

**Network Resources: A Competitive Tool for Organizational Performance with  
the Mediating Effect of Organizational Culture and Market Knowledge**

**Absorbing Capacity**

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**Abstract.**

The purpose this paper is to identify the prospects of network resources for increasing the firm performance. This research used the survey data collected from 440 employees of private sectors in Pakistan to study the role of network resources as competitive tool for organization performance and hypothesis testing. The methodology that is used is

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SEM (structural equation modeling) technique. Hence there is partial mediation effect among network resources and organization performance. The results of the paper show that network resources and marketing knowledge absorbing capacity are critical factors to determine the organization performance. Additionally, the mediation analysis demonstrates network resources and organization performance as being partially mediated by a marketing knowledge absorbing capacity. The result of study gives applied confirmations that private sectors should achieve the collaborative advantage with other firms by combining effect of network resources and market knowledge absorbing capacity and compete efficiently with the competitors. This paper interlinks the external network resources with internal market knowledge absorbing capacity and organization culture facilitating a practical strategy to gain competitive edge and create value in a private sector. It aids for further development in bringing the change in workplace.

**Keywords:** Network resources, market knowledge absorbing capacity, organization culture, organization performance.

### **Introduction**

Small and medium enterprises are contributing towards the economic development and their sustainability will lead to societal welfare. In the era of globalization and technology there is an increased competition in the marketplace, that make it compulsory for the organization to build relationship with internal and external stakeholders such as,

employees, suppliers, buyers and competitors, who are directly and indirectly affected by organizations decision. But organizations are facing challenge of gathering knowledge for existing market and customer shifting trends to maintain their sustainability due to lack of resources. To overcome their problems associated with the resource scarcity and network, organizations focus on building strong relations with external and internal stakeholders. Network resources are the critical resources for the organizations. It laid the stress to innovate which requires the flow of knowledge internally and externally. For this the organizations laid down strategies and utilize its resources to build network effectively for efficient performance and productivity. For this purpose, the organization should build strong network resources with external and internal stakeholders to maintain its efficiency that will help in analyzing the latest trends in the marketplace as evident that collaborating and connectivity are the key elements of 21st century.

Network resources supports the functioning of the organization and allows the assessment of opportunities prevailing in the market conditions. It increases the chances of awareness of important development prevailing in the market situation and help the employees to find the career development opportunities and benefit other to get skill and experience. It is an art of grooming connections. The fruit of networking reduce stress and conflict within the workplace and create cooperative environment to seek organizational objectivity. The managers are considering networking capabilities of employees when hiring, because organization are seeking networking trends to promote stability.

Our research study will contribute to fill the gap find how the network effect will increase the firm performance and at what extent it will cause the organization culture to increase knowledge within the entire organization to affect the performance.

No firm can innovate in isolation, it needs cooperation of external and internal network to outweigh the competitor pressure (Chesbrough, 2003). The inter-firm collaboration are important strategic alliances that result in repeated interaction (Ireland et al., 2002; Grant and Baden-Fuller, 2004). These networks are created for interaction between customer, suppliers, employees and partnership to secure firm level advantages. It is consistent with the knowledge-based view of firm, which considers inter-firm networks principally as a means of utilizing the knowledge of others, rather than necessarily seeking to internalize such knowledge within the firm (Grant and Baden-Fuller, 2004). The relationship embedded into the organization system enables a firm to seek true information. The firm has necessity to manage network that will produce valuable knowledge and information of utilizing its capabilities in an effective way to exploit profitability through innovation. In today's setup the organizational performance measures have been improved and complexes with the integration of more knowledgeable sources and more integrated networking structures. The more technology is getting involved in corporate setups. While working in high profile business sectors the employees and managers need to cope with the networked socializing of their tasks. The reason for network sources being highlighted a lot is that the organizations now want to develop their image of being more modernized through network structures. And for this purpose, the employee

performance is an organization is analyzed through their performance channels. Employees today are still not groomed enough to transform themselves totally to work through technology paced network systems especially the employees in Pakistan. Company's today trying to be more innovative and more integrative through technology structures but the problem that they may face is the association of the networked chain system that is not analyzed that either they are matched to the organization's demand or not. This race of being more competitive and more updated has pressurized the organization even though their cultures cannot sustain this integration of the network-based system. The need of the hour is to develop the network structures that are associated with the organization's culture and that really can enhance the organization's performance.

