

IMPACT OF INNOVATION CAPABILITY AND INFORMATION SHARING ON OPERATIONAL PERFORMANCE: CONCEPTUALIZATION

Madushan, B.W.D.D., Patabandige, G.M.J

University of Sri Jayewardenepura, Sri Lanka

There are many numbers of studies have been conducted to understand the operational performance benefits of information sharing. However, according to the studies which have been conducted on the relationship between information sharing and operational performance, different results have been identified. Some studies have found that information sharing leads to achieving operational performance, while some others have found that information sharing does not cause to enhance operational performance. This means that operational performance is not always achieved through information sharing and it indicates that there might be some other variables which may impact this relationship. These possible causes which impact on the controversial results between information sharing and operational performance is hardly discussed in literature. On the other hand, some studies show that information sharing causes innovation capability which may lead to enhance operational performance, that has not been empirically validated yet. Because of that, this study is aimed to investigate the significance of the role of innovation capabilities on relationship between information sharing and operational performance, based on the manufacturing organizations of Sri Lanka. Therefore, by conducting this research new knowledge will be added on the importance of sharing information among parties in a way of generating innovation capability which may ultimately cause to enhance operational performance.

Keywords: *Information sharing; Innovation capability; Operational performance*
