March). A trust-based framework for enhanced absorptive capacity: improving performance, innovation and competitive advantage. *In International Conference on Innovation and Entrepreneurship, Amman, Jordan* (pp. 172-179).
- Vlačić, E., Dabić, M., Daim, T., & Vlačić, D. (2019). Exploring the impact of the level of absorptive capacity in technology development firms. *Technological Forecasting and Social Change*, 138, 166-177.
- Webber, S.S. (2002), "Leadership and trust facilitating cross-functional team success", *Journal of Management Development*, 21 (3), 201-14.
- Yu, M. C., Mai, Q., Tsai, S. B., & Dai, Y. (2018). An empirical study on the organizational trust, employee-organization relationship and innovative behavior from the integrated perspective of social exchange and organizational sustainability. *Sustainability*, 10(3), 864.
- Yu, M. J., Chuang, H. J., Hsu, M. Y., & Lin, P. F. (2020). Firm heterogeneity, appropriability, and innovation collaboration. *Technology Analysis & Strategic Management*, 1-13.