

Dimensions of Foreign Subsidiary's Absorptive Capacity in the Context of Knowledge Transfer through Expatriation*

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The absorptive capacity is one of the dynamic capabilities determining organizational development, including international expansion. This also refers to foreign subsidiaries, which receive significant portion of knowledge from headquarters and other units through expatriation. However, effects of such knowledge transfers are affected by absorptive capacity of a subsidiary. While considering the issue of the transfer, it is recommended to assess the readiness and willingness of subsidiary employees to learn from expatriates and change. These qualities are, undoubtedly, an essential component of organizational absorptive capacity, however its content seems to be more complex, due to its multidimensional and contextual nature. Therefore, the author attempts to apply this concept in the context of expatriate knowledge transfer*.

Keywords: absorptive capacity, expatriate knowledge transfer, international assignments, foreign subsidiary.

Introduction

In the knowledge-based economy learning is a permanent and obligatory process, as withdrawal from learning leads an enterprise into stagnation, and – consequently – inability to remain on the market. One of the key aspects of learning is the absorptive capacity, which refers to acquisition and use of new knowledge by a single person, a team, an organisation, a community and the

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whole economy. This capacity is also considered as one of enterprise's dynamic capabilities, a meta-competence which determines development at various levels (Zahra, George, 2002). This development, understood as a company's expansion into foreign markets, requires, not merely a know-how transfer between its dispersed organizational units, but also reconfiguration and utilisation of knowledge resources in many locations (Kogut, Zander, 1993). The two latter activities reflect the capacity of subsidiaries and branches to absorb knowledge spread within a corporation, which in turn enables the company to achieve competitive advantage in various parts of the world.

Multinational companies (MNCs) use numerous tools for the purposes of intra-firm knowledge transfer; the character of these solutions may be formal (e.g. reporting, databases, repositories, intranet knowledge sharing tools), social (based on interactions within international teams and bodies) or personal – based on building relationships by direct contacts with knowledge recipients (Dickmann, Müller-Camen, 2006). The choice of an appropriate form requires the assessment of its compatibility with the nature of transmitted knowledge, expectations, and requirements concerning its transfer and implementation in a host unit. One of the most popular transfer methods is expatriation, defined here as all temporary assignments performed by employees delegated to business units of a MNC, located in other countries. It should be emphasised that the traditional and most recognisable form of expatriation is sending managers and specialists from a technologically and organizationally advanced headquarters to foreign subsidiaries for the period longer than a year. Nonetheless, a gradual transformation of MNCs into hierarchical or network structures implies a need to appreciate foreign subsidiaries whose input into development of corporate intellectual assets is becoming ever more important (Evans et al. 2011; Bartlett, Ghosal, 1989, 2002) and more diverse¹.

Expatriate knowledge transfer to foreign subsidiaries is undoubtedly one of the most popular solutions with a long tradition², however its effects are, to a large extent, determined by the absorptive capacity of these entities (compare: Kostova, Roth, 2002; Minbaeva et al., 2003; Szulanski, 2003, Jensen, Szulanski, 2004; Chang et al., 2012). Therefore, it is advisable, while considering the above-mentioned transfer, to assess the readiness and willingness of subsidiary employees to change as a result of learning from expatriates. These qualities are, without

¹ This differentiation has been observed by, i.a., Gupta and Govindarajan (2000) who took into account the directions of knowledge flow in foreign subsidiaries and distinguished four types of units: autonomous, learning, implementing and globally integrated.

² It was already in the 70's that that Edstöröm and Galbraith (1997) noticed the presence of knowledge flow motive from head office to foreign subsidiaries via international assignments.

any doubt, an essential element of organizational absorptive capacity, however a comprehensive assessment of this competence is much more complex due to its multidimensional and contextual nature. Therefore, the author attempts to redefine and apply the concept of absorptive capacity in the context of knowledge transfer through expatriation. Carrying it out involved studying literature on knowledge management, international and strategic management as well as expatriation. This article outlines the essence of an organization's capacity to absorb knowledge, and its role in the process of knowledge transfer in MNCs. Further on, it highlights the specifics of expatriate knowledge transfer as a context of absorption in subsidiaries. Finally, a conceptual model of a foreign subsidiary's absorptive capacity was proposed and discussed.

