

DYNAMIC TECHNOLOGY CAPABILITIES, KNOWLEDGE MANAGEMENT PROCESS EXCELLENCE, AND FIRM PERFORMANCE: FROM E-COMMERCE BUSINESSES IN THAILAND.

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ABSTRACT

This research was aimed at exploring: 1) the effects of dynamic technology capabilities on knowledge management process excellence 2) the effects of knowledge management process excellence on firm performance 3) the effects of dynamic technology capabilities on firm performance 4) the effects of knowledge management process excellence relationship between dynamic technology capabilities and firm performance as intervening variable. The samples were 400 from E-Commerce businesses executives in Thailand. The data were collected using questionnaires, and analyzed using statistical tools including frequency, percentage, Pearson's correlation, and multiple regression analysis.

The results of dynamic technology capabilities were positively related to knowledge management process excellence; knowledge management process excellence was positively related to firm performance; dynamic technology capabilities were positively related to firm performance; knowledge management process excellence was not the intervening variable for the relationship between dynamic technology capabilities and firm performance. Thus, managers E-Commerce Businesses in Thailand want to be successful Should focus on the dynamic technological potential such as the rapid progress in dynamic technology and improve existing technology capabilities.

Keywords : dynamic technology capabilities, knowledge management process excellence, firm performance

INTRODUCTION

Information technology is now used as part of improving the quality of life and economy. Causing various problems such as electronic commerce business operating without efficiency as it should be the organization has to adjust slowly, not behind competitors, causing the center to lose the benefits that should be received, especially business on social media is a large marketing channel in that can reach the consumer groups without borders. The target group can be directly, quickly, without limitation of time and location. Free and international competition must compete and compete an advantage at speed in the face of intense competition in technology and the internet. With difficulty experiencing problems So much that it may have to shut down in the end.

Because information technology creates new forms of communication and interaction between people. Make development and Distribution of wisdom Which requires people with knowledge and understanding of how to use technology various benefit. Thailand has alerted to bring these technologies using more in order to enable to keep up with the changes that

occur from technology and can use information technology to be competitive and the aspect of the transition from energy technology to energy base shift Innovation by using information technology and more creativity.

From the study of dynamic technological potential, the excellence of the knowledge management process Operational efficiency of Electronic Commerce Business in Thailand In order to use the research results to develop and improve to create opportunities from the use of dynamic technology and knowledge management processes to help increase the efficiency of the organization's operations, including being able to expand the business to be better than competitors. Which the research results will confirm in this conclusion and can be applied to Further organizations.

LITERATURE REVIEW

Dynamic Technology Capabilities

Teece et al. [1] gives the meaning that dynamic capacity is the ability that an organization will create, assemble and change. The ability that the organization has both outside and inside to be able to respond to changes in the external environment. Taylor [2] gives the meaning that information technology refers to the use of computers and telecommunications tools for collecting, transmitting, and displaying the results of information in the form of images, sounds, letters and numbers, the ability to receive information from sources a large amount of news both in the form of images and characters and the ability to send news and information to various sources far and wide. Develop information system in the organization it very good. Dynamic Technology Capabilities refers to the ability to apply the skills and knowledge used in routine work by bringing Technology that does not stop to build, build, or modify existing resources, ready innovate to be able respond the environment. The external movement is changing all the time to have a competitive advantage and achieve the goals of the organization to be effective and effectiveness meanings and concepts about the excellence of the knowledge management process.

Knowledge Management Process Excellence

Carla O'Dell and Jackson Grayson [3] say that knowledge management is a strategy for people to gain the knowledge they need internally. suitable time Including helping to exchange and apply knowledge Act to upgrade and improve the operations of the organization. Knowledge management is not a management tool. With the body of knowledge directly, but is a way to exchange knowledge between them. Probst *et al.* [4] concluded that knowledge management to be successful, there must be 6 key elements: 1. Identification of knowledge 2. Knowledge management 3. Knowledge development 4. Sharing / distributing knowledge 5. Using knowledge 6. To keep knowledge. Knowledge Management Process Excellence means the knowledge management process in an organization. The collection, creation, organization, exchange, and application of knowledge in the organization create new knowledge. Highest quality Made out to be excellent by using management processes Knowledge that will be generated within the organization. Definitions and concepts about operational efficiency of an organization.

