



CREaTE

Canterbury Research and Theses Environment

Canterbury Christ Church University's repository of research outputs

<http://create.canterbury.ac.uk>

Please cite this publication as follows:

Okonkwo, O. (2018) Knowledge transfer in collaborations between foreign and indigenous firms in the Nigerian oil industry: the role of partners' motivational characteristics. *Thunderbird International Business Review*, 61 (2). pp. 183-196. ISSN 1096-4762.

Link to official URL (if available):

<https://doi.org/10.1002/tie.22012>

This version is made available in accordance with publishers' policies. All material made available by CReaTE is protected by intellectual property law, including copyright law. Any use made of the contents should comply with the relevant law.

Contact: create.library@canterbury.ac.uk



**Knowledge Transfer in Collaborations between Foreign and Indigenous Firms in
the Nigerian Oil Industry: The role of Partners' Motivational Characteristics**

By

Okey Okonkwo

Christ Church Business School

Canterbury Christ Church University

North Holmes Road,

Canterbury

Kent, CT1 1QU

United Kingdom

Telephone: +44(0)1227925181

Email: okey.okonkwo@canterbury.ac.uk

Introduction

The importance of knowledge as a strategic resource that provides firms with competitive advantage has been widely acknowledged (e.g. Grant, 1996; Liebeskind, 1996; Kogut & Zander, 1992; Inkpen, 2008). As competition becomes increasingly knowledge-based, the ability of firms to learn and develop capabilities faster than their rivals is argued to be a source of competitive advantage (Prahalad & Hamel, 1990). Consequently, learning and knowledge transfer, both within a firm and between firms, are considered a source of sustainable competitive advantage. This particularly applies to inter-firm collaborative arrangements, such as strategic alliances, which are identified widely as means through which firms access, acquire, transfer, share and exploit knowledge resources that are otherwise unavailable within the firm (Inkpen, 1998; Grant & Baden-Fuller 2004; Lavie, 2006).

While inter-firm knowledge transfer is strategically important, the process of transferring knowledge is adjudged to be very difficult (Inkpen & Tsang, 2005). Apart from difficulties emanating from the stickiness/tacitness of knowledge (Szulanski, 1996; Simonin, 1999), partner firms seeking to acquire or transfer knowledge through their alliances need to possess the appropriate characteristics that enable knowledge to be acquired, transferred, shared and utilised. For instance, a recipient firm's motivation to learn, and its cognitive ability to acquire knowledge, have been argued to influence the extent of knowledge transfer between the recipient and the source firms (Hamel, 1991; Lane & Lutbakin, 1998; Perez-Nordtvedt et al., 2008). Without appropriate partners' characteristics, knowledge transfer/acquisition may not be achieved.

Generally, research on inter-firm (and often inter-unit) knowledge transfer has constantly emphasized characteristics of knowledge sources and knowledge recipients to be key determinants of knowledge transfer (e.g. Minbaeva, 2007; Easterby-Smith et al., 2008;

Lawson/Potter, 2012; Jasimuddin et al., 2015). These characteristics include ‘motivational factors’ such as learning intent and knowledge transfer willingness, as well as ‘cognitive factors’ such as absorptive capacity or retentive capacity. However, although the importance of both motivational and cognitive characteristics as determinants of knowledge transfer has been illustrated in numerous conceptual studies (e.g. Hamel, 1991; Inkpen, 2000; Simonin, 2004), empirical studies have largely found support for the dominance of cognitive factors (e.g. Szulanski, 1996; Minbaeva & Michailova, 2004; Junni & Sarala, 2013). In particular, absorptive capacity, which is largely the function of similarity and overlap of the recipient’s and source’s knowledge bases, has been found to be a very dominant determinant of knowledge transfer. But this dominance is not surprising, as most of these empirical studies are focused on knowledge transfer between symmetric partners in advanced industrialised and transitional countries, where there are relatively similar levels of knowledge sophistication and complementary knowledge transfer motives. Determinants of knowledge transfer in asymmetric relationships, such as those between developed-country-based firms and developing-country-based firms, where there are often large gap/difference in ‘knowledge and resource bases’ as well as in ‘alliance motives’ of the transfer partners have not been systematically studied. Local indigenous firms in less developed countries (LDCs) are increasingly relying on collaborative arrangements with foreign firms from developed countries to access or acquire knowledge and develop their capacities (see, e.g. Osabutey et al., 2014). There is accordingly a necessity for a systematic inquiry into the determinants of learning/knowledge transfer in such type of collaborations in order to aid firms in their alliance decisions.

The few existing studies on knowledge transfer between foreign firms and local firms in developing countries are focused mainly on ‘market-entry alliances’, where there are complementary motives of transfer of ‘local market knowledge’ and ‘technological/managerial

knowledge' between foreign and local partners. In this stream of literature, the possession of cognitive characteristics (e.g. absorptive capacity) by the local developing-country-based partner firms is also emphasized as a key condition to acquiring knowledge/technology from foreign developed-country-based partner firms (e.g. Osabutey et al., 2014; Narteh, 2008). However, no studies have been focused on 'market-exploitation alliances' where there is divergence in alliance motives of the partners due to irrelevance of 'local market knowledge' as a potential learning motive in the collaborations. While meeting a minimum cognitive threshold is a necessary condition for learning, it may not be a sufficient condition for knowledge transfer to occur in such asymmetric market-exploitation inter-firm collaborations.

This paper intends to address this research gap and focuses on inter-firm collaborations between foreign and local indigenous companies in the Nigerian oil industry, which are typical examples of asymmetric market-exploitation alliances. Using the qualitative case study research method, in which four cases of alliances in the industry were studied, the factors that facilitate knowledge transfer between foreign and local firms in the collaborations were explored. Based on the case study research, this paper analyses the role of the partners' motivational and cognitive characteristics in the transfer of knowledge in the alliances. It shows how the extent of knowledge transfer in the asymmetric market-exploitation alliances is determined primarily by partners' motivational factors. These are the degree of 'learning intent' (LI) of the local partner companies as knowledge recipients, and the degree of the 'knowledge transfer willingness' (KTW) of the foreign partner companies as the knowledge sources. Contrary to extant theory, which suggests 'knowledge protective' tendencies of foreign partners in response to local partners' learning intention in alliances, this study shows that foreign partners in these alliances were willing to transfer knowledge to the local partners in response to their demonstration of learning intent. This paper, therefore, highlights the dominant role of motivational factors in knowledge transfer processes of asymmetric market-

exploitation alliances. It also develops a set of propositions to expand understanding of key determinants of partner learning and knowledge transfer.

The contribution of this paper is twofold. First, it extends the theory of learning/knowledge transfer determinants to a distinctive type of international inter-firm collaborations in a LDC, namely “asymmetric market-exploitation alliances”, where the foreign partner firms already had their local subsidiaries in the host-country prior to engaging in the collaborations. Second, it demystifies the concept of ‘*relative absorptive capacity*’ for local partner firms in LDCs. It practically encourages local firms to take advantage of learning opportunities in their collaborations, by enhancing motivational factors that facilitate knowledge transfer, rather than being discouraged due to lack of relative absorptive capacity.