While working with the networked structures, there is another concept that does not get dominance while calculating the impact on organizational performance that is market absorbing knowledge capacity. The network resources applied to the organization may be analyzed to be very beneficial, but the organizations ignore the risk factor either this integration is relatable to the specific type of market in which the company is going to operate. This knowledge of the market associated with the network integration is of great importance because the more they are relatable the more they influence the performance of the organization as a whole.

## Literature Review

### Social Capital Theory

Social capital theory (SCT) has been developed with a base which states that interaction and inclusion of the any of the resources or aspects from major to minor in an organization are dependent upon the cooperative and collaborative environment provided by that organization (Lindstorm, 2007). There are some expected features that are associated to the social capital theory as it includes the social structures developed in an organization based on the new setups, the networking patterns established by the organization in order to systemized the work with the old patterns and the new network resources introduced with the mixing of the norms followed by the organization, the trust of the organization on the new resources as well as their integration to the organization with an expectation of a better social connection developed due to this integration (Numella, 2008).

The new inclusions of the resources always require some basic introduction and socialization of these new additions. This introduction is meant to create an awareness, a mutual coordination and intellectual relationships build on the basis of the new resources. While in case of adapting the network resources from a business market, it is important to learn the use, benefits and importance of the resources as well as its needs of integration of those resources into your firm and the market you are proceeding for.

## **Network resources and Firm performance**

(Barney, 1991) stated that resources are comprised of assets, capacity, procedures of organization, characteristics of firm, informative data and knowledge allocated by a firm. The network is defined as the web of relationship formed by the people to get the things done. This network helps people to fulfill their routine task, transaction, socialize, innovate, learn and develop career. The RBV explain the network resources as the reserve of valued, exceptional, unique and non-substitutable resources and capabilities for gaining the competitive edge. (Barney, 1991; Newbert, 2008). The network of an organization is a combination of channels that help organization to collect the network resources by gathering the authentic data and tangible resources from stakeholders and expands the opportunities for organization to perform strategic actions (Yang and Liu, 2012). Moreover, previous studies shown that such resources can be collected by utilizing the infrastructure and deferential characteristics of network as way of measurement (Burt, 2009; Chai et al., 2011). The external resources of the firm include the broad spectrum of knowledge, facts, combined assets and allies' authorizations, through numerous ties of organizations and external environment (Yang and Liu, 2012)

Our research will contribute to social capital perspective embedded into the relation of social context that lead to enhance firm performance and economic outcomes. Other researcher have argued that social capital enhance intellectual capital and nurture firm performance (Nahapiet & Ghoshal, 1998) by bringing innovation (Ahuja,2000),

information transmission (Inkpen & Tasang, 2005), information availability (Koka & Prescott, 2002), network efficiency (Baker, 1990, Burt, 2000), and diversity (Lin, 2001). The network generates informational advantage that gear up the organization towards strategic actions. Network resources pertains marketing channels, manufacturing activities, intellectual properties and other resources to focus on activities that benefit the organization. Although, Organizational innovativeness approach has gained attention by the network resources with greater information transmitting tools among the consumer, merchants, and manufacturers. (Lavie, 2006 & Gulati, 2007). The innovation thus leads to better outcomes and performance, so we create hypothesis as:

**H1: The level of network resources is positively associated with the degree of organizational performance.**

### **Network Resources and Market knowledge absorbing capacity**

Absorptive capacity is the capacity of a firm to attain the knowledge form external resources, to gain the information and to absorb, share and implement the knowledge Zahra & George (2002). Absorptive capacity, emphasizes successfully recognizing the value of external information, assimilating and applying it for commercial ends requires investment in specific capabilities (Rhodes, J., Lok, P., Hung, R. Y. Y., & Fang, S. C., 2008).

