

ABSTRACT

PT Arisa Mandiri Pratama is a subcon company specializes in molding injection with a plastic base material which also develop their own products. Therefore, this company also be a competitor for companies in industrial sector. As in one of the company's quality policy, it is stated that the company wants to train its employees in order to have the competence needed. The company's ability to compete depend on innovation. Good knowledge management without innovation won't be able to support the needs of competition. Therefore, a good absorptive capacity is needed to convert knowledge into a learning organization for employees to develop their innovation capability.

This research is a confirmatory research that re-examine about the influence of knowledge sharing behavior for absorptive capacity, the influence of absorptive capacity for innovation capability, and the influence of knowledge sharing behavior for innovation capability, based on empirical studies conducted by Liao, Fei, and Chen (2007), by providing development regarding the influence of trust on knowledge sharing behavior that the dimension is adapted from Renzl's research (2006). The results show that trust has an influence on knowledge sharing behavior, knowledge sharing behavior has no effect on absorptive capacity, while absorptive capacity has an influence on innovation capability, and knowledge sharing behaviour has no direct influence toward innovation capability.

Future research can verify the hypotheses contained in this research in other companies and also can explore more about the influence of knowledge sharing behavior on absorptive capacity and knowledge sharing behavior influence on innovation capability. The research also can be conducted again in the future at PT Arisa Mandiri Pratama after some improvement also with a different levels of respondents.

Key words: Trust, Knowledge Sharing Behavior, Absorptive Capacity, Innovation Capability