

International Journal of Applied and Advanced Scientific Research**Impact Factor 5.255, Special Issue, February 2018 – Conference Proceedings****National Conference on Recent Trends in Management Studies & Computer Applications****(KRUPACON 2017), On 21st & 22nd September 2017 Organized By****Krupanidhi Group of Institutions, Bangalore, Karnataka****INNOVATION COMPETENCIES AND AN
IMPACT OF LEARNING****Geetha Nagpal**

Krupanidhi Group of Institutions, Bangalore, Karnataka

Cite This Article: Geetha Nagpal, "Innovation Competencies and An Impact of Learning", International Journal of Applied and Advanced Scientific Research, Special Issue, February, Page Number 26-30, 2018.

Abstract:

Current company is highly concerned with the capacity of an organization leading to the new process, device or concept of an enterprise. Innovation capacity is extremely critical. It also has a key role to play in creating a strategic edge. The aim of this paper is to determine the impact on innovation capability of learning direction, business orientation, and market orientation. The Entrepreneur / Car Garage Boss in Thailand used samples in the analysis. Samples with many screening techniques were hired, and 387 samples were collected. Data collection questionnaire was applied. The data collection statistics were percentage, average and standard deviation. The hypothesis with a statistical meaning rating of 0.05 was tested using the regression analysis. The findings indicated an effect on creativity skills through learning orientation, entrepreneurship and business orientation. The research also proposed that auto garage entrepreneurs in Thailand concentrate on 1) learning guidance, with an emphasis on engagement, transparency and the sharing of vision. 2) Creativity, taking risk and constructive measures were part of the entrepreneurial mindset and 3) consumer direction, strategic guidance and inter-functional collaboration were part of the business direction. These influences affected the capacity for creativity to generate more revenue and benefit. In addition, the existence of a strategic edge for car parks in Thailand played an important role. Since the public sectors did not focus on this market, so little study has therefore been carried out. This thesis was therefore the pilot project to study the influences and factors.

Key Words: Learning, Business and Market Orientation, Skills for Innovation

Introduction:

The service company played an important role in promoting economic growth in Thailand. While political reforms have been going on in Thailand for a decade, hampering the economy and reducing demand in Thailand, services businesses have been increasing. This shows that it was interesting to encourage the service industry market for foreign competition. Many developing countries such as the United States, England and Japan were able to grow foreign services companies and make other countries more involved in that industry. For Thailand, it was especially necessary by 2558 B.E. that all countries could openly do business with Member States as one of the Asian Economic Countries. Thus, the way Thailand will train and adapt to deal with future developments was fascinating.

Garage in Thailand was an interested enterprise, which was shown every year by increased demand for automobiles and "the government's first vehicle policy" to foster an economy that quickly grew car numbers. New vehicle owners tended to use car manufactures' services and buyers were targeting car garages for several five-year periods. In addition to car garage usage, every year, the number of car garages rose by 265. The ratio of the garage to the 5-year car was 1:1,553, which means the garage will service 1,553 vehicles for 5 years a year in 2554 B.E., there were 6,627 garages [1]. In addition to the garage business market values, there were not accurate statistics, but the Insurance Business Association compensation payments report from January to May of 2013 (first 6 months) revealed 25, 119, 942, 000 baht payments [2], which were considered the market value of the Auto Insurance company's garage business association. This year, the automobile industry was growing steadily and many firms had adapted their strategies in order to adapt to the government's first automotive policy and had influences on expanding other similar car companies, such as car parts and assemblies, automobile layers, car body and car garage. Although the car garage was a fascinating industry nowadays, the future trend of the company was included. We should train ourselves to succeed in Asia and gain comparative advantages with other countries. We found a number of reasons leading to competitive advantages following our literature review, one of which was innovative. The key factor leading to comparative advantage was that different countries have a strong interest in creativity. Innovation differed from the capacity for innovation in addition to resource-based philosophy. [3] Creativity was a resource which needed innovation capacity for organizations. Therefore, capacity for innovation was a potential to produce new processes, new products and new insights [5] that enabled enterprises to satisfy the ever changed needs of their customers. Consequently, any company with innovation skills has a more strategic edge. Innovation capacities among car garages in Thailand were created by several interesting factors. We checked literature and observed that their capacity to innovate will improve in entrepreneurship, learning and business orientation. This paper therefore aimed at evaluating the impact on innovation competences in learning, entrepreneurship and the business orientations.

