

The relationship between innovation and performance in special nonprofit firms: Social and cooperative agrifood firms

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Abstract

Firms are continually trying to identify innovation sources in order to improve organizational performance, but the identification of such origins is a complex and poorly understood issue, particularly as far as nonprofit firms are concerned. The social and cooperative agrifood arrangement has become one of the main and newest types of nonprofit organization in China since the implementation of the law related to specialized cooperatives, on July 1, 2007. In this research, a conceptual model is proposed to show that the characteristics of innovative sources can determine a firm's absorptive capacity, which in turn can impact its performance. Therefore, absorptive capacity can be expected to enable the mediation of the relationships of innovative sources with the performance of firms. By means of theoretical analysis and practical investigation, this paper provides an assessment of the use of innovation sources and finds critical factors that may foster competitive and sustainable advantages.

Keyword : competitive and sustainable advantages, strategic organizational performances, social and cooperative agrifood firms, innovation sources