The strategy for formation of competitive position and development of organization capabilities forces the firm to form networks for knowledge sharing and cooperation

(Palmer & Richards, 1999; Koput, & Smith-Doerr, 1996). But they are facing problems from the employee perspectives, the knowledge absorbing capacity is often impeded by the employees to guard knowledge sharing selection (Gilmour, 2003). It is suggested by researcher that the organization should establish process and routines to acquire, assimilate, transform, and exploit knowledge and produce a dynamic organizational capacity. According to (Cohen & Levinthal, 1990), internal absorptive capacity of an organization allows an organization to determine and obtained benefits of environmental innovation. As a result, the workers of intra organization networks not just have high knowledge absorbing capacity but also become able to generate new information. For transferring the knowledge in an effective way, source must have the capacity to structure the members of network in multiple ways (Reagan & McEvily, 2003). Therefore, we hypothesize as:

**H2: Network resources have a significant positive relationship with market knowledge absorbing capacity.**

### **Network Resources and Organization culture**

The study about organization culture started in 1980s (Kotter John P. & Heskett, 1992). The organization culture defines the behavior to pursue in workplace. The culture consists of shared norms and beliefs recognized via top management or leaders and then delivered and imposed by multiple means, hence affecting the employees' way of thinking, actions and learning. Cultural assumptions include (Schein, 1985, 1992), shared

norms (Peters and Waterman, 1982), values (Davis, 2010) and beliefs (Lepak, Takeuchi, Erhardt and Colakoglu, 2006) and other accustomed claims (firm-level resource by Barney).

The culture facilitates the internal and external adaptation and integration of the new member and information available to organization and solves problems to the firm to enhance its performance. The culture of the firm promote the firm in the network (Vanhaverbeke, Duysters and Noorderhaven, 2002), the kind of inter firm relations (Uzzi, 1996), trust (Doney and Cannon, 1997; Morgan and Hunt, 1994), wider communication (Brock Smith, 1997; Ritter, 1999), and cooperative management for problem solving (Larson, 1992; Takeishi, 2001) are the key to successful performance via networks.

The organization culture if flexible will generate profitable environment for the business as they have the influence to gain competitive advantage. The culture of the organization emphasizes concern for (1) customers, (2) employees, and (3) stockholders. Flexible adoptive culture of an organization facilitates the internal and external networking supportive environment and communication that are associated with the positive performance of the firm. Therefore, we hypothesize as:

**H3: Network resources has significant positive relation with organization culture**

### **Market knowledge absorbing capacity and organization culture**

Market knowledge absorptive capacity is a dynamic capability and ability of a firm to

gain and utilize knowledge in a way that enhance and sustain competitive advantage. Absorptive capacity is the strategic marketing field, particularly competitor and customer intelligence (Wright, Pickton, and Callow, 2002). According to researcher, the market knowledge absorbing capacity pertain acquisition, assimilation, transformation, and exploitation capabilities. It utilizes and acquires the information from internal as well as external players. This information and capabilities platform enhance the capability of firm to deliver knowledge along the partners of supply chain and generate the unique information. It includes activates of sharing the information, assets sharing the relation (with proper cautions), and efficient management along informal and self-obligatory tools for attaining the benefit from partnerships. The previous studies indicate that firm is directly and indirectly influenced by Absorbing capacity, organization culture and knowledge capacity ((Felipe et al., 2017; Mao et al., 2015). Several studies focus on the complementary integration of external and internal resources, this integration enhance the capability of the organization to explore the internationalization approach.

The Network resources improve processes, increased efficacy, declines cost and higher productivity as well as persistent revolutionary activities to fulfill customer needs (Sharma and Vredenburg, 1998). Sometimes, the organization culture pose barrier for absorbing intellectual assets. Knowledge sharing is compromised in some organization culture due to alteration in norms and practices, the managers fail to address the value of knowledge use at different levels of organization. The culturally distance culturally

distant environments have been widely acknowledged in the literature (Bhagat et al., 2002). The difficulties are in a part of communication, Lack of language proficiency of most people interacting fluent in a common language, and communication barriers in terms of interpretation of the discussion and knowledge gained (Javidan et al., 2005). From the above discussion we proposed the hypo thesis as:

