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## **The novel concepts and practices of firm innovativeness: the mediating and moderating impacts**

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**Abstract:** The objective of this study is to propose a conceptual model that blends the dimensions of knowledge management, information technology capability, innovative culture and firm innovativeness into a single framework for practitioners and academicians. In conceptualising the model, this study reviewed a range of existing literature. The findings identified: 1) four processes of knowledge management that represents the construct; 2) information technology capability as a variable that mediates the relationship between knowledge management and firm innovativeness; 3) innovative culture as a variable that moderates the link between knowledge management and information technology capability. The resulting conceptualisation is meant for evaluating the potential strategic model for firms to implement information technology capability and innovative culture. It is posited that the proposed conceptual model, when implemented, would enable practitioners a better understanding on factors that enhance firm innovativeness.

**Keywords:** knowledge management; innovative culture; firm innovativeness; information technology capability.

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## 1 Introduction

The contemporary world of business is highly competitive as a result of the dynamic nature of the marketplace. In facing challenging business competition, it is imperative for organisations to be innovative as these sets the firms apart from competitors. Wang and Wang (2012) elucidate that innovation is the primary source that enable firms to create superior value and attain competitive advantage (Subramaniam and Youndt, 2005) while Kim et al. (2015) suggest that admirable organisations practice innovativeness regularly in their response to adverse market environment. Baker et al. (2015) propose that the supreme task for firms is to innovate consistently while concurrently maintaining growth of sales. Furthermore, it is vital for organisations to continuously innovate to guarantee their survival in the market and to equip themselves with unique knowledge by converting knowledge into innovative resources to better their competitors (Cho and Korte, 2014).