Inter-firm Collaborations in Nigerian Oil Industry

The Nigerian oil and gas industry has witnessed an increasing trend of inter-firm collaborations between foreign oil companies and local oil companies in recent years. This was induced indirectly by the Nigerian government’s indigenous participation policies in the industry, which awards marginal oilfields to local indigenous oil firms to operate. Faced with the challenges of inadequate financial resources and technical capabilities, many of these local indigenous oil companies increasingly entered into various kinds of equity and non-equity partnerships with international oil companies in the industry, in order to jointly operate their acquired oilfields (Heum et al., 2003: p. 30; Hindle/Woldemichael, 2009). These partnerships were a purely voluntary strategic option chosen by those local indigenous oil companies, which lacked the capabilities to operate their oilfields acquired through the government’s indigenous participation policies. The foreign oil companies in the partnerships usually provided the key technical capabilities and funds required for the operations, while local partners provided their acquired oilfields and other minor capabilities. Apart from ‘risk sharing’ and ‘access to oil and

gas assets' by foreign partners as major goals of these partnerships, 'learning/knowledge acquisition' constituted an important goal in the partnerships, particularly for the local partner companies, who hoped to develop their capabilities through the collaborations. However, the partnerships were generally characterized by a large gap of technological and managerial capabilities between the foreign oil companies and their local partners in the alliances. The foreign partners in the alliances usually possessed superior capabilities in terms of cutting-edge technology, financial resources and organizational know-how, while the local partners were no match for their foreign partners in terms of these capabilities. The local partners were mostly locally-based, small and medium-sized, oil companies, while their foreign partner companies were mainly large and medium-sized international oil companies from the more developed and industrially advanced countries. These often had their local subsidiaries operating in the industry prior to their collaborations with local firms. In such asymmetric relationship, it is most likely that the foreign partners may perceive little or nothing to learn from their local partners, and thereby possess no intent to acquire knowledge from them. Conversely, the local partners lacking the requisite knowledge and capabilities may perceive the foreign partners as reservoirs of superior knowledge and technologies, and thereby, exhibit explicit learning intent to acquire knowledge from their foreign partners. An empirical study of these partnerships is therefore very necessary to identify the key factors that facilitate learning/knowledge transfer, and provide information that can support firms in making alliance decisions.

Literature Review

The literature on inter-firm knowledge transfer has identified a number of different sets of factors that determine knowledge transfer (Easterby-Smith et al, 2008). These include: the nature and characteristics of knowledge itself (Simonin, 1999; Zander & Kogut, 1995; Inkpen, 2008); the characteristics of knowledge source and knowledge recipient (Hamel, 1991; Szulanski, 1996; Lane & Lubatkin, 1998; Perez-Nordtvedt et al., 2008; Lawson/Potter, 2012);

and the nature and characteristics of the relations between source and recipient (Hansen, 1999; Bengoa & Kaufmann, 2016). However, for the scope of this paper, this literature review is focused on the characteristics of knowledge source and knowledge recipient, which can be categorized into motivational and cognitive factors.

Motivational Factors

A key motivational factor that has been identified to influence knowledge transfer is recipient's learning intent (LI), which is defined as the deliberate desire and will of a focal firm to acquire knowledge from its partner in inter-firm collaboration (Hamel, 1991, p. 90). In other words, it is a firm's motivation to learn from its partner. Various scholars have pointed out that inter-firm knowledge transfer occurs mainly through deliberate design, rather than by default, and therefore, prior intention of a partner firm to learn through the collaboration becomes a key determinant of knowledge transfer (e.g. Hamel, 1991; Norman, 2004; Perez-Nordtvedt et al., 2008; Simonin, 2004). Without a deliberate intention to learn, learning/knowledge transfer would be left to chance; that is, it may or may not take place. Without LI, alliance partners are less likely to initiate learning mechanisms and commit resources to learning processes in the alliances (Inkpen & Dinur, 1998). Therefore, the stronger the intention to learn, the higher the chances that knowledge transfer will occur and that the focal firm will learn from its partner (Inkpen, 2000; Tsang, 2002; Simonin, 2004).

While the LI of a recipient firm increases the chances of inter-firm knowledge transfer, the source's motivation to transfer knowledge has been identified as an equally important determinant factor (Szulanski, 1996; Simonin, 1999; Lawson & Potter, 2012). The source's motivation to transfer knowledge has been conceptualised under different terms in the literature. For instance, Szulanski (1996) identified 'lack of motivation of the source' as a key barrier to knowledge transfer. He argued that this is often reflected by the source's reluctance

to share crucial knowledge for fear of losing ownership of the knowledge, or for lack of adequate rewards for sharing its hard-won knowledge. Simonin (1999) identified 'partner protectiveness', which reflects the extent to which knowledge sources protect their knowledge and competencies through deliberate policies and procedures that restrict the sharing of relevant skills and know-how with their partners. Partner knowledge protectiveness is argued to influence the degree of knowledge transfer between knowledge sources and recipients (Norman, 2004; Lawson & Potter, 2012).

Moreover, with regard to the source's motivation to transfer knowledge, Husted and Michailova (2002) argue that knowledge transfer often depends on the 'willingness' of the knowledge source to signal the possession of knowledge and share it with others, while Lubatkin et al., (2001) suggest that the knowledge transfer willingness of a knowledge sender may be shored up by the sender's perception of reciprocity from a knowledge recipient.

Although various terms have been used to discuss the concept of source's motivation, there is consensus that motivation of a knowledge source to transfer knowledge is a key factor that determines the extent of knowledge transfer.

Cognitive Factors

The cognitive factor cited most often as influencing knowledge transfer is the recipient firm's ability to learn and acquire knowledge, which is argued to be determined by its 'absorptive capacity' (Cohen & Levinthal, 1990; Szulanski, 1996). Absorptive capacity is defined as 'a firm's ability to recognize the value of new external knowledge, assimilate it, and apply it to commercial ends' (Cohen & Levinthal 1990, p. 128). At the inter-firm level of analysis, various authors have emphasized specific similarities and overlap between the source and recipient as the determinant of absorptive capacity to acquire knowledge (e.g. Lane & Lubatkin, 1998; Lane & Salk & Lyles, 2001; Mowery et al., 1996). Lane and Lubatkin (1998) introduced the notion

of 'relative absorptive capacity' and argue that the ability of a recipient firm to learn from, or with, a source firm is jointly determined by the relative characteristics of the two firms, i.e. the similarity of both firms' basic knowledge-bases, their organizational structures and their dominant logics. It is suggested that, without understanding the basic assumptions underlying each other's knowledge-base and/or possessing similar operating structures and compactible norms and values, a recipient firm can hardly evaluate, acquire and assimilate the sender's specialized knowledge (Lane & Lubatkin, 1998, pp. 464-465).

The concept of recipient's absorptive capacity has been discussed in different fields, often under various conceptual labels, such as 'receptivity' (Hamel, 1991) and 'retentive capacity' (Szulanski, 1996). However, all of these emphasize the importance of similarity and overlap of the source's and recipient's knowledge bases. The general consensus implies that the absorptive capacity of a knowledge recipient is a key determinant of knowledge transfer process and that the greater the absorptive capacity, the greater the degree of knowledge transfer (Szulanski, 1996; Lane, Salk & Lyles, 2001; Minbaeva, 2007; Awang et al, 2013).