**H4: Market knowledge absorbing capacity has a significant positive relation with organization culture.**

#### **Market Knowledge absorbing capacity and firm performance**

Knowing market is one of the important sources of competitive advantage and improves the firm performance (Nonaka & Takeuchi, 1996; Spender & Grant, 1996). The organization complexity would decrease when it absorbs the market knowledge that will help to succeed over its competitors (McEvily & Chakravarthy, 2002). To be able to perform effectively the organization need to innovate, this could only be achieved through the combination of internal and external knowledge (Prabhu, Chandy, & Ellis, 2005). The knowledge absorbing capacity of an organization benefit by reducing cost and stimulates new challenging ideas that will stimulate the ability of the firm to recognize the opportunities. It helps to resolve unforeseen circumstances and increase the business activities. The increased business activities led the firm to better perform into the competition (Li & Atuahene-Gima, 2002). According to researcher, the knowledge acquisition from internal and external ties enhance managers capability to resolve the

technological problems, which then lead to better performance by improving productivity and achieving significant product differentiation. The knowledge absorbing capacity able the firm to advance products, increase customer specialization, and achieve technological competencies (Yli-Renko et al., 2001). If the firm fails to realize the importance of absorptive capacity of the knowledge created by others to modify the organization process, procedures, then the organization performance will suffer. From the above discussion it is proposed that:

**H5: Market Knowledge absorbing capacity has significant positive relation with firm performance**

### **Organization culture and firm performance**

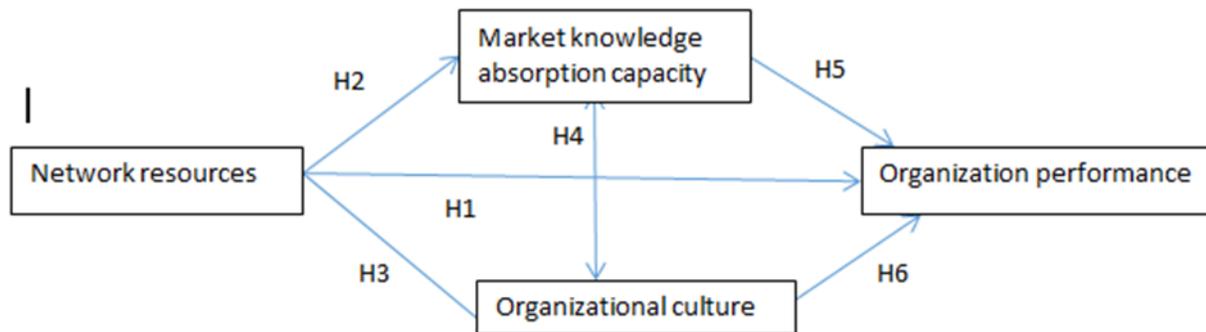
It is concluded from the examination of previous literature that the concept of organizational culture is very popular in organizational theory and in management field. One of the important reasons for the widespread attractiveness and interest in culture comes from the argument that certain organizational cultures lead to superior financial performance. Many academics researchers argue that the degree of the values of the strong culture are widely shared, that the increase performance of an organization (Deal and Kennedy, 1982; Denison, 1990). The statement that organizational culture is linked to performance is originated from the perceived role of culture in generating competitive advantage (Scholz,1987). The organizational culture defines the boundaries of the flow of information thereby minimizing the undesired consequences. The unique organization

culture proposed a competitive edge over the rivals and can seek and exploit multiple advantages which could only be possible with strong and efficient culture (Johnson, 1992).

There is widespread literature that links the innovation and culture (Ahmed, 1998; Conceição et al., 2002; McLean, 2005). The innovative culture explores different innovation techniques that enable the organization to increase their performance. We hypothesize as:

**H6: Organization culture has significant positive relation with firm performance**

### Theoretical framework



**Figure 1.** *The hypothesized model and research hypothesis*

### Materials and Methods

The research design for the current study is based on the pragmatist philosophy. The pragmatist approach implies the quantitative research method in which questionnaire technique is adopted to collect the responses from the respondents (Kothri, 2004). The target population is Southern Punjab managers from the private sector.

Convenient sampling data collection technique is used from the defined target population based on the researcher's easy access of the respondents and their willingness towards compliance for the data collection with the researcher (Noor, 2008). 440 managers (middle and lower) from the southern Punjab corporate sector selected for data collection. The sample size has been estimated based on the Mason (2010), formula where total numbers of items are multiplied with the number (5, 10, 15, and 20). For the current study the sample size is formulated as:  $44 \times 10 = 440$ .