Literature Review:

This research is based on the principle of resources and the internal factor which is controllable and best established by the company assumes that resources are a vital factor for business activities. The Resources were split into concrete and immaterial resources by Weresfelt (1984). Fahy & Smithee, (1990) [7] had increased the capacity of entrepreneurship to use the resources of the working team. [8] This skill included flexibility to fulfil all requirements quickly, on schedule and qualitatively, such as the ability to manage, produce, sell and innovate. [9]

Innovation Competencies:

Capacity for innovation played an important role in industry which contributed to the development of new output, product and concept. [6] Hult et al (2004) [10] also emphasized that the capacity for creativity differs from the capacity for

innovation when it relates to innovation that derives the capacity to create a new concept or innovation. Therefore, the company will gain a comparative edge by creating a new product or method in an organization from existing capital.

Innovative capacity to continually alter information to new commodity, process or method was established by Lawson and Samson, 2001 [11], in order to generated benefit for company and persons affected. The concept was similar to that of Koc (2007) [12] that described the development of a new product that would satisfy various consumer needs as a continuous improvement of business capacity, resources, surveys and use.

Ngo and O'Cass (2009), [13] meanwhile, suggested that diverse processes should be integrated to achieve company expertise, competence and resources to produce creative technological activities (e.g., product, service or procedural technology) and non-technical innovation activities (such as management, administration and marketing). The creative potential of the organization, which was distinct from the competitors and attracted customs and market results, was very significant for the company because it produced new products, services and processes. [10] [14] [15]. Moreover, we find that service creativity contributed to a sustained competitive edge following the literature analysis [16].

Entrepreneurial Orientation:

Joseph Shumpter described entrepreneurship for the first time in 1910. It was assumed that new forces of development and economic society were discovered and integrated. Miller and Friesen suggested initially an entrepreneurial direction in 1982 as a way to create and develop interesting practices leading to new enterprises [4] which would maximize the entrepreneurial potential of the current company and continually refresh the business. The attribute of the entrepreneur was dictated by his personality, which became a business orientation. Kreiser et al. (2002) [17] identified three features of a successful entrepreneur as the orientation to innovation (product and process capability), risk orientation and proactivity orientation. The literature review found that entrepreneurship affected the capacity for creativity [18] [19] [20] [21] [22]. This resulted in the assumption of

H1: The direction of learning shaped the capacity for creativity

Market Orientation:

Narver and Slater (1990) [23] pointed out that the incorporation of key elements as consumers and competitors relating to the collection of data on buyers and competitors within the target market is a market orientation. In order to achieve greater value, the data is then spread around the enterprise for the purpose of use. The company therefore prevented the rival from offering the consumer greater service. In order to sustain, expand and produce benefit, long-term investment was needed for improved value, optimize the use of existing resources. The direction of the business, however, was based on profit generation, improved value maintenance and the behavioral standard to understand various consumer desires, to fulfil them promptly to greater value, to decide efficiently and to adapt effectively to the target market in terms of organization's culture. Therefore, the competitor's strategic edge was hard to notice, understand and emulate the market orientation [24]. The literature review found that the direction of the industry was linked to innovation capacity explicitly and positively [10] [14] [18] [25] [26], and that this was the basis for this hypothesis;

H2: Business guidance influenced capacity for creativity.