Dominance of Cognitive Factors

Both motivational and cognitive factors have been the subject of conceptual and empirical studies. While some of these studies focus on a single factor such as absorptive capacity (e.g. Lane & Lubatkin, 1998; Lane, Salk & Lyles, 2001; Park, 2011), others focus on multiple determinant factors and their relationship to knowledge transfer (e.g. Szulanski, 1996; Simonin, 2004; Minbaeva, 2007; Van Wijk et al., 2008). However, although the importance of both motivational and cognitive factors as determinants of knowledge transfer has been illustrated in the conceptual studies, the results of empirical studies have largely found support for the dominance of cognitive factors (e.g. Szulanski, 1996; Lane & Lubatkin, 1998; Lane, Salk & Lyles, 2001; Minbaeva & Michailova, 2004). In particular, absorptive capacity has been

found to be a very dominant determinant of knowledge transfer. Interestingly, most empirical studies examining and analysing multiple determinants of knowledge transfer often emphasize the weaker influence of motivational factors on knowledge transfer, in contrast to cognitive factors. For instance, in his study of inter-unit transfer of best-practices, Szulanski (1996) found that cognitive-related barriers such as 'lack of absorptive capacity' dominated the motivation-related barriers in the process of knowledge transfer, and therefore, argued for the devotion of more resources and managerial attention to reducing cognitive-related barriers.

Also, empirical studies focusing on a single determinant, particularly on absorptive capacity, have found a strong positive influence on the degree of knowledge transfer (Lane & Lubatkin, 1998; Lane, Salk & Lyles, 2001; Park, 2011; Junni & Sarala, 2013). Lane & Lubatkin (1998) found that the ability of partner firms in research & development (R&D) alliances to learn and transfer knowledge to one another depended on the relative similarity in their knowledge bases, organizational structures, compensation policies and dominant logics, which they termed 'relative absorptive capacity'. Similarly, Lane, Salk & Lyles (2001) found that the relative absorptive capacity of the international joint ventures (IJVs) in Hungary influenced their ability to understand and acquire new knowledge held by their foreign parents.

The strong emphasis on cognitive characteristics, particularly absorptive capacity, may be attributed to the fact that most of these empirical studies are focused on knowledge transfer between symmetrical transfer partners in advanced developed and transitional countries, where there is generally a considerable level of similarity in the resource bases and organisational processes of the transfer partners. For instance, some of these studies focused on inter-unit knowledge transfer within a multinational corporation (e.g. Szulanski, 1996). Other studies focused on knowledge transfer between IJVs and their parent firms (e.g. Lane, Salk & Lyles, 2001) or between partners in inter-firm alliances involving firms in developed countries (e.g. Lane & Lubatkin, 1998). These are cases of symmetrical relationship, where knowledge

transfer partners have relatively similar levels of knowledge sophistication and resource base, thus making the issue of similarity and overlap of knowledge-bases prominently relevant for knowledge transfer. However, in knowledge transfer between foreign developed-country firms and their local partners in a LDC like Nigeria, where there is a large gap in knowledge and capabilities possessed by the partners, comparable similarity/overlap between the partners may be lacking. This gives rise to the question as to what factors determine knowledge transfer in such relationships. Although the importance of partners' cognitive characteristics for knowledge transfer process may be undisputed, it is necessary to move away from the emphasis on similarity/overlap or thorough understanding of partners' knowledge-bases to the consideration of partner-firm's specific resources and levers that enable the firm to acquire/transfer knowledge from/to its partners (Simonin, 2004). In this way, the real factors facilitating the capacity of the individual partner firms to acquire/transfer knowledge from/to its alliance partner could be easily assessed, particularly in an asymmetric inter-firm knowledge transfer context, where the issue of similarity/overlap may not arise. This context of inter-firm collaborations is the focus of the case study analysis in this paper.

Knowledge Transfer in International Inter-Firm Collaborations in Developing Countries

International inter-firm alliances in developing countries, particularly those involving at least a foreign firm from a developed-country and a local firm from a LDC, have been widely acknowledged to be characterised by asymmetries between foreign and local partners (see e.g. Beamish, 1988; Dacin et al., 1997). 'Partner asymmetry' as used here refers to dissimilar attributes of partner firms in alliances that are very relevant to the alliance processes, including the process of learning and knowledge transfer. Partner firms in international alliances could be asymmetric in internal resources such as size, equity, technologies, knowledge or capabilities brought to their alliances, which could influence alliance processes (Inkpen & Beamish, 1997). Partner asymmetry could also be manifested in their collaborative goals

(Hamel, 1991). LDCs are characterized by a lower level of economic, technological and infrastructural development, which also reflect on LDC-based local firms. Unlike inter-firm collaborations in advanced industrialized or transitional countries, international alliances in LDCs are usually characterized by asymmetries between the foreign and local partnering firms. These are not only in terms of company size and cultural differences, but also in technologies, knowledge and capabilities brought into the alliances by the partner firms, as well as in their motives of alliance.

When extending the debate on learning/knowledge transfer to international alliances in developing countries, the few existing studies often argue that foreign partner firms in such international alliances usually possess the *learning intent* to acquire “local market knowledge” contributed to the alliance by the local partner firms, while the local partner firms often seek to appropriate the superior “technological and managerial knowledge” brought to the alliances by the foreign partners (e.g. Inkpen & Beamish 1997; Hitt et al., 2000; Kale & Anand, 2006; Osabutey et al., 2014). Hence, the learning intents of the partners often lead to competitive learning races, in which the partner firm with greater *learning intent* and *absorptive capacity* wins and dominates the collaborative relationship. Once the foreign partner acquires the ‘local market knowledge’, the rationale for the collaboration would have been eliminated, unless the local partner is contributing other valuable knowledge and skills to the collaborative arrangement (Kale & Anand, 2006; Inkpen & Beamish, 1997). Therefore, possession of strong absorptive capacity by the local partner firms has also been emphasized as a key condition to acquiring knowledge/technology from foreign partner firms (e.g. Osabutey et al., 2014; Narteh, 2008).

Generally, while the importance of ‘local market knowledge’ to foreign firms engaging in international alliances is undisputed, the contribution of such knowledge by local partners to the alliances may be redundant and less important in cases where foreign partners already

possessed local market knowledge of the host-country prior to their alliances with the local firms. Makino and Delios (1996) suggested other channels, apart from local partners, through which 'local market knowledge' could be made available in international inter-firm collaborations. In such cases, it is difficult to assume that 'local market knowledge' would constitute the learning intent/target of the foreign partner firms in the alliances.

The problem with the argument in the literature is that the few existing studies have been focused mainly on 'market-entry alliances', where there are complementary knowledge transfer motives between foreign and local partners to exchange 'local market knowledge' and 'technological/managerial knowledge'. No studies are focused on 'market-exploitation alliances' in developing countries¹, where foreign partner firms already possessed 'local market knowledge' of the host-country through their subsidiaries before their collaborations with the local firms, and therefore, may have different alliance motives from their local partners' learning/knowledge acquisition motives. Little, or nothing, is known about the determinants of learning and knowledge transfer in such type of asymmetric alliances with divergent motives between the partners. This type of asymmetric international alliances is very prevalent in the Nigerian oil industry and provides the context upon which the case study research/analysis in this paper is based.