Data is collected by using the questionnaires; 5-point Likert scale to take responses. For network resources, 16 items scale of Freeman, L.C. (1979) and Tichy et al. (1979) is adopted. For organizational culture, 12 items scale of Cameron, K. S., & Quinn, R. E. (2006). For market knowledge absorbing capacity 12 items scale of Jiménez-Castillo, D., & Sánchez-Pérez, M. (2013). For firm performance, 4 items Nelson and Coopridier (1996) scale is used.

SPSS is used for data analysis. Through missing value analysis explains data that consists of irrelevant and error data values essential for the data analysis and so their adjustment and correction were necessary (Brink, 2006).

Outliers can create a lot of manipulation in the data and these values are required to be removed from the analysis for correct results (Kumar, 2019). Outliers' analysis states that 30 out of 440 were removed from the data to achieve accuracy.

## **Results**

### **Measurement model**

Respondent's population between the age of 25-30 that is 54% of the total employees of the population. This demographic distribution adds credibility to the study by showing that in southern Punjab, Pakistan the maximum post for managers in middle and lower categories are dominating with male employees and most of the active responding body of managers are young enough categorized between ages 25-30 of 54% managers and 83% managers are aged between 30-35.

### **Normality**

Normality of the data in research study means that all the data collected for the study when analyzed on normality graphs shows normal distribution of responses on the scaled values (Gel, 2008). This is the assumption of normality that all the data in the analysis is normally distributed. Normality test shows that data is normally distributed on the data set points (Brink, 2006). The normality test is performed on the histogram plots where the results are measure with normality-curve obtained with a bell shaped. The bell- shape of graph is an indication that the values are perfect measure of normality for skewness and kurtosis (Bonette, 2002). The significant value for normality of the data lies between +3 and -3.

**Table III.** Normality check

	Network Organizational Resources	Organizational Culture	Market Knowledge Absorption Capacity	Performance
Skewness	.004	.024	.012	.028
Std.Error	.121	.121	.121	.121
Kurtosis	.728	.095	.098	.097
Std.Error	.241	.241	.241	.241

The values of normality obtained for skewness and kurtosis lies between the data points +3 and -3 which means that on histogram the normal curve for normality is obtained showing normal sampling distribution of variables (Park, 1999). This normal distribution of data indicates that all the responses obtained are not biased to any point or towards any point. This neutral balance of data shows that further results that will be developing the link of variables will show the links developed with a more justified and pure data values based on their normality characteristics.

### **Multi-Collinearity**

Multi collinearity is a situation in data analysis which states that all the predicting variables under the study are strongly bonded and related to each other. Their strong relation with each other is an indication that these are highly associated with each other. This is another assumption for normal data while conducting analysis (Mansfield, 1982). This assumption is tested with prediction that the predicting variables under study should not be highly correlated otherwise the slight changes in the study model could be

very big issue while evaluating the results. If there is an adequately normal correlation among the predicting variables of the study then multi-correlation of variables may not be much problematic but there should a be a large enough sample size of the study so that this correlating feature of predicting variables can be reduced (Alin, 2010).

In this test of data analysis, it is assumed that all the predicting variables in the data do not show multi-collinearity with each other. If they are correlated with each other than this assumption is violated, and it means that data is not normally distributed and further results obtained may not be accurate. For checking the non-multi-collinearity characteristics of the data, the values of variance inflation factor (VIF) and tolerance T is checked. If the value for VIF is below 10 and T is below 1.0 then it means that data is normally distributed (Alin, 2010).

**Table IV.** Multi-Collinearity

Network Resources	Organizational Culture	Market Knowledge Absorption Capacity	Organizational Performance
6.445	5.777	8.459	8.638

The above table fulfills the assumptions developed for the non-collinear relationship among variables. So, the data is further approved for analysis. The values obtained for all the variables are in their limited boundary of relation showing that they are not absolute and strong predictors of each other and s the further study can be conducted to analyze the results.

For checking the reliability of variables, the researcher performs test of Cronbach alpha to predict the reliability of the variables.

Cronbach alpha shows that how many the factors or the items of a specific variable are closely associated with each other. The more increasing value of a variable above 0.7 is the indication of strong associative relationship of items and factors of the variables (Roberts, 2006).