Learning Orientation:

The theoretical concepts of the teaching organization developed, and since the 1980s have been used, and Peter Senge (1990) [27] was widely interested when he wrote "The Fifth Discipline; The Art & Practice of a Learning Organization," which showed that competitive benefits derive from the ability of an organization to learn and react to the environment faster than their competitor in the world of globalization [28]. It has been identified by Nasution et al (2011) [29] as the cultural trait that focuses upon the improvement of insights, information and comprehension that develops consumer operation and value. Calantone et al. (2002) have described it as a learning priority to improve the ability to succeed and apply organizational expertise. In the meantime, Rhee et al (2010) described it as a learning culture that has the potential to affect their behavior. Learning in four respects, Calantone et al (2002), identified commitment to learning, shared vision, openness and information sharing within organizations. Rhee et al (2010) and Peng (2008)[30] differently identified learning, based on the Calantone et al (2002) analysis, which is ideal for the current study as facilitated leadership and responsive strategy preparation. The literature review has shown that the learning direction was closely and positively linked with creativity and this led to hypotheses [11] [14] [18] [26] [31];

H3: Innovation capacity was affected by market orientation.

Conceptual Framework:

Literature analysis found that learning, entrepreneurial and business guidance are forces that influence innovation capacity and that their relationships can be explained as follows;

Methodology:

The objective of this paper was to evaluate the impact on innovation capacities of learning, entrepreneurship and the business direction. The population included car garage managers or businessmen, who operated the company for over ten years, listed by the Department of Industry. Multi-stage random sampling samples have been recruited for collecting data from the targeted population, the survey questionnaire has been established through various stages. First, the quality analysis was carried out to study the situation in the garages in Thailand and to gather data from 5 traders, 6 main business owners, 2 medium-sized enterprises and small business owners via an insight interview. Content research was performed to ascertain the reasons behind their capacity for creativity. The second questionnaire was drawn from previous studies by Pratana et al. (2011) Nasution et al., (2011), Peng (2008), Hult et al. (2004) and Calantone et al., focusing on the determination of factors impacting creativity capacity on the basis of qualitative analysis and literacy evaluation and assessing the operation meaning of various variables (2002). Innovation capacity was included as subjective variables, including I gender, age, and revenue demographics. (iii) Learning, entrepreneurial and consumer orientation were subjective factors. It was essential to study the impact of learning, business and

market direction on innovative capacity to quantify the highly important characteristics. We used 8 items 5-point Likert 400 items questionnaire measurements with 387 of the 400 car garage managers or entrepreneurs identified by industry. The rate of response was 96.75%. We used the alpha from Cronbach for the assessment of learning reliability, entrepreneurial and business orientation and the size of innovation capacity. The alpha value of Cronbach shows 0.803 for this analysis.

Results:

Of the 387 samples, most are male (75.1%), age 41 to 50% (46.31%), graduation bachelor (69.7%), supervisor/manager (66.8 percent) In addition to learning guidance, we found that widely studied variables were fair with a corporate orientation at 3.25, followed by average business, creativity and learning orientations respectively at 3.24, 3.22 and 3.14. Three variables, with a positive connection with innovation capacity at 0.01, namely schooling, entrepreneurship and business orientations

Table 1: Average Pearson correlation coefficients and an overview of regressive factor supporting the potential of garages in Thailand in terms of utilization of capital and creative resources

Variables	Mean	S.D.	1	2	3	4
1. Learning Orientation	3.14	0.81	1			
2. Entrepreneurial Orientation	3.25	0.81	0.750**	1		
3. Market Orientation	3.24	0.86	0.700**	0.670**	1	
4. Innovation Capabilities	3.22	0.76	0.710**	0.680**	0.662**	1

Notes: **p < .01

Table 2: Multiple regression analysis of supportive factors influencing the ability to use innovative resources among different garages in Thailand

Variables	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std.	Beta			Tolerance	VIF
Constant	0.690	0.110		6.210	0.000**		
Learning Orientation	0.335	0.051	0.356	6.505	0.000**	0.353	2.825
Entrepreneurial Orientation	0.246	0.051	0.261	4.930	0.000**	0.382	2.612
Market Orientation	0.207	0.043	0.231	4.768	0.000**	0.448	2.225

R² = 0.590, F = 184.631, Sig. = 0.000 Notes: **p < .01

In the table2, we found that all variables had VIFs of less than four and tolerance was higher than 0.2, meaning that all factor variables like learning, entrepreneurship and the market orientations were not multi-connected, and we predicted that in Thailand we could use innovative garage resources at 59.1 mean (R² = 0.591) and that the rest was influenced by the remaining 40.9 per cent. F the model had 184.631 of the value 0.000 and less than 0.05 which indicated that the potential to use creative tools of garages was at least influenced by one factor in Thailand written as follows:

$$\text{Innovation Capabilities} = 0.690 + 0.335 (\text{Learning Orientation}) + 0.246 (\text{Entrepreneurial Orientation}) + 0.207 (\text{Market Orientation})$$