The Case Study Research & Analysis

The aim of the study was to examine the learning activities of the partner firms in selected cases of inter-firm collaborations between foreign and indigenous firms in the Nigerian oil industry, and thereby, identify key factors that facilitated learning/knowledge transfer between partner firms in the alliances. For this purpose, the study focused on: the concepts of 'learning

¹ Through market exploitation alliance strategies, foreign companies often engage in inter-firm collaborative arrangements with local firms in the host-countries through their own local subsidiaries in order to exploit market opportunities and transfer firm-specific advantages (see e.g. Scott-Kennel & Enderwick, 2004).

intent' (LI), 'knowledge transfer willingness' (KTW), 'knowledge protectiveness' (KP) and 'learning capacity' (LC) of the partner firms. These were seen as the most widely cited firm-based characteristics that represent motivational and cognitive determinants of knowledge transfer. The definition of LI in this study follows the definition by most authors, which sees LI as the propensity to view alliance relationship as a learning opportunity (Hamel, 1991; Inkpen & Dinur, 1998; Inkpen, 2000). The degree of a partner firm's LI in an alliance is reflected by the level of articulation of learning agenda by its top management; the level of commitment to the learning agenda in the collaborative arrangement (Simonin, 2004; Tsang, 2002); and the level of communication of the learning agenda to the employees at various levels within the partner firm (Pucik, 1988). The degree of a partner firm's KTW is reflected by the level of articulation and implementation of support systems (e.g. training of recipient's personnel) that help the recipient partner to acquire knowledge/skills from the source partner (Szulanski, 1996). Conversely, KP is reflected by intentional policies and procedures put in place by a partner firm to restrict access to, and sharing of, relevant information concerning its technology and processes (Simonin, 1999; Simonin, 2004).

LC refers to the ability of a partner firm to learn/acquire knowledge from its partner in inter-firm collaborative arrangement. LC, as used here, is closely related to the concept of "absorptive capacity" (Cohen & Levinthal, 1990), but differs slightly in definition and operation. The definition of LC in this study follows Simonin's (2004) definition, which emphasizes firm-level characteristics deployed by partner firms to learn/acquire knowledge through their alliances. Unlike the concept of "absorptive capacity", which emphasizes the relative characteristics, i.e. specific similarities/ overlap between partner firms that facilitate learning (see Lane & Lubatkin, 1998; Lane et al, 2001; Mowery et al, 1996; etc.), LC focuses on partner firm's specific resources, assets or levers that enable the partner firm to learn/acquire knowledge from another partner firm in the collaborative arrangement. This definition of LC

facilitates easy assessment of the individual partner firms' ability to acquire knowledge in asymmetric alliance contexts, where there is a large gap between partner firms' resource and knowledge bases. Components of LC include: human and material resources that facilitate learning in the alliance (see Pucik, 1988; Inkpen, 2002); explicit institutional routines, systems and measures that induce commitment to learning from other partners in the alliances (Pucik, 1988; Lane/Lubatkin, 1998); and general attitudes and beliefs prevalent in a partner firm that favour learning through the alliance (Hamel, 1991). The presence of these three components demonstrates the capacity of the focal firm to acquire knowledge in the alliance.

Methodology

Although much appears to have been written about inter-firm learning and knowledge transfer in general, the nature of learning and knowledge transfer in asymmetric international alliances in the Nigerian oil industry has not been studied. Therefore, the effort to study the learning/knowledge transfer activities in these alliances was exploratory in nature, and was designed to extend, rather than test, alliance learning theory. Consequently, a qualitative case-study research approach was deemed appropriate (Eisenhardt, 1989; Eisenhardt & Graebner, 2007). Four cases of international inter-firm collaborations in the Nigerian oil industry were selected for the study (see table 1 below). The cases were selected according to the logic of literal and theoretical replication (Yin, 2009) but subject to the constraint of research access. All foreign partners in the study were international companies based in Western Europe and North America but differ in size and industry positions. All foreign partners had their local subsidiaries in the industry prior to engaging in the focal alliances, or in the case of D, had executed projects in the industry before the focal alliance.

The data collection for the study was carried out between October 2008 and February 2010. It comprised of mainly semi-structured, in-depth interviews conducted with the representatives

of the partner companies in the selected cases of alliances, and archival data collected from the partner companies and the government regulatory agency in the sector. A total of 27 interviews were conducted in all the partner companies, comprising three representatives (a top manager, a middle manager and an employee) in each of the local partner firms and three representatives (an alliance manager and two other employees) in each of the foreign partner firms. 27 informants are above the number needed to reach theoretical saturation (see Bengoa & Kaufmann, 2016). The interview sessions lasted in the average of between 60 and 90 minutes and were recorded with a voice recorder.

The data from the interview responses were combined with information obtained from archival data to enrich the findings as this is a case study research. Archival data were obtained from: (1) partner companies' annual reports, profile brochures and newsletters reflecting information on their partnerships/collaborative arrangements, (2) government regulatory agency's industry-review reports highlighting issues of foreign-indigenous partnerships in the industry that involved the partner companies in our selected cases, and (3) fieldtrip/observation notes in Nigeria and Europe. This data base was further enriched with information from other secondary sources such as various industry-focused news articles from local and foreign newspapers publishing information regarding the selected cases of alliances.

The process of analysing the data followed steps recommended by Eisenhardt (1989) and Miles & Huberman (1994). The first step was presenting and organizing the data (i.e. data reduction and data display). All interviews recorded in the voice recorder were transcribed to create interview-transcripts. The data from the interview transcripts were combined with information from the archival data and other secondary sources to create a raw data base. This was followed by "coding", which is a process of condensing qualitative data into analysable units (Miles & Huberman, 1994). In the process of coding, relevant statements or clauses were systematically searched for in the raw data and assigned to the listed descriptive codes and to the sub-codes

that were developed along the process. The entire process of data analysis was aided by the data-analysis-software called “ATLAS.ti” (version 6)

Findings

The Four Cases of Alliances

An overview of the four cases of alliances, and the knowledge transfer activities of the partner firms in the alliances, is shown in Table 1 below. Cases A, B, and D were non-equity alliances, in which the foreign and local partners agreed to jointly develop and operate the oil fields owned by the local partners. In the case of D, the partners jointly bid for, and execute, oilfield services projects for clients in the industry, and share profits after cost recovery. However, case C was an equity alliance, in which the foreign partner owns 40 percent equity in the oil field originally owned by the local partner firm. Nevertheless, the practical alliance process was similar in all of the four cases: the foreign partner provides financial assistance and key technical capabilities for the operation, while the local partner provides its oil assets and other minor capabilities. None of the four cases of alliance had a separate third entity (in the form of a joint venture) jointly owned by the partners. However, each of the four cases had a formal alliance interface, through which the partner firms meet to take decisions regarding the operations of their collaborative arrangements. This interface was called “joint-operating-team” in cases B and C, and “joint-technical-team” in case A. In case D, there was a “joint-project-team”. The interface was comprised of a team of key personnel (including top and middle managers) from the foreign and local partners, who met regularly to take operational decisions. Employees of the foreign and local partners in each of the four cases also worked together on the fields.