**Table V.** value of Cronbach’s alpha

Constructs	1	2	3	4	Reliability Statistics
1. Network Resources	1				0.852
2. Organizational Culture	.700	1			0.789
3. Market Knowledge Absorption Capacity	.655	.210	1		0.824
4. Organizational Performance	.624	.321	.206	1	0.920

The values above obtained shows that all the variables have reliability statistics value above 0.7 which means they all are accepted for further analysis. The strongest reliability statistics is obtained for Organizational Performance with a measure value of 0.92 which means that the items of the variable in a single place are very strongly associated, then Network Resources has shown a reliable value with 0.85, Market Knowledge Absorptive Capacity 0.82 and Organizational Culture with 0.78 that is acceptable so it is reliable. These reliability statistics values obtained will further provide accuracy in the further analysis.

**KMO and Bartlett's Test**

This test measures the sampling adequacy of the variables in the model and for the complete developed framework (Corner, 2009). The higher the value of KMO test obtained shows the higher proportional variance which is also an indication of the further inclusion or exclusion of the variable. The inclusion of a factor into the further study is dependent upon the closeness of the value of variable to 1.0 or more then 0.7. The more it is close the more it has chances of further acceptance (Chen, 2012).

Bartlett Test of Sphericity is a prove for the stance that the correlation matrix obtained for the study is the identity matrix. This statement proves that the variables under study shows the properties of un-relatedness of variables which is also a further indication of unsuitability of the model structure recognition. This test assumes that if the factors of the variable have a value of redundancy then it needs to be reduced to some factors (Corner, 2009).

This test is performed to check the significance values of the items of the variables under study and also it is used to check the sampling adequacy of the variables under study (Brink, 2006). The KMO test is used for measuring the sampling adequacy with significant value above 0.7 and the Bartlett's test is used to measure the level of significance of the sample with significant value below 0.5.

**Table VII.** KMO and Bartlett’s Test

KMO and Bartlett Test test of Speherecity df Sig	Kaiser-Meyer-Olkin measure	Approx. Chi Square	Bartlett
Network Resources	.834	31672.714	30 .000
Organizational Culture	.814	32980.833	22 .000
Market Knowledge Absorption			
Capacity	.836	41887.745	16 .000
Organizational Performance	.809	34312.466	18 .000

The above results obtained shows that all the variables have adequate values for KMO and also all the variables have achieved significance level with cut off value below 0.5. All the variables have a significant value for KMO with a value above 8 which then they are adequate enough for further inclusion in the analysis and also the Bartlett test of Sphericity has shown that all the variables have a significant value below 0.5 which means that the test has produced significant results for the factor analysis.

**CFA**

In CFA, the five indices of fitness model are used ad there values are assessed. If the values lie in the range of significance, then these values are accepted by proving fit indices of the model (Corner, 2009).

This table of model fitness shows that al the variables included in the study lie in their specified regions and with their specified values of significance.

The SEM analysis comprises of these 5 fit indices and if the measurement model fulfills the requirement of these 5 fit indices by gaining significant values then it means out model is fit (Brink, 2006). The fit fitness indices are:

- Chi-square
- Root mean Square (RMSEA)
- Comparative Fit list (CFI)
- Tucker-Lewis Index (TLI).

**Table IX.** Confirmatory factor analysis

Measures	Values
CMIN/DF	1.334
GFI	.911
RMSEA	.60
CFI	.935
TLI	.901
IFI	.910
HOELTER	650

These are the values obtained for measurement model which shows that our model is a fit measure and all the variables and relationships developed are approved.

## Mediation Analysis

The mediation analysis of the study can be divided into two parts the direct effect of the variable in the absence of the mediating variable and the indirect obtained for the variable in the presence of the variable (Chen, 2012). If there is strong relationship of the variable is obtained for the direct relationship of the variable in the absence of the mediating variable it means, there is no mediation effect and the direct effect is very strong. If the mediating variable has an influence on dependent variable as well as independent variable then it means it is full mediation as the mediating variable at the same time is strengthening the effect of independent variable on the dependent variable and creating a strong effect on dependent variable but in case, the indirect effect of mediator is not strong enough as compared to independent variable then it means it is partial mediation (Corner, 2009).