Firm Performance

Millet [5] states that efficiency means performance that satisfies all human beings and receiving profits from That operation as well. Rita Niemann and Tina Kotze [6] says that corporate performance is doing the right thing at the right time and depending on the behavior it is important can be summarized by the following that the organization's

performance is the achievement of goals. Which consists of indicators with various resolutions. Some resolutions may have Importance to one organization while it may not be important to another organization. Firm Performance means the results of an organization's operations that are effective in accordance with the goals or objectives of the organization are defined, including the ability to operate by using budgets, materials, equipment and personnel. to maximize the benefits, including the focus on services for the satisfaction of clients.

CONCEPTUAL MODEL AND HYPOTHESES

From the reviews of the literature, the conceptual framework of this research study was presented in Figure 1. Base on the reviews of the literature of the constructs with the conceptualization of the relationships among variables, the hypotheses suggested by the conceptual framework can be laid out as follows:

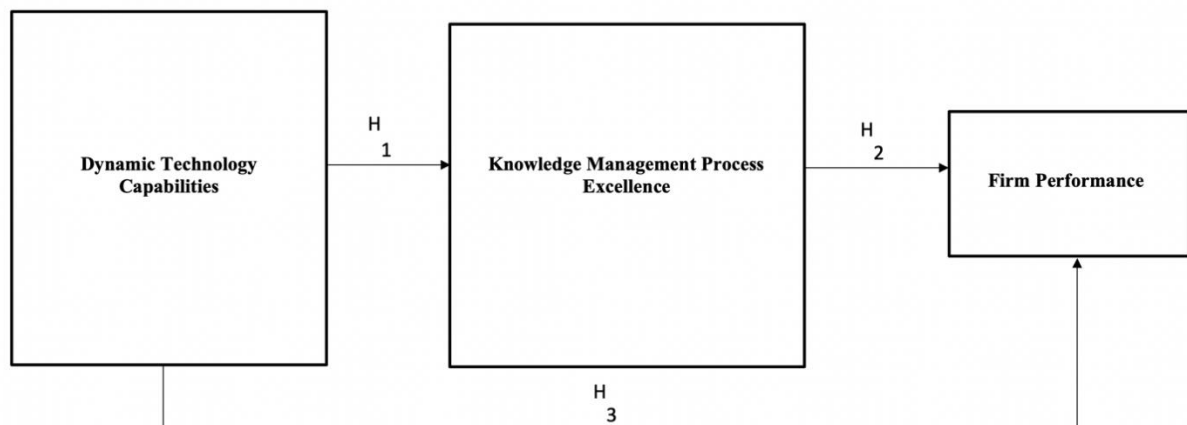
H₁: Dynamic technology capabilities on knowledge management process excellence.

H₂: Knowledge management process excellence on firm performance from E-Commerce businesses in Thailand.

H₃: Dynamic technology capabilities on firm performance from E-Commerce businesses in Thailand.

H₄: Knowledge management process excellence relationship between dynamic technology capabilities and firm performance from E-Commerce businesses in Thailand as intervening variable.

Figure 1
Research Conceptual Framework



RESEARCH METHODOLOGY

This research study aimed to investigate the influence of dynamic technology capabilities, knowledge management process excellence, and firm performance: from E-commerce businesses in Thailand. The research study was a quantitative research method. The population of this research was 714,478 of this research study was managers E-Commerce businesses in Thailand. The samples of 400 respondents and modified questionnaire to try-out of 30 respondents. Data were collected through 5-point Likert scale questionnaire surveys. In table 1 the cronbach's alpha value of the scale of all variables is greater than 0.700, so it shows that the scale has very good reliability. Data were analyzed by descriptive statistics including frequency, percentage, standard deviation; and inferential

statistics including the Pearson's Product-Moment Correlation and Multiple Regression Analysis. The research results can be significantly analyzed with 95% confidence interval.