Table 1: Overview of the cases and findings

Cases of Alliance (including alliance structure and attributes)	Learning & Knowledge Transfer Activities	
	Local partner (s)	Foreign Partner (s)
<p>Case A</p> <ul style="list-style-type: none"> • Non-equity, joint operation partnership • Operates in the exploration & production sub-sector of Nigerian oil industry • A two-partner alliance (a foreign firm and a local firm) • Foreign partner was a medium-sized MNE based in Europe • Foreign partner had a local subsidiary in Nigeria prior to the alliance 	<ul style="list-style-type: none"> • Possessed comparably low degree of learning intent and learning capacity • Learning intent was limited to a merely declaration of intention by the top management • No logistical resources, mechanisms or incentive system deployed to facilitate knowledge acquisition • Recognized the need to learn through the alliance, but doubted foreign partner's readiness to transfer knowledge 	<ul style="list-style-type: none"> • Possessed no learning intent and no cognitive interest to learn • Believed it has nothing to learn from its local partner • Demonstrated no willingness to transfer knowledge or support local partner's learning efforts
<p>Case B</p> <ul style="list-style-type: none"> • Non-equity, joint operation partnership • Operates in the exploration & production sub-sector of the industry • A three-partner alliance (two local firms and a foreign firm) • Foreign partner was a medium-sized MNE based in North America • Foreign partner had a local subsidiary in Nigeria prior to the alliance 	<ul style="list-style-type: none"> • Possessed comparably low degree of learning intent and learning capacity • Learning intent was limited to a merely declaration of intention by the top management • No logistical resources, mechanisms or incentive system deployed to facilitate knowledge acquisition • Recognized the need to learn through the alliance, but doubted foreign partner's readiness to transfer knowledge 	<ul style="list-style-type: none"> • Possessed no learning intent and no cognitive interest to learn • Believed it has nothing to learn from its local partner • Demonstrated no willingness to transfer knowledge or support local partner's learning efforts
<p>Case C</p> <ul style="list-style-type: none"> • Equity partnership based on joint operation agreement • But without a separate third entity jointly owned by the partners • Operates in the exploration and production sub-sector of the industry • A two-partner alliance (a foreign firm and a local firm) • Foreign partner was a large MNE based in Europe • Foreign partner had a local subsidiary in Nigeria prior to the alliance 	<ul style="list-style-type: none"> • Possessed considerably high degree of learning intent and learning capacity • Learning intent comprised clearly defined and communicated learning objectives • Deployed resources, mechanisms and incentive systems to facilitate knowledge acquisition from foreign partner • Believed it can learn valuable skills from its foreign partner 	<ul style="list-style-type: none"> • Possessed no learning intent and no cognitive interest to learn • Believed it has nothing to learn from its local partner • Demonstrated clear knowledge-transfer-willingness and deployed resources to support local partner's learning efforts
<p>Case D</p> <ul style="list-style-type: none"> • Non-equity, joint project alliance • Provides oilfield engineering services in the industry • A two-partner alliance (a foreign firm and a local firm) • Foreign partner is a large MNE based in North America • Foreign partner had no local subsidiary but had executed projects in Nigeria prior to alliance 	<ul style="list-style-type: none"> • Possessed considerably high degree of learning intent and learning capacity • Learning intent comprised clearly defined and communicated learning objectives • Deployed resources, mechanisms and incentive systems to facilitate knowledge acquisition from foreign partner • Believed it can learn valuable skills from its foreign partner 	<ul style="list-style-type: none"> • Possessed no learning intent and no cognitive interest to learn • Believed that its local partner needs to learn and upgrade • Demonstrated clear knowledge-transfer-willingness and deployed resources to support local partner's learning efforts

Learning Intent

None of the foreign partners in the four cases of alliance possessed any intent to learn through the alliance or to acquire knowledge from their local partners. However, the interviewed managers in the foreign partner firms acknowledged that the collaborative arrangements

offered learning opportunity for any partner intending to learn through the alliances. Contrary to the arguments in the literature that foreign partners in developing-developed countries inter-firm collaborations often seek to acquire 'local market knowledge' from local partners, the managers and employees of the foreign partners interviewed were unanimous in their responses that their companies had no need to acquire knowledge from their local partners or through the alliances. This is because the "knowledge of the local business environment" that would have been sought, or acquired, from their local partners was already available to them through the presence of their local subsidiaries in the industry. The major motive of the foreign partners in cases A, B, and C was to gain access to the oilfields of their local partners, and jointly exploit these oil assets with their local partners for profits. In case D, the major interest of the foreign partner was to be able to jointly bid for, and execute, oilfield services contracts with its local partner in order to fulfil the government-imposed requirements for the specific percentage of "local content" in all oilfield services in the Nigerian oil industry. This major interest of the foreign partner in case D is clearly reflected in one of the company's annual reports.

In contrast to the foreign partners, the local partners across the four cases possessed intent to learn/acquire knowledge from their foreign partners through the alliances. However, the level of learning intent by the local partners in the alliances varied across the cases. While local partners in cases C and D demonstrated a considerably high degree of learning intent in their respective alliances, the local partners in cases A and B demonstrated a comparably very low level of learning intent in their alliances. For instance, in case C, the local partner's learning intent was clearly reflected by a written "declaration of alliance objectives" by the top management of the firm. This highlighted, among other things, the importance of learning and skills development through the alliance and the desire to access, and acquire, technical expertise in the area of deepwater offshore oil and gas operations. The learning objective was also frequently communicated in the firm through a periodic evaluation of the activities of

individual employees sent to the alliance interfaces, based on their weekly reports, which the employees were obliged to submit on a regular basis. Similarly, the local partner in case D possessed a written “general statement of alliance objectives” which included learning and career development objectives for its collaborative arrangements with foreign firms in the industry. On the basis of the “statement of objectives”, the managers regularly set learning targets for the employees sent to work on ‘joint-projects’, and/or to participate in ‘joint-training-programmes’ with the foreign partner. The employees working in the ‘joint-project’ and/or participating in ‘joint-training programmes’ were appraised regarding progress in skill development. However, in contrast to cases C and D, the learning intent of the local partners in cases A and B was reflected by a mere declaration of learning intentions by their top managements, which were neither articulated, nor communicated, throughout the firms. There were no clearly defined learning objectives available to their employees sent to the alliance interfaces, and no deliberate actions were taken to implement the learning intention declared by the management.

Knowledge Transfer Willingness and Knowledge Protectiveness

Although foreign partners in all the cases possessed no intent to learn, the foreign partners in cases C and D, which were large multinational oil and gas operators in the industry, demonstrated clear willingness to facilitate knowledge transfer to their local partners in their respective alliances. The foreign partners deliberately deployed measures and resources that supported learning and knowledge acquisition efforts of their local partners in the alliances. For instance, in case C, the foreign partner created and maintained project-based “internet-website” and an “intranet facility” for the partnership, where key technical information and expertise, as well as reports regarding the operations of the partnership, could be regularly accessed by members of both local and foreign partner companies. Questions & answers regarding technical difficulties on the field could also be posted for sharing between its

employees and employees of the local partners. Moreover, the foreign partner supported the development of a personnel transfer process known as “secondment programme” in the partnership, through which employees of the local partner were regularly attached to the offices and facilities of the foreign partner in various locations in Nigeria, and abroad, for specified periods of time. This enabled the employees of the local partner to work and learn on the job with the state-of-the-art facilities of the foreign partner. And in its capacity as the technical advisor of the partnership, the foreign partner often organized and carried out various operation-based professional trainings and workshops for the employees of the local partner. Similarly, the foreign partner in case D, which was a major oil and gas engineering services company in the global oil industry, deployed some financial resources and physical assets, in the form of engineering hardware and design software, to support the upgrading of the local partner’s engineering facilities in Nigeria at the inception of the alliance. Also, the foreign partner deployed some of its engineering personnel to the local partner’s office as part of the alliance agreement to facilitate knowledge transfer to the employees of the local partner through on-the-job-training and mentoring.

The foreign partner also facilitated the development of a “secondment programme” through which some local partner’s employees were often attached to foreign partner’s offices and facilities abroad to work and gain international project experience. However, the justifications for this clear demonstration of knowledge-transfer-willingness by the foreign partners differed slightly in the two cases. The foreign partner in case C emphasized its desire to support the growth and development of local indigenous firms in the industry, which was a major policy thrust of the Nigerian government in the industry. But the foreign partner in case D referred to its business strategy of maintaining its widely known high quality standards in the “joint-projects” executed with the local partner firm in the industry as the main rationale behind the knowledge-transfer-willingness in the alliance. Nevertheless, the foreign partners also adopted

a few cautious measures that limited the extent of knowledge transfer to the indigenous partners through the alliances.