The essence of organizational absorptive capacity

Absorptive capacity is one of the most important theoretical constructs present in research on organizations for over two decades, and the number of papers concerning this issue in scientific journals amounts to almost a thousand (Lane et al., 2006). Its original and most popular definition was formed by Cohen and Levinthal (1990). According to these authors, absorptive capacity constitutes a configuration of the following three competences of an organisation: the ability to recognize and acknowledge the value of new knowledge outside the company, the ability of knowledge assimilation and the practical use of knowledge (commercialization). Kim (1995, 1998) on the other hand, perceives absorptive capacity as an ability to learn (knowledge absorption by means of copying, imitating) and problem solving (innovating). Its role in organisation development is therefore reflected in adaptation to changes, innovation, building other dynamic capabilities (Lane, Lubatkin, 1998; Zahra, George, 2002; Esccribano et al., 2009). Taking into account the purpose of this article, it is worth to scrutinize the role of absorptive capacity in the process of intra-firm transfer. An interesting insight into this problem can be found in Szulanski's study (2003), who analysed the barriers of transferring organizational practices at four stages. His interpretation of absorptive capacity was narrower than Cohen and Levinthal's definition, but he also distinguished a retention capacity described as utilizing the acquired knowledge over a longer time period³. According to Szulanski's research, the recipient's

³ Retention capacity understood in this way includes knowledge commercialization (Cohen, Levinthal, 1990), and partly „overlaps” with the component of actual absorption presented by Zahra and Georg (2002) and described further in this article.

absorptive capacity constitutes a very important predictor of “transfer stickiness” (impediment to carrying a transfer out) during the phase of implementing a new practice, a ramp-up stage and an integration, while retention – merely during a ramp-up phase⁴. The strong influence of absorptive capacity on knowledge transfer has also been confirmed by other studies (e.g. Gupta, Govindarajan, 2000, Lane, Lubatkin, 1998).

In spite of relative consensus on importance of absorption in knowledge diffusion, the range of absorptive capacity has been conceptualized in a few different ways. In its original version three following dimensions: recognition of the external knowledge value, assimilation and utilization were based on two components: the accumulated knowledge and skills of the employees (*prior knowledge base*) and *organisational aspiration* described as an effort undertaken in order to innovate (Cohen, Levinthal, 1990). Modifications of the above-mentioned range proposed in further publications usually consisted in completing the list of capacity’s domains or redefining its original contents (Lane, Lubatkin, 1998, Van den Bosh et al. 1999, Zahra, George, 2002, Szulanski, 2003). For instance Lane, Lubatkin and colleagues (Lane, Lubatkin, 1998; Lane et al., 2001), who analysed knowledge transfer in joint ventures, claim that absorptive capacity is not a cumulative effect of prior knowledge and skills possessed by recipient, but a dyadic construct. In other words, it depends on extent of similarity between source and recipient in terms of their knowledge resources, organizational structures and dominant logic⁵.

The most influential reconceptualization of absorptive capacity was the model proposed by Zahra and George (2002). According to these authors, absorptive capacity is a configuration of organization’s practices and processes, thanks to which an enterprise acquires, assimilates, transforms and utilizes knowledge. These four complementary activities represent dimensions of this capacity. The first dimension is related to identification and acquisition of external knowledge critical for the business. Assimilation covers analyzing, processing, interpreting and understanding information from external sources. Transformation means combining new knowledge with previously existing resources, whereby the undertaken activities consist in complementing, enriching or reinterpreting the prior

⁴ Here implementation refers to the time period from making a decision on transferring a given practice until the first day of its use, the ramp-up phase lasts from the first day of use until satisfactory results. Next, integration takes place, during which a new practice becomes an element of routine activities (Szulanski, 2003).

⁵ In this paper term “source” is used interchangeably with “donor” and “transferor”, while “transferee” is treated as synonym to “recipient”. All these terms refer to business units, subsidiaries or other entities which are the parties of knowledge transfer.

knowledge, and also deleting its part (i.e. “unlearning”). The fourth dimension is defined as the ability to exploit newly acquired and implemented knowledge. Zahra and George (2002) blend the above-mentioned dimensions into two components of absorptive capacity: “potential” covering the ability to identify, acquire and assimilate external knowledge and “realised” reflecting a knowledge leverage capacity (i.e. ability to gain advantage through the use of this knowledge). Such distinction, according to the authors, explains the relationships between absorption capacity and company's effectiveness and demonstrates the specific contribution of these components to build competitive advantage. Moreover, their model expands the base on which the capacity relies, as its potential ingredient is embedded in employees' abilities, while realized absorptive capacity reflects their motivation.