### Structural model

#### Table X. Direct impact

#### Table XI. Indirect effect

From the above tables of direct and indirect effects it has been clear that there is existence of partial mediation among the variables. There is a positive significant relationship of independent variable with the dependent variable without presence of mediator. And there is positive and significant relationship of independent variable with dependent

variable in presence of mediator with significant values achieved below 0.05 which shows there is presence of partial mediation (Kumar, 2019).

## **Conclusion**

From the above results achieved it has been clear there were no items excluded from the analysis in fact all the items were gathered to prove the hypothesis. Our hypothesis claiming direct relationship between network resources and organizational performance has been considered effective with a direct and positive relationship with each other. Further the enhancement of organizational performance is also further influenced with the mediating effect of organizational culture and market knowledge absorptive capacity in presence of network resources. But as there was partial mediation achieved in this study it means that whole organization is not being affected much with the culture or the knowledge regarding to the competitors. In fact, the type of resources the organization has and the grip on its resources are only effective in increasing organizational performance scale.

From literature it was obvious that all the factors have a strong connection with each other. The factor that network resources provided to the employees but their effectiveness in the organization and their increased use can only be dependent upon the organization's capacity of utilizing them and performing in collaboration with the given resources (Yang and Liu, 2012). In fact, managers' impact on organizational performance and the service

outcomes is also considered as a measure of their integration of network resources into their work (Wincent, 2010) and their official mechanisms making their work performance easier and decreasing their amount of efforts (Chai, 2011). Network resources and their acceptability in the organization is always dependent upon the absorptive capacity of the managers in the organization; and equally the absorptive capacity and acceptance shown by the business world (Teece, 2007). The hypothesis testing the link of Market knowledge absorptive capacity and its impact on network resources is especially focused relationship as without acceptance of some business knowledge in the business market there is no chance for the network resources in the organization; so for integration of some network resources into the organization firstly its acceptance into the business world is an ultimate requirement (Kogut & Zander, 1992). For use of network resources the awareness of the use and the aspects of its use are essential parts and if the global business market is not strong in analyzing the practical use of a resource in their capacity it would be difficult to establish a culture for the use of the specific resources (Gilmour, 2003). The organizational culture is another important factor that triggers the demand for the specific kind of network resources and their integration into the system of services that are the basic aim for a specific kind of organization (Davis, 2010). For every organization there is a separate base of resources and a separate kind of networked environment where managers can easily socialize the network resources (Takeishi, 2001).

### **Practical Implication**

The practical and the theoretical implication of this model is based with a concept that every organization is need for network resources that could be implanted to get the maximum benefits with its optimum level. But the important think that is needs to be noticed and focused is that how the network resources should be explored and categorized for integration in the organization. The first thing that is extracted from the developed concept for the theory is that that there must by a social match of the resources with the organization base. As long as there is a surety by the network resources selected that they are a perfect fit for the organization thee implementation must be proceeded. For confirming their organizational fit, the most important thing is to know about the business society where these resources are being dominantly demanded and the match of these resources with the organization on is working for. As long as the match of resources with the need of firm's performance is matched it is important to know about the market in which the organization is planning to serve with these sources; either the market is competitive enough and is having a full grip and knowledge about these network resources or not. Then the most important think that is of more attention is the development of the culture of the organization. As long as the culture of the organization is adaptive for the network resources there is more acceptance of the resources strategized for the organization and also there will be more improved outcomes from the adaptive resources.

## **Limitations and Recommendations**

This research is a basic study conducted in the Southern Punjab region. There are no such studies conducted before where performance with respect to the present resources has been studied. This single study is not sufficient to analyze the capacity of requirements for increasing the organizational performance. There is need for much more studies in this area to enhance the organization ability and also to enhance the performance scale of the organization.

The factor of organizational culture and market knowledge absorptive capacity has been seen in the almost ignorance stage in this region. This means that lacking factor in organization performance is due to these factors, but the organization is not focusing on these elements. As compared to the availability of the resources, their importance has been eliminated from the organization's boundary of consideration. These variables should be studied more with reference and in link to some other strong impacting variables in order to know their impact and effect on the organizational performance.

There is a need to conduct on large scale; the sample size should be increased and also the target population boundary should be enhanced, or the further research should be focused on other province or regions also. It would be interesting to know the factors that are continuously intriguing the employee performance with network resources in presence of the same effecting and supporting variables.

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