In contrast to cases C and D, foreign partners in cases A and B demonstrated no willingness to transfer knowledge or to deliberately facilitate the learning efforts of their local partners in the alliances. The interviewed managers of the foreign partners in both cases insisted that the purpose of the partnerships was purely commercial rather than learning, and therefore, the issue of transferring knowledge to local partners does not arise. A manager of the foreign partner in case A specifically stated that the local partner “...*have not informed us of their interest in learning or technology transfer...*”

Learning Capacity

Consequent upon the lack of learning intent among the foreign partners, none of the foreign partners across the four cases made cognitive effort to deliberately acquire knowledge through the alliances, although as multinational enterprises they possessed the capability to do so. No resources, assets or mechanisms were deployed by the foreign partners to facilitate their knowledge acquisition through the alliances specifically. The general attitude and belief prevalent in the foreign partner firms across the cases were that they had little, or nothing, to learn from their local partners. This was also emphasized in various interview-responses of the managers of the foreign partner firms.

However, the different degrees of learning intent among the local partners across the cases also led to different degrees of learning capacity by the local partners in the alliances. While the local partners in cases C and D deployed considerable amount of resources to acquire knowledge through their respective alliances, the local partners in cases A and B made little or no learning efforts to acquire such knowledge. For instance, the local partner in case C provided physical and logistical resources that facilitated learning by its personnel at the

alliance interfaces. All employees of the company sent to the alliance interfaces were trained and equipped with series of current engineering and drilling software applications used in the exploration and production of oil and gas prior to their assignments. This enhanced the capacities of the employees to work with modern equipment and easily learn new processes of oil exploration and production at the alliance interfaces. Moreover, with the support of its foreign partner, the local partner utilized the mechanism of “secondments” as an important interface to acquire knowledge from the foreign partner and ensured that “seconded” employees shared their acquired competencies with other employees in the company upon return. The company created a reward system in the form of “project allowances” and other “extra bonuses” paid to the employees sent on secondment programmes. These employees were appraised on a weekly basis through both compulsory weekly reports sent-in by the employees themselves, and assessment reports by the manager in-charge at the foreign partner’s facility, to which the employees were attached.

The learning capacity demonstrated by the local partner in case C was similar to that of the local partner in case D. The latter invested heavily in engineering design hardware and software to improve the standard of its engineering labs, and provided up-to-date engineering design software-application training for its staff prior to their engagement in ‘joint-projects’ of the partnership in order to adequately equip them for learning and competence development through the partnership. Moreover, the local partner utilized the mechanisms of “formal trainings” (in the form of seminars and workshops provided in cooperation with the foreign partner) and “on-the-job trainings” (in the form of mentoring, and secondments, to foreign partner’s facilities abroad) to facilitate knowledge acquisition from its foreign partner in the collaboration. The employees sent to work on joint-projects or to participate in training programmes with the foreign partner were provided with learning targets set by the company’s engineering department, and the performances of these employees were evaluated and

reviewed based on these targets. No special reward system was created specifically for employees on the 'joint-projects', but all employees, whether on "joint-projects" or the firm's solely owned projects, generally received monetary bonuses based on the "man-hour" spent in projects. Nevertheless, opportunities to participate in training courses and workshops abroad, or to be "seconded" to the facilities of the foreign partner abroad, were highly valued by the employees, and were utilized by the company as incentive mechanisms.

In contrast to the local partners in cases C and D, the local partners in cases A and B made only limited efforts to acquire knowledge from the foreign partners in their respective alliances. For instance, the local partners in both cases ensured that key staff, including managers, represented the companies at the alliance interfaces, and that qualified employees (e.g. geologists, petroleum engineers) were sent to the joint work-teams of the alliances. However, no physical and logistical resources (in terms of defined learning targets or learning mechanisms such as secondment programmes, joint formal trainings with foreign partners, etc.) were specifically deployed by the local firms in the two cases to facilitate knowledge acquisition from their foreign partners in the collaborations. Moreover, no special incentive mechanisms existed in the local partner firms to encourage learning by the employees at the alliance interfaces. This lack of considerable efforts by local partners in cases A and B to acquire knowledge from their foreign partners could be partly attributed to the lack of willingness of the foreign partners to facilitate knowledge transfer to the local partners. The following quote from the interview responses of a local firm's managers portrays the frustrations of the local firms about their foreign partners' lack of willingness:

"[.....] even if I signed a contract that they (foreign partner) provide me technical expertise and I found out that look, if I'm going to continue waiting for the expertise, I won't get what I'm looking for; then I'll provide mine and quickly do it. That's basically how it is" (Case-B, Engineer, QU: 2:46).

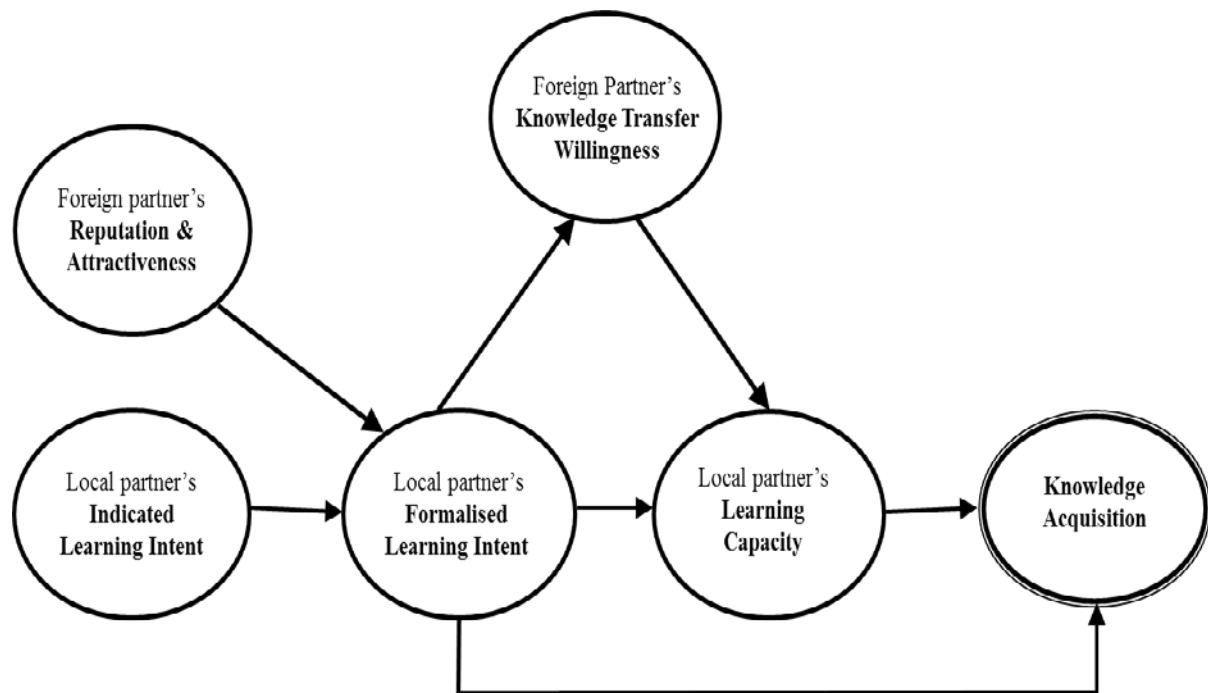
In all the local partner firms across the four cases, there was a general sense of an urgent need to learn, and acquire knowledge/skills, through the alliances. However, the attitudes towards

learning from their foreign partners in the alliances varied among the local firms. While the local firms in cases C and D perceived their foreign partners as a reservoir of superior capabilities and believed they could learn valuable skills from their foreign partners, the local firms in cases A and B doubted the readiness of their foreign partners to engage in learning with them and transfer knowledge through the alliances. The attitudes and beliefs of the local partners were echoed in the interview-responses by both employees and managers in the firms.