The conceptualizations described above lead to conclusion that absorptive capacity is a complex construct, based on abilities and motivation of the employees who acquire knowledge. It influences knowledge transfer in numerous ways and the character of these interactions changes over time. At the same time, comprehending of this capacity requires taking into consideration compatibility/similarity between knowledge donor and recipient. The study carried out in subsequent parts of the article was based on the above-mentioned assumptions.

Context of intra-firm knowledge absorption by subsidiaries hosting expatriates

Most conceptualizations of absorptive capacity concentrate on acquiring external knowledge, most often, partly codified, e.g. technologies, product and process innovations, organizational practices and scientific achievements (Lane et al., 2006). The greatest challenge, however, remains the assimilation, internalization and exploitation of these resources which are tacit, non-structured, ambiguous, and normally transferred via personal contacts, close cooperation or frequent interactions (Szulanski, 2003). It should be noted, that for companies with varied offer for different customers, and operating on numerous markets, the capability to reuse of tacit, in-company knowledge resources in various contexts constitutes the basis of long-term development (Kogut, Zander, 1993; Teece et al., 1997). In-company knowledge is, first and foremost, the effect of collective learning and sharing experience in solving problems faced by this firm, therefore, it is unique. This property of intra-firm knowledge together with tacitness, enables a corporation to achieve and obtain competitive advantage, if only its foreign subsidiaries are capable to absorb it

(Wernerfelt, 1984; Kogut, Zander, 1993). As mentioned previously, expatriation serves as mechanism of knowledge transfer between foreign subsidiaries and the headquarters of a MNC. This transfer takes place by means of personal contacts between an international assignee and the crew of a host company. It is possible then, to transfer unstructured and implicit knowledge based on collective or individual experience, and personal reflection. The intensity and duration of relationships built in this way are determined by the goals and tasks set, and forms of international assignments (IAs). The latter may differ in terms of direction (i.e. from the head office to a foreign subsidiary, from subsidiary to the head office, between subsidiaries) as well as length of stay (from a few days' business trips typical for flexpatriates, through regular one- or two-weeks' trips abroad typical for commuter assignments, short-term business trips – up to 3 months, medium term business trips – up to 12 months, and traditional long-term expatriation) (Dowling et al., 2008, Collings, Scullion, 2007).

International assignments (whether short or long) normally aim at: controlling and coordinating operations and processes, transferring knowledge and skills, managerial development through international experience and preparing employees to future roles (Mayerhofer et al., 2004, 2012). However, in real life, the expatriates carry out a range of various objectives and tasks. In such configuration the knowledge transfer to host subsidiary is always present, even if it is not the official purpose of the stay. The empirical research carried out by Benson and Patti (2009) clearly shows that in spite of official goals of IAs, it is primarily knowledge transfer from another (more “advanced”) part of a corporation that local superiors expect from assignees (to perform). On the other hand, it is worth noticing that objectives and tasks assigned to expatriates, whose performance is monitored and rewarded (most frequently by a supervisor from a home office) may influence their engagement in sharing knowledge with local employees, building relationships with them, and gaining their trust (which might be difficult when formal goals refer to control or improvement of effectiveness in host unit).

A useful and accurate opinion on this issue has been expressed by Hocking, Brown and Harzing (2004). According to these authors, knowledge transfer through expatriation is not a separate purpose of such assignments in regard to typical goals, i.e. controlling or coordinating, but it is a general intention of strategically important IAs. The main difference between them is the type of knowledge which is spread at that time. The more unstructured, new and tacit this knowledge is, the more difficult it is for host subsidiary employees to acquire and use it. Other features of knowledge which may influence absorption are: knowledge ambiguity, the level of detail (or alternatively: how general it is), specificity (understood as

strong links to organizational context of the knowledge donor), and its collective or individual character⁶.