Table 1
Cronbach's Alpha Coefficient of Variables

Variables	Cronbach's Alpha
DT	0.933
KM	0.974
FP	0.939

RESULT

Research on potential of dynamic technology capabilities, knowledge management process excellence, and firm performance: from E-Commerce businesses in Thailand. There was found that the majority of the respondents were female, 21 persons, representing 76.7% and males, 7 persons, representing 23.3%. The age of the respondents were mostly less than 35 years, amount 24 persons. Accounted for 80% and aged between 35-40 years, 6 people, representing 20%. The status of the majority of the respondents was 22 single people, representing 73% 3 and married 5 people, representing 26.7%. Highest education in the bachelor degree level, 25 people are equal to 83.3% master degree level, 5 people are 16.7%. The most of the work experience is 5 - 10 years, 14 people, accounting for 46.7%, followed by coming is less than 5 years, 13 people, representing 43.3%, respectively is over 15 years, 2 people representing 6.7% and the smallest is 11 - 15 years, 1 person 3.3%. Doing E-commerce business mainly through channels the Internet alone, a total of 20 people, representing 66.7% and via the internet and physical stores of 10 people 33.3%. Most forms of business are single-owner businesses, 24 of which are 80%, followed by a limited partnership of 4 people, representing 13.3% and the smallest of which are limited companies of 2 people, representing 6.7%. The total number of employees is mostly 2 - 9 people, of 14 people, representing 46.7%, followed by the sole ownership business of 7 people, accounting for 23.3%, followed by 10 - 15 people, 6 People account for 20% Next is 31 - 50 people, 2 people representing 6.7%, and the smallest is more than 50 people, 1 person, representing 3.3%. The average sales per customer is greater than 1,000baht, 19 people, representing 63.3%, followed by 500 - 1,000baht, 8 people, representing 26.7%, and smallest is less than 500baht, 3 people representing 10%. The main customers who buy your products are domestic customers, 20 people, accounting for 66.7%, and 10 domestic and international customers, accounting for 33.3%. Businesses have ever received outstanding management quality awards and never have 24 people, representing 80%, 6 persons, representing 20%.

Hypotheses testing

This research, the researcher Correlation Analysis to find the relationship between variables and multiple regression analysis. To make the hypothesis, easier to remember for testing. The researcher has defined abbreviations for the following variables.

- DTC = Dynamic Technology Capabilities,
- KM = Knowledge Management Process Excellence
- FP = Firm Performance

Table 2
Correlation Analysis between Independent Variables

	DTC	KM	FP
MEAN	4.74	4.70	4.76
S.D.	0.458	0.529	0.554
DTC	1		
KM	0.889**	1	
FP	0.895**	0.844**	1

** . Correlation is significant at the 0.01 level

From Table 2, showing the correlation analysis results. Which can explain the relationship between independent variables. As Hair *et al.*, [7] explained that the relationship between independent variables should not exceed 0.80, which, if exceeded 0.80 Presumably that may occur Multicollinearity. There fore, from this research found that. The relationship between the initial variables was highest at 0.957, which is greater than 0.80 multicollinearity may occur.

Table 3
Results of simple Regression Analysis

Model	Unstandardized Coefficients		Sig.
	Beta	Std. Error	
H₁: DTC→KM	0.886	0.086	0.000**
H₂: KM→FP	0.844	0.056	0.000**
H₃: DTC→FP	0.887	0.048	0.000**

*P < 0.05, ** P < 0.01

From Table 3, The hypotheses testing found that dynamic technology capabilities, knowledge management process excellence, and firm performance: from E-commerce businesses in Thailand. Dynamic technology capabilities on knowledge management process excellence the standardized coefficients (β) was 0.886. Knowledge management process excellence on firm performance the standardized coefficients (β) was 0.844. Dynamic technology capabilities on firm performance the standardized coefficients (β) was 0.887.