Discussion and Propositions

Against the backdrop of the argument that foreign partners in international inter-firm collaborations often possess learning intent to acquire ‘local market knowledge’ from their local partners through their alliances, the research reported in this paper focused on studying the learning motivations, and capacities, of partner firms in asymmetric alliances in the Nigerian oil industry, particularly those alliances that can be described as “market-exploitation” alliances, where the foreign partners already had local subsidiaries prior to the alliances. The findings show that the nature of partner firms’ ‘motivational characteristics’ (e.g. learning intent, transfer willingness) and ‘learning capacity’, as well as their influence on learning/knowledge transfer, are different from those in other contexts of inter-firm collaborations. The strong emphasis often laid on cognitive characteristics as the dominant determinant of knowledge transfer, in the general literature, may not fully apply in this context of asymmetric inter-firm collaborations. Based on the findings from the case study, theoretical propositions are developed focusing on the relationships between partner firms’ motivational characteristics, learning capacity, and the degree of knowledge acquisition in asymmetric inter-firm collaborations. Figure 1 outlines the theoretical model illustrating these propositions.

Figure 1: Theoretical Model



Learning intent as a motivational characteristic has been shown in this study to be a key driver of learning and knowledge transfer activities between foreign and local partner firms in the alliances. At first glance, this could be argued to be in tandem with the findings from some previous studies in the wider literature (e.g. Simonin, 2004; Lawson & Potter, 2012). The local partners which went into the collaborative arrangements with learning intent are the ones who made learning efforts, and eventually acquired knowledge through their alliances, unlike their foreign partners who had no intent to learn from their local partners. However, contrary to findings from previous studies, the findings of this study show a distinction between “indicated learning intent” and “formalised learning intent”. “Indicated learning intent” involves mere declaration of alliance learning intentions by top management without further articulation and communication to employees. “Formalised learning intent” involves declaration of a firm’s learning objectives by the top management of the firm with clear articulation and communication to the employees that translate the objectives into actions that capture external knowledge. All local partners in this study possessed “indicated learning intent”; and this could

be attributed to the asymmetry in resources/capabilities between foreign and local firms; local firms are the disadvantaged partners seeking to improve their capabilities through the collaborative arrangements. However, the local partners in cases C and D went beyond the “indicated learning intent” to formalise their learning intentions through conscious articulation into collectively adhered-to learning objectives at all levels of the firms. Pucik (1988: p. 82) argued that non-communication of a firm’s strategic intent throughout the firm often prevents top management’s alliance objectives from translating into effective behaviours needed to achieve the objectives.

The findings from this study show that it is only those local partners, who possessed “formalised learning intent” that made serious learning efforts, and eventually, acquired knowledge through their collaborations. While the existing theory of knowledge transfer recognises learning intent as a key determinant of knowledge transfer, the results of this study indicate the need to differentiate between “indicated learning intent” and “formalised learning intent” at least for the context of asymmetric international alliances in the Nigerian oil industry. ‘Indicated learning intent’ is likely to be possessed by local firms entering into collaborative arrangements with foreign developed-country firms due to the general perception that foreign developed-country firms are more resource-endowed partners. ‘Formalised learning intent’ is demonstrated only by those local firms making concrete efforts to translate their alliance learning intentions into actionable learning objectives/targets. Although “indicated learning intent” may be a prerequisite for formalised learning intent, it can be argued that “formalised learning intent” represents the primary active step of a local partner in an asymmetric alliance to engage in learning/knowledge acquisition in its alliance, without which the local partner is less likely to commit resources to learning/knowledge acquisition through the alliance. Thus, first two propositions can be postulated as follows:

P1: Local partner firms in asymmetric inter-firm alliances are more likely to have a stronger ‘indicated learning intent’ than the foreign partner firms.

P2: Local partner’s ‘formalised learning intent’ will positively influence knowledge acquisition and transfer in asymmetric inter-firm alliances

The above argument raises a question as to what propels the movement of a local partner’s learning intention from the level of ‘indicated learning intent’ to the level of ‘formalised learning intent’. A likely answer to this question can be derived from the findings of this study, which indicate that the reputation, and attractiveness, of the foreign partners as reservoirs of valuable knowledge and capabilities may have influenced the demonstration of ‘formalised learning intent’ by the local partners. As the collaborative arrangements were implemented, the local partners became better acquainted with their foreign partners and had better perception of the value of their resources/capabilities. This consequently led to increased/active motivation to learn from the foreign partner (i.e. ‘formalised learning intent’), where the value of foreign partner’s resources was positively perceived by the local partner. This argument is supported by Pérez-Nordtvedt et al.’s (2008) study, which found that perceived reputation of innovativeness, and superior performances over time, enhances the attractiveness of a firm as a source of knowledge to the recipient firm. This attractiveness again boosts the motivation of the knowledge recipient to engage in knowledge acquisition from the source. The authors argued that source attractiveness is, therefore, a function of the perceived value of knowledge possessed by the source, and its reputation of successful exploitation, which then impact on the recipient’s motivation to learn from the source. The local partners in cases C and D of the case study research in this paper perceived their foreign partners as reservoirs of superior capabilities and believed that they could learn valuable skills from them. The foreign partners in cases C and D were large multinational enterprises, with the reputation of industry leadership in specialized areas of oil industry operations. The attractiveness of the foreign partners in cases C and D as sources of valuable knowledge may have impacted positively on their local partners’ motivation to learn through the alliances, thereby leading to the demonstration of

‘formalised learning intent’. The following quote from one of the interview responses gives an indication of the perceptions of the foreign partner’s reputation by the local partner:

“[...] Training and support from ‘PLUTO’ (i.e. foreign partner firm) will ensure that ‘SIGMA’ (local partner firm) can deliver work to PLUTO’s qualities, which is regarded as one of the best EPC company globally” (Case-D, Manager (Op) of local partner firm, QU: 2:24)

In contrast to cases C and D, the local partners in cases A and B were not very enthusiastic about the reputation of their foreign partners in terms of the value of their knowledge/capabilities and achievements. The foreign partners in cases A and B were medium-sized international enterprises without the reputation of industry leadership (see table 1 above).

The following statement from interview response of one of the managers of the local partner in Case A reveals how the local partner perceived the foreign partner in the alliance.

“[...] somebody knows that he has money, he knows that it is not his business. It is like okay, let me get Nigerians and I bring my money, so we jointly run this thing for Nigerians. [...] If you are talking about somebody you can say he really has technical expertise [...] It is only large services companies that have such; like SLUMBERGER, HALLIBURTON, etc.; companies like that can really say they have technical expertise they can offer.” (Case A, Engineer of local partner firm, QU: 2:32)

Although the foreign partners in cases A and B may have possessed sophisticated knowledge and skills in the alliances, the local partners’ perception of the foreign partners as a less attractive source of valuable knowledge may have contributed to the lack of development of their learning intent beyond mere articulation at top management. Thus, a third proposition can be stated as:

P3: Foreign partner’s attractiveness as a knowledge source in asymmetric alliance will positively influence the ‘formalised learning intent’ of the local partner as knowledge recipient.