The above-mentioned features of knowledge transferred to a foreign subsidiary require, according to Bonache and Zárrega-Oberty (2008), using different forms of IAs. They may also influence the choice of activity undertaken by an assignee during his/her stay, for instance s/he can engage in: preparing and running formal trainings, mentoring for local employees, developing their competences via cooperation and sharing experience in solving company-related problems, sharing their own expertise via informal conversations, inspiring and motivating subordinates, supervising the implementation of new technologies, adjusting and implementing corporate standards and procedures, shaping local practices on the basis of examples known from other locations.

The ease of knowledge absorption can be described as a function of its usability (from the recipient's perspective) and such properties as being explicit, structured, complementary towards prior knowledge resources, universal (as opposed to contextual). However, it seems to be more justified to consider the compatibility of such transfer components as: knowledge character, transfer method (form of IA), and expatriate's features (skills, attitudes, motives). For example, it could be hypothesized that absorption of ambiguous, non-structured, tacit knowledge is more successful when expatriate stays at a subsidiary for a relatively longer period of time, develops more intense relationships with the local staff, and the criteria of choosing the right candidate for an expatriate include professional knowledge, interpersonal skills, willingness to share knowledge, and to build relationships in a given host country.

Taking into account the dyadic aspect of absorptive capacity noticed by Lane and colleagues (2001), there is a need to have a closer look at the other participant of the transfer. It is only in specific circumstances that an assignee may be considered the source (donor) of knowledge. One example of such situation is when assignee's knowledge is individual and based on personal experience; normally it is assignee's home unit that acts as knowledge donor. Knowledge absorption, as presented by Lane et al. (2002), takes place if the knowledge resources of donor and the recipient, their structures and general operation logics are similar. In case of MNCs, these elements tend to be relatively compatible (as compared

⁶ To be more precise, this refers to an extent to which knowledge is shared by others and embedded in organizational practices (as a result of collective learning) or an extent to which knowledge is a unique effect of individual experiences, observations and reflections. Normally, transferred knowledge is a blend of collective and individual components. However, it can be assumed that the more important in its transfer are personal recommendations/tips and meaning given to it by an expatriate, the more individual its character will be.

with joint venture companies) mostly due to the fact that both units share the common “corporate context” (e.g. corporate values, strategies, policies, systems, standards, tools). It can be assumed, as suggested in transnationality concept by Bartlett and Ghosal (1998, 2002), that in the course of company internationalization, the pressure put on global integration and diversification as well as the increasing intensity of knowledge flows, will boost knowledge absorption and transfer capacity in its all business units. Therefore, according to Minbaeva et al. (2003), the dyadic dimension of absorptive capacity is of little significance when it comes to internal transfer processes. However, the author of this article is not of the same opinion. She points to the importance of cultural and institutional differences between transfer participants (in their local environment) as well as the perception of knowledge donor (by the recipient) for its absorption. Both the theory of social capital developed by Nahapiet and Ghosal (1998) and the concept of “transfer stickiness” by Szulanski (2003) appreciate impact on knowledge transfer exerted by perception of knowledge donor (by recipient), especially – the assessment of donor’s reliability (from recipient’s point of view) and anticipated outcomes of potential relationship with donor. The transferee’s belief in the transferor’s professionalism and effectiveness in solving problems is important in an early phase of the transfer and in the initial period of usage (Szulanski, 2003). It especially influences behaviours and efforts undertaken by host unit employees in order to implement a new solution or change the manner of operating strategies/performing their tasks⁷. It is worth adding here that the correlation between perceiving the transferor of organizational practice as trustworthy and the actual knowledge implementation in subsidiaries have been confirmed by numerous empirical studies (e.g. Tsai, Ghosal, 1998; Kostova, Roth, 2002). The differences between knowledge transfer participants, stemming from local conditions, can be presented as a strategic dilemma regarding company’s international expansion which consists in balancing the tensions towards global integration and local adjustment (Evans et al., 2011). In such case the absorption of knowledge from a business unit or entity based abroad is a process which undergoes the influence of two opposite forces: one represents corporate attempts at integrating scattered activities by transfer of technology, procedures, organizational practices, or patterns of behaviour; the other represents the necessity to adjust to requirements of the local institutional and cultural environment. The latter may be expressed in

⁷ This observation refers to problems revealed during in-depth interviews with managers responsible for expatriation policy in MNCs from Poland. The interviews were conducted in 2011 as part of statute research carried out by Department of Human Capital Management at the Cracow University of Economics (project title: „Managing expatriates from the perspective of stakeholders of international enterprises”).