Company, organizational and market-based learning and the opportunity to innovate were strong. The hypotheses showed supporting reasons for using existing services, which have affected the capacity to use novel resource in Thai garages, as seen below; the correlation coefficient of Pearson was 0.721, 0.691 and 0.662, respectively. Table 2 showed the support of schooling, entrepreneurs and business oriented considerations for using creative garage tools in Thailand during multiple regression analyses. Standardized equation was the following;

$$\text{Innovation Capabilities} = 0.356 (\text{Learning Orientation}) + 0.261 (\text{Entrepreneurial Orientation}) + 0.231 (\text{Market Orientation})$$

The above equations were defined as each variable had a corresponding effect on Thailand's ability to use creative garage tools. Learning direction with the standard regression coefficient (fi) of 0.246 was the highest factor affecting entrepreneurship with the standardized regression coefficient (fi) of 0.246 and business orientation (fi) which could be translated like this;

- An shift in learning orientation will affect the potential of garages in Thailand to use creative tools for 0.356 while other factors were stable.
- One growth in entrepreneurship will affect the capacity to use creative garage tools for 0.261 if other factors were stable in Thailand.
- One score higher in business orientation will impact on Thailand's willingness to use creative garage tools for 0.231 while other variables are stable.

Conclusion and Discussion:

The aim of this study was to examine the relationship between education, entrepreneurial and business orientation and garage innovation skills in Thailand. These guidelines shaped the capacity of our innovation and were discussed as follows;

1. If the staff in the garage had an inclusive, self-determined and collaborative view of learning, creative use of resources might potentially be increased due to differences in customer experience each day. Thus, employees in the company should be self-determined in order to gain a strategic advantage and survive in competition through gaining new insights about garage industry. Consequently, organizational ethos can be learning. Next, they should be open-minded to consider other opinions, open themselves to creative cooperation, look beyond the box, learn new ideas, create an ethos in the organization and share the vision. Sharing the goal, agreement, commitment and leadership will contribute to greater use

International Journal of Applied and Advanced Scientific Research

Impact Factor 5.255, Special Issue, February 2018 – Conference Proceedings

National Conference on Recent Trends in Management Studies & Computer Applications

(KRUPACON 2017), On 21st & 22nd September 2017 Organized By

Krupanidhi Group of Institutions, Bangalore, Karnataka

of the company's creative resources. The aim is to provide a customer with new products and better than their competitors, develop new innovations to solve the customer's problem, provide different products and services, create new methods of meeting customer requirements and generate new innovative processes that can reduce the work process through IT or social networks to serve customers better. We complemented our results with research reports by Mr. Hult et al (2004); Mr. Lee & Tsai (2005); Rhee et al, (2010); A. Ferna'ndez-Mesa J. Alegre., (2015); and H. Reijonen et al. (2015).

2. Enterprises in the organization included employees that had innovations, risk-takings and proactive actions, perhaps that the increase in innovation capacity for the organization meant that the creative workforce needed to be creative, an innovative idea, the application of new technology, risk taking characteristics like willingness to take risks. This improves advanced products as quickly as a competitor, creates creativity for solving consumer problems, and creates different products and services, or new methods for customer support. They can enhance the quality of service of products. In addition, the application of IT and social networks have demanded short, simpler, and more modern work processes. The research of Rhee et al (2010), Tajeddini (2010), K.J. Trainor et Al.(2011); A. O'Casey, L.V. Ngo (2012), E.T.G. and Wang et al. were followed by these results (2013).
3. As the employees of the company concentrated on consumer business orientation, they were adamant that they served customer needs, consistently added value, understood customer requirements better than competitors and were well trained for customer service. These guidelines focused on domestic cooperation such as the good and fair treatment of customers, keeping customer information, having shared and proper work plans and a conscious customer satisfaction, focusing on competition through learning and sharing competitor information across different areas. These findings complied with the studies by Hult et al, (2004); Lee & Tsai. (2005); Rhee et al, (2010); E. Fraj et al., (2015); A. Ferna'ndez-Mesa, J. Alegre., (2015).