This means, the ability of the organization to build on top of or modify the resource continues to meet the conditions change, the environment. Improve the ability and resources of competitive advantage to cope with external changes. As a result, the performance of the organization better. The knowledge that the organization is a fundamental key to building a competitive advantage. Consistent research by Li and Liu [8] said dynamic environment is a factor that role dynamic capabilities. When businesses are faced with different situations. Enterprises make full use of existing resources, leading to temporary competitive advantage. Competitive advantage will depend on the value of resources or business capabilities. Rare competitors easily imitate our capabilities? However, competitive advantage cannot last forever. Because of unexpected environmental changes. The competitive advantage of an enterprise is that can improve operating efficiency and surpass competitors. Create positive value for companies over competitors. The fundamental importance of creating a competitive advantage is knowledge organization created through learning experiences in a variety of personnel within the business to develop products or services of a business with outstanding novelty or knowledge. Various innovations to the business, which will allow the business to make to different from the competition. Also found empowerment is one of the key dynamics in the search for a competitive advantage.

Table 4
Results of simple Regression Analysis

Model	Unstandardized Coefficients		Sig.
	Beta	Std. Error	
DTC	0.646	0.102	0.002*
KMP	0.272	0.102	0.150

*P < 0.05, ** P < 0.01

From Table 4, The hypotheses testing found that dynamic technology capabilities on firm performance. Significance level 0.002 and the standardized coefficients (β) was 0.646 But, knowledge management process excellence was not the intervening variable for the relationship between dynamic technology capabilities and firm performance. Significance level 0.150 and the standardized coefficients (β) was 0.272

Knowledge management process excellence was not the intervening variable for the relationship between dynamic technology capabilities and firm performance. Since the electronic commerce business is a commercial business. Should focus on reaching consumers quickly. Therefore, having a high technology capable and has technology to quickly reach consumers E-Commerce businesses should focus on dynamic technology capabilities more knowledge management process excellence.

Table 5
The Hypotheses testing

Hypotheses	Hypotheses test result
H ₁	Support
H ₂	Support
H ₃	Support
H ₄	Not support

Conclusions and future work

The research on the potential of dynamic technology capabilities, Knowledge management process excellence, and firm performance: from E-Commerce businesses in Thailand, a sample of 30 people, most of the respondents are female. Under 35 years old Most of them have a bachelor's degree. 5-10 years of working experience. Income is between 30,001- 45,000 baht.

The results of dynamic technology capabilities was positively related to knowledge management process excellence; knowledge management process excellence was positively related to firm performance; dynamic technology capabilities was positively related to firm performance. The results of managers give importance to dynamic technology capabilities and knowledge management process excellence. Will make the organization have better operational efficiency. These will lead to a competitive advantage and business success.

The results of dynamic capability is a potential for a sustainable competitive advantage, especially in surrounded with wide economic turmoil. Businesses are increasingly committed to deploying to be successful. And resulting in increased corporate performance. There fore the E-Commerce business executives in Thailand. Who want to be successful Should focus on the dynamic technological potential such as the rapid progress in dynamic technology and improve existing technology capabilities.

The results of knowledge management process excellence of the organization are management to bring knowledge gained from sources to users using knowledge through

proper knowledge management in an organization. That lead to continuous development. The affect the efficiency of the organization is a guideline in defining values and capabilities of the organization to achieve the goal mission statement of the organization.

The results of knowledge management process excellence was not the intervening variable for the relationship between dynamic technology capabilities and firm performance. Consequently, there is not knowledge management process excellence the organization will be able to operate efficiently because of more than. As a result of a high technology capable and quickly of technology reach consumers E-Commerce businesses.

Suggestion for further work, there are many E-commerce businesses in Thailand. So, choose the right business information to build confidence and accuracy of information and tools. A division of E-Commerce businesses as business to business, business to consumer and consumer to consumer. In addition, studies use organizational knowledge to develop dynamic capabilities and firm performance. This study is not very widespread.

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