Based on the findings of this case study, it could be argued that ‘formalised learning intent’ is a key driver of partners’ learning capacity in asymmetric alliances. This study shows that the local partners, in cases C and D, which possessed ‘formalised learning intent’, also deployed various mechanisms that enhanced their learning capacity and eventually led to the acquisition of knowledge from their foreign partners. This is contrary to cases A and B, where the local partners did not move beyond their ‘indicated learning intent’, and consequently, were unable

to commit sufficient resources, and deploy adequate mechanisms, that would have enhanced their capacity to acquire knowledge through the alliances. Therefore, while it can be argued that the learning capacity of the local firms in cases C and D eventually facilitated knowledge acquisition from their foreign partners, it is evident from the case study results that without ‘formalised learning intent’, the local partners may not have deployed mechanisms that enhanced their capacities to acquire knowledge through their alliances. This finding is consistent with the results of other empirical studies in the general literature (e.g. Simonin, 2004), which found positive influence of learning intent on learning capacity. The local partners that possessed ‘formalised learning intent’, also deployed sufficient resources and mechanisms that enhanced their learning capacity in their alliances. Therefore, the fourth and fifth propositions can be stated as follow:

P4: Local partner’s ‘formalised learning intent’ will positively influence its learning capacity in the alliance.

P5: Local partner’s learning capacity will positively influence the degree of knowledge transfer/acquisition in the alliance.

The lack of learning intent among the foreign partners in the alliances can be primarily attributed to the different motives of foreign and local partners in the alliances caused by partner asymmetry. The foreign partners possessing superior technical capabilities and knowledge of local business environment believed that they had nothing really to learn from the local partners. They, therefore, focused purely on commercial alliance motive rather than on learning motive. However, some of the foreign partners in the case study demonstrated clear willingness to support the learning activities of their local partners and facilitate knowledge transfer to them. This is a key highlight of the research findings in this paper that indicates the distinctiveness of inter-partner learning in the asymmetric ‘market-exploitation’ alliances in Nigerian oil industry. Previous studies in the general literature suggest ‘knowledge protective’ tendencies of foreign partners, in response to local partner’s learning intent in alliances (e.g.

Lawson/Potter, 2012; Simonin, 2004; Norman, 2004), or a need for local partners' reciprocity in order to shore up transfer willingness of foreign partner (Lubatkin et al, 2001). However, the study in this paper shows that foreign partners in two of the four alliances examined were willing to transfer knowledge to the local partners, in response to the local partners' demonstration of formalised learning intent. It can be argued that this 'knowledge transfer willingness' of the foreign partners in cases C and D boosted the capacity of the local partners to acquire knowledge in the alliances. For instance, the knowledge transfer willingness of the foreign partner in case D led to its support of the 'secondment programme' used by the local partner to learn and acquire knowledge from the foreign partner. Moreover, the foreign partner's willingness in case C led to, for instance, its provision of an online platform for knowledge sharing between the partner firms. Without knowledge transfer willingness of the foreign partners, the local partners may have found it very difficult to utilise the right mechanisms that would boost their capacities to acquire knowledge from their foreign partners. Moreover, without 'formalised learning intent' of the local partners, foreign partners may not have understood the seriousness/urgency of the local partners' intent/need to learn from them. This is evident in cases A and B, where the local partner lacked 'formalised learning intent' and their foreign partners demonstrated no knowledge transfer willingness, and consequently the local partners were unable to muster sufficient capacity to acquire knowledge through the alliance. This finding highlights the important role of sender's motivation for knowledge transfer in asymmetric market-exploitation alliances. Thus:

P6: Local partner's 'formalised learning intent' will positively influence foreign partner's knowledge transfer willingness

P7: The knowledge transfer willingness of a foreign partner firm as the knowledge source in an asymmetric alliance will positively affect the learning capacity of the local partner firm in the alliance.

Although the foreign partners in the alliances imposed few knowledge protective restrictions, these were limited to measures that merely controlled the extent of knowledge transfer, rather than measures that prevented knowledge transfer to local partners. This lack of comprehensive protection measures by foreign partners can be attributed to the nature of ‘asymmetric market-exploitation alliances’, where there are both, asymmetry in capabilities, and divergence in alliance motives, of the partners. The foreign partners may have considered their local partners as no rivals due to the gap in capabilities coupled with the consequent distinctive alliance motives, and therefore, seen no serious concerns.

Conclusion and Implications

Both the general literature on knowledge transfer and the literature on knowledge transfer in international alliances in developing countries, often emphasize the dominant role of partners’ cognitive characteristics (such as their ‘absorptive capacity’) as a determinant of knowledge transfer. Consequently, they imply that without similarity/overlap of partners’ knowledge bases, systems and dominant logics, knowledge transfer is less likely to occur. However, this empirical case study research conducted within the context of international ‘market-exploitation’ alliances in the Nigerian oil industry reveals that partners’ motivational characteristics, rather than their cognitive characteristics, were the dominant determinants of knowledge transfer within the asymmetric partnerships.

The findings show that the ‘formalised learning intent’ of the local partner firms and the ‘knowledge transfer willingness’ of their foreign partners were central in facilitating knowledge acquisition by the local partners. Although ‘learning capacity’ as a cognitive characteristic played an important role in the learning/knowledge transfer process, it is obvious that without ‘formalised learning intent’ of the local partners and ‘knowledge transfer willingness’ of the foreign partners, the capacity of the local partners to learn/acquire

knowledge from their foreign partners would be severely limited, particularly in the face of the large gap in partners' capabilities/organisational systems. These findings have both policy and research implications.

In terms of policy on the facilitation of inter-partner learning in LDCs, the study carries two main implications. First, it underscores the importance of a serious consideration of learning motive by local partners, early, at the stage of alliance partner search, negotiations and selection. It is evident that the choice of a foreign partner affects 'learning intent' of local partners, and consequently, influences 'knowledge transfer willingness' of the foreign partner. The local partners should ensure that they collaborate with those foreign partners that are both able, and willing, to facilitate knowledge acquisition through the alliance. However, as these local firms are often small-scale businesses and internationally less exposed, there is need for institutional support by the Nigerian government in this process. The government can support in two ways by: (a) appointing a partnership promoting agency that facilitates contacts and negotiations between local and foreign firms, and (b) using tax incentives to encourage foreign firms to engage in knowledge transfer with local partner firms. Although the Nigerian government has welcomed the trend of voluntary foreign-indigenous alliances in the oil industry², and hoped that they would lead to knowledge/technology transfer to local indigenous firms (Ihua, 2010; Atsegbua, 2005), this study shows that emergence of these alliances is insufficient for knowledge/technology transfer to occur. There is a need to encourage the foreign partner firms to engage in knowledge transfer to their local partners.

Second, this study underscores the importance of clear demonstration of learning intentions by local firms in these alliances. It is evident from the study, that, as far as a large gap in

² Although instigation of alliances between foreign and local firms in the Nigerian oil industry was not the aim of the government regulatory frameworks such as "indigenous participation" and "local content" policies, Nigerian government welcomed the increasing trend of alliances induced indirectly by compliance to these policies as a positive development.

capabilities (and consequently differences in alliance motives) exists between foreign and local partners, the foreign partner may not perceive the local firm's learning intent as a threat. Therefore, this study encourages local firms in LDCs to endeavour to take advantage of learning opportunities in their collaborations with foreign developed country-based firms. This can be achieved by utilizing motivational factors that facilitate knowledge transfer, rather than being discouraged due to the absence, or lower level, of 'relative absorptive capacity', in