We would recommend based on our research findings as following;

1. The garage company will prosper and succeed by building learning conditions such as self-defined staff, sharing an approach to learning new ideas to improve the competitiveness of a company, open-minded learning organizational philosophy, and mutual vision to build a learning organization.
2. Innovative traits of developing an innovative concept to address the customer's dilemma, using technologies to achieve the goal correctly and quickly were used in the organization's entrepreneurship. 2) risk management includes finding more options than competitors to address the client's problem; risks as an opportunity by good and adequate information; and 3) strategic measures to always have the client more quickly than the competitor.
3. The final aspect of breakthrough capacity, which meant the opportunity to satisfy customers rather than their competitors, was market orientation. Therefore, the customer's desire was an innovative reason. In addition, competitor guidance has been gaining insights from rivals such as their importance, organizational philosophy and brand strategies to prepare enterprises to compete and create new innovations. In the meantime, internal collaboration has led to a capacity of the company to react promptly and dynamically to the demands and satisfactions of its customers and has provided a competitive edge.

Future studies should look at the effect of other factors such as cluster, Renewable and Innovation Capacity partnership guidance or study the impact on the organization, such as corporate success, competitiveness and sustainable competitive advantage. Four other companies such as spa and small hotels should also be exploring the potential research.

Acknowledgement:

The authors express gratitude towards the assistance provided by The Management, Krupanidhi Group of Institutions (KGI) and Krupanidhi Research Incubation Centre, KGI in completing the research. We also thank our Research Mentors who guided us throughout the research and helped us in achieving the desired results.

References:

1. Department of Industry, 2555 B.E. (online) <http://www.diw.go.th/hawk/default.php>. (Accessed on October 25, 2015)
2. Business Analysis and Statistics, Office of Insurance, 2012 (online) <http://www.oic.or.th/th/home/index.php>. (Accessed on October 25, 2015)
3. Leekpai, P.; Jaroenwisana, K.; Trichan, C.; Jirakiattiku. S. Innovativeness of Hotel Business in Southern Thailand. Journal of Management Sciences, 2014, 31, 1, 69-95.
4. Merrilees, B.et.al. Marketing capabilities: Antecedents and implications for B2B SME performance. Industrial Marketing Management, 2011, 40, 368-375.
5. Hogan, S. J. et al. Reconceptualizing professional service firm innovation capability: Scale development. Industrial Marketing Management, 2011, 40, 1264-1273.
6. Wernerfelt, B. A Resource-Based View of the Firm. Strategic Management Journal, 5 (2), 1984, 171-180.
7. Fahy, J.; Smithee, A. Strategic marketing and the resource-based view of the firm. Academy of Marketing Science Review, 1999, 10, 1-20.
8. Grant, R. M. The Resource-Based Theory of Competitive Advantage: Implications for Strategy Formulation. California Management Review.33 (Spring), 2001, 114-135.
9. Thanimkarn, P. Resources Readiness and Dynamic Capability. (online) <http://www.snc.lib.su.ac.th/serindex/dublin.php?ID=13399530062>, 2011. (Accessed on October 25, 2015)
10. Tomas, G.; Hult, M.; Hurley, R. F.; Gary A. Innovativeness: Its antecedents and impact on business performance, Industrial Marketing Management, 2004, 33, 5, 429-438.