employees' beliefs about inadequacy of corporate policies/practices for local conditions and real difficulties due to legal regulations, technology access, infrastructure development, traditions and customs. It should be added at this point that national culture, due to its impact exerted on basic assumptions and values which form the core of corporate culture, may be an important determinant of a subsidiary's absorptive capacity, especially when employees share common, deeply rooted opinions on such matters as knowledge sharing, openness to new ideas and other points of view, accepting ambiguity and uncertainty, readiness for changes, attitude towards foreigners and consent to xenophobic behaviours. On the other hand, organizational culture, which constitutes a system of employees' common beliefs, may in particular facilitate/hinder developing relationships between an expatriate and local staff, hinder/support acquisition and acceptance of knowledge which is fundamentally different from prior subsidiary's experience, strengthen/weaken resistance against innovations based on the acquired knowledge. Due to common language, shared norms and regulations of cooperation and communication, culture will influence the range, pace and course of transformation and utilization of acquired knowledge in a subsidiary.

Another important organizational factor influencing knowledge absorption is managerial practices and HR policies carried out in a subsidiary which directly shape basic components of this capacity. Minbaeva et al. (2003) suggest to concentrate research efforts on the following aspects: employee development by means of trainings, performance management, promotion policy, and internal communication. However, from the perspective of expatriate knowledge transfer, it seems that the primary issue should be developing those competences and attitudes of the local staff which are crucial in multicultural environment.

The aim of above discussion was illustrating specific challenges accompanying knowledge absorption during its transfer to subsidiaries by IAs as well as identifying the most important factors forming a context for the process described here⁸ (Fig. 1). In particular, the author of this article tackled such issues as: knowledge properties, the application of expatriation in a transfer process, the role of an agent/intermediary (here referred to as: assignee) and the role of knowledge source (expatriate's home office), the distinctness of local environment and organizational conditioning. This relatively extensive description of certain contextual factors serves as a starting point for defining the content of absorptive capacity, as it clarifies the role of attitudes and motivations of employees which, together with

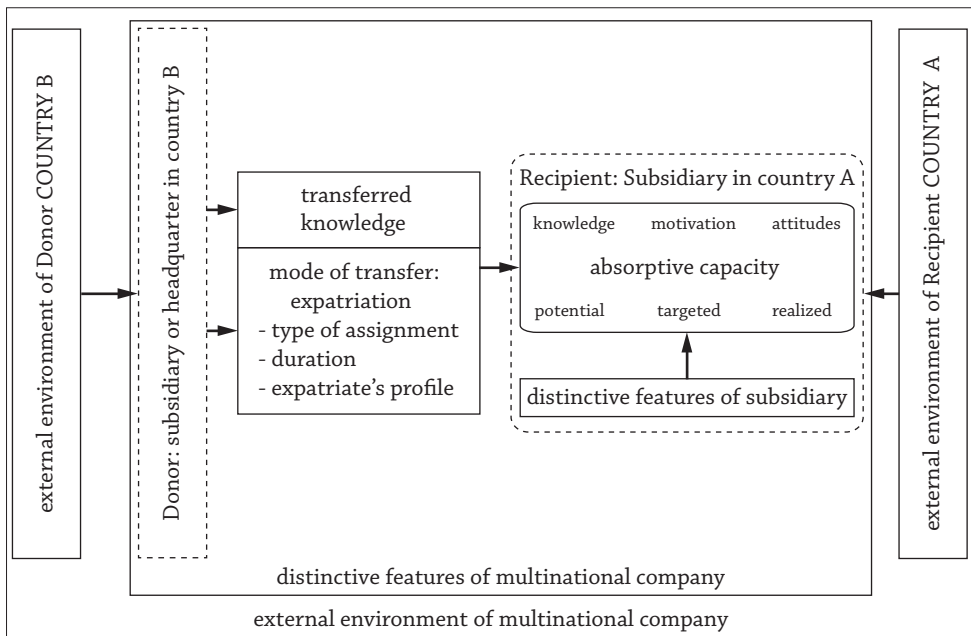
⁸ However, a comprehensive description of all elements in Figure 1 was not possible due to restrictions regarding the size of this article.

their knowledge and skills, constitute the foundations of this meta-competence on subsidiary level.

The content of subsidiary’s capacity to absorb knowledge transferred by expatriates

The proposed conceptualization draws on Zahra and George’s model (2002) which, in contrast to the original definition of absorptive capacity by Cohen and Levinthal (1990), takes into account the motivation of recipient unit employees. However, the author of the article takes a slightly different view of its role in the absorption of knowledge. She assumes that, at all stages of knowledge transfer, absorptive capacity is formed from a configuration of interrelated components, such as employees’ accumulated knowledge, attitudes and motivations. She also enhances its scope by adding a new dimension, i.e. targeted absorptive capacity (Fig. 1). Premises which led to abovementioned changes and interpretation of proposed model are explained below.

Figure 1. Absorptive capacity of subsidiary in the context of expatriate knowledge transfer



Source: own work.

Accumulated knowledge of a subsidiary staff as a basis for absorption of new intangible resources, is a starting point for learning, which may result in adding, updating, modification or partial replacement of prior knowledge. The wider the gap of employees' skills and other intellectual assets between the recipient and the donor, the more difficult and risky implementation of advanced organizational and technological know-how is. In other words, in order to fully "realize" absorption a subsidiary must have certain critical knowledge resources which:

- Firstly, will allow to identify the "knowledge gap" and information/know how/skills that are critical for further development, to find sources of required knowledge inside the corporation, and recognize appropriate forms of transfer; at this stage it is important to have a thorough analysis of subsidiary's knowledge resources with regard to its current and future tasks/challenges and previous experience associated with expatriation and knowledge obtained thereby;
- Secondly, they will enable assimilation and understanding of the new knowledge and its correct interpretation in situations such as formal training sessions, performing tasks and projects under the supervision of an expatriate, cooperation within a team, providing advice, discussions and talks; apart from the initial expert knowledge, absorptive capacity is also built by cognitive abilities, language and social skills thanks to which local staff will be able to make use of tacit and non-structured knowledge of an assignee;
- Thirdly, they are indispensable to implement and use properly the acquired knowledge, which sometimes requires introducing significant changes to the way work was done before; critical factors at this stage may include professional competences, cognitive abilities, analytical skills and solving problems (which come up in the course of those changes), and finally managerial competences.

Motivation, defined as a regulator of human behaviours which results in the choice of specific actions, is an integral element of absorptive capacity. It is the factor which gets employees having appropriate skills and abilities to make the right use of them (cf: Reykowski, 1975). Its importance for the absorption of knowledge is manifested in the desire to take actions which lead to discovering, understanding, adaptation and utilization of new knowledge⁹. It is worth noting that a similar assumption (to consider motivation in interpretation of that capacity) was also formulated by Minbaeva and co-authors (2003).

⁹ The inclusion of motivation in the scope of absorptive capacity is also supported by the cognitive theory of motivation which emphasizes the role of man's cognitive processes in choosing activities (Deci, Ryan 1985).

The third proposed component of absorptive capacity is the attitudes of subsidiary employees defined as the sum of beliefs concerning any object, resulting in an inclination to react to this object in specific manner (Bohner, Wänke, 2004). On the one hand, they derived from collective experience handed down from generation to generation (i.e. attitudes shaped by upbringing in a given national culture and/or conditioned by a strong organizational culture – here: the “subsidiary” culture), while, on the other hand, they can be an individual “product”. It must be emphasized here that some of them are relatively long-lasting. Nevertheless, their essence is orientation at an “object” towards which a cognitive reaction (formulating/strengthening beliefs), affective reaction (associated with the emotions experienced) and/or behavioural reaction occurs. Some examples of such objects are: a new technology, practice or procedure (transferred knowledge), the way transfer is performed (IA), the current situation, results and competences of knowledge donor, the behaviour of an expatriate, implementation plan for a new technology, expectations of change, etc. In the context of knowledge absorption, an evaluating function of attitudes is of particular importance, since it involves categorization of the objects (according to the criteria: friendly/hostile, desired/undesired) and initiating behaviours appropriate to those attitudes (approaching or avoiding) in line with the utility maximization principle (Bohner, Wänke, 2004). A relevant premise for introducing attitudes as a separate (although related to motivation) component of absorptive capacity is their otherness from motivation. While the latter is defined in terms of willingness to act (or refrain from acting), an attitude involves multi-dimensional reaction to a situation, person, behaviours or events. For example Juchnowicz (2009, p. 16, 20), by distinguishing between the attitude of commitment and motivation, points out that the former is expressed in “employee’s inclination to react to tasks and the results of his/her work in a specific way”, while motivation refers to the causes which trigger his/her activity¹⁰. Knowledge of attitudes makes it possible (to some extent) to predict how a given person will deal with information, and in specific conditions it may also be a predictor of behaviours (where an attitude and a behaviour relate to a particular object – in accordance with the correspondence principle). Their influence can be observed at every stage of the knowledge transfer.

¹⁰ It should be noted that boundaries between attitude and motivation are not outlined very clearly; neither is there unanimity as to relationships between them; e.g. an alternative view can be found in the theory of reasoned action by Fishbein and Ajzen, which assumes that if a person evaluates a given behaviour/action as beneficial/positive (an attitude towards a behaviour) and at the same time that person thinks that other people want to undertake that behaviour/action (subjective norms), an intention (motivation) is born in that person as a result, which leads to that behaviour (see: Bohner, Wänke, 2004).

As mentioned earlier, subsidiary's absorptive capacity is an organisational construct based on accumulated knowledge, attitudes and motivations of employees, and its role in the expatriate knowledge transfer can be illustrated by means of proposed dimensions: potential, targeted and realized. The first of them is defined as a general ability and readiness to learn from other subsidiaries and headquarters. Diagnosis of a subsidiary's potential ability in the face of a planned expatriate knowledge transfer requires, among other things, paying attention to prevailing attitudes towards change and "foreign" solutions¹¹, motivation to learn, cultural sensitivity, openness to new contacts and relationships, team work skills, interpersonal skills and the command of foreign languages (including fluency in the corporate language). Targeted absorptive capacity involves the acquisition and assimilation of knowledge originating from a particular donor and transmitted by a given assignee. Analysis of this dimension should, in the author's opinion, focus on attitudes and skills important in the context of this interaction (e.g. attitudes towards this transferor and the assignee himself, his *modus operandi* and policies or practices he intends to implement, skills required to understand transferred knowledge and limitations of its immediate/direct application which derive from technological, economical, organisational or other contextual factors). Realized absorptive capacity is the equivalent of dimension introduced by Zahra and George (2002). It can only be evaluated *post factum*, i.e. in terms of success/failure of an implementation/change, and in the long term – achievement of desired results.

Final remarks

This article is an attempt to apply the concept of knowledge absorptive capacity at the level of a foreign subsidiary in the conditions of obtaining in-company intangible resources via IAs. This specific meta-competence is an important determinant of transfer, and only complete absorption of knowledge proves that the expected effect of organisational learning has been achieved. Nevertheless, assessment of that capacity is a difficult task given its multi-dimensional character and complexity. Neither is it made easier by the diversity of definitions and interpretations. However, undertaking the aforementioned task allows one to better understand the essence of knowledge transfer within MNCs, as well as build

¹¹ An important obstacle in knowledge absorption is the NIH (not invented here) syndrome, which manifests in employees' reluctance towards practices and know-how developed by other departments/units (Szulanski, 2003).

a useful fundament or a starting point for strengthening dynamic capabilities on both levels: subsidiaries' and corporate.

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Резюме

Радиус способности зарубежного филиала к усвоению знаний в условиях их трансфера в результате экспатриации

Способность к усвоению знаний является одной из ключевых мета – компетенций организации, обуславливающих развитие. Это касается также зарубежных филиалов, в которые значительная часть ресурсов знаний, почерпнутых из материнской организации, передается в результате экспатриации. Однако эффект трансфера знаний зависит от способности филиала – получателя к их усвоению. Другими словами, рассматривая вопрос упомянутого трансфера, стоит сначала оценить готовность и склонность работников филиала изменяться, учась у экспатов. Их умение и желание учиться, несомненно, являются основой способности организации усваивать знания, однако ее полная оценка сложнее в связи с многоаспектностью и контекстностью. Ввиду этого в статье предпринята попытка реконцептуализации вышеупомянутой способности, включая идентификацию ее аспектов и компонентов.

Ключевые слова: способность к усвоению знаний, трансфер знаний, зарубежный филиал, экспатриация.

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