International Journal of Applied and Advanced Scientific Research**Impact Factor 5.255, Special Issue, February 2018 – Conference Proceedings****National Conference on Recent Trends in Management Studies & Computer Applications****(KRUPACON 2017), On 21st & 22nd September 2017 Organized By****Krupanidhi Group of Institutions, Bangalore, Karnataka**

11. Lawson, B.; Samson, D. Developing innovation capability in organisations: A dynamic capabilities approach. *International Journal of Innovation Management*, 2001, 5(3), 377-400.
12. Koc, T. Organizational determinants of innovation capacity in software companies. *Computers and Industrial Engineering*, 2007, 53, 373-385.
13. Ngo, L. V.; O' Cass, A. Creating value offerings via operant resource-based capabilities. *Industrial Marketing Management*, 2004, 38, 45-59.
14. Lee, T.S.; Tsai, H.J. The effects of business operation mode on market orientation, Learning orientation and innovativeness. *Industrial Management & Data systems*. 2004, 105, 3325-348.
15. Calantone, R. J.; Cavusgil, S. T.; Zhao, Y. Learning orientation, firm innovation capability, and firm performance, *Industrial Marketing Management*. 2002, 31, 6, Pages 515-524.
16. Salunke, S. et al. Competing through service innovation: The role of bricolage and Entrepreneurship in project-oriented firms. *Journal of Business Research* 66, 2003, 1085-1097.
17. Kreiser, P. M.; Marino, L. D.; Weaver, K. M. Assessing the psychometric properties of the entrepreneurial orientation scale: A multi-country analysis. *Entrepreneurship Theory and Practice* 26, 2002, 71-92.
18. Rhee, J.; Park, T.; Lee, D.H. Drivers of innovativeness and performance for innovative SMEs in South Korea: Mediation of learning orientation. *Technovation* 30, 2002, 65-75.
19. Tajeddini, K. Effect of customer orientation and entrepreneurial orientation on innovativeness: Evidence from the hotel industry in Switzerland. *Tourism Management* 31, 2010, 221-231.
20. Kevin, J.; Trainor; Rapp, A.; Skinner, L.; Beitelspacher; Schillewaert, N. Integrating information technology and marketing: An examination of the drivers and outcomes of e- Marketing capability, *Industrial Marketing Management*, 2011, 40, 1, 162-174.
21. O'Cass A.; Viet, L. Creating superior customer value for B2B firms through supplier firm capabilities, *Industrial Marketing Management*, 2012, 41, 1, 125-135.
22. Wang E. T. G.; Hu H. F.; Hu, P. J. H. Examining the role of information technology in cultivating firms' dynamic marketing capabilities, *Information & Management*. 2013, 50, 6, 336-343.
23. Narver, J. C.; Slater S.F. The effect of a marketing orientation on business profitability. *Journal of Marketing*, 2013, 54, 420-435.
24. Narver, J. C.; Slater, S. F.; Tietje, B. Creating a market orientation. *Market-focused Manage*, 1998, 42, 256-38.
25. Fraj E.; Matute J.; Melero, I. Environmental strategies and organizational competitiveness in the hotel industry: The role of learning and innovation as determinants of environmental success, *Tourism Management*. 2015, 46, 30-42.
26. Fernandez-Mesa, A.; Alegre, J. Entrepreneurial orientation and export intensity: Examining the interplay of organizational learning and innovation. *International Business Review*, 2015, 24, 1, 148-156.
27. Senge, F.; Peter. *The Leader's New Work: Building Learning Organization*. Managing Learning, Britain: Biddles Ltd., 1994, 5 -21.
28. Bhuket, P. R. N. *Organization and Management*. Bangkok, Think Beyond book, ltd., 2012.
29. Nasution, H. N. et al. Entrepreneurship: Its relationship with market orientation and learning orientation and as antecedents to innovation and customer value. *Journal of Industrial Marketing Management*, 2011, 40336-345.
30. Lin, C. H.; Peng, C.H.; Kao, D. T. The innovativeness effect of market orientation and learning orientation on business performance. *International Journal of Manpower*, 2008, 29, 8752772.
31. Smitha Nair. Influence of Moderators on the Market Orientation-Business Performance Relationship, 4(2), 2013, pp. 78-84.
32. Za'faran Hassan and K.K Ramachandran. Enhancing Flexible Marketing Postponement Strategy and Customer Related Performance: The Role of New Technology and Innovation, 6(9), 2015, pp. 67-84.
33. Reijonen, H.; Hirvonen, S.; Nagy, G.; Laukkanen, T.; Gabrielsson. The impact of entrepreneurial orientation on B2B branding and business growth in emerging markets. *Industrial Marketing Management*, Available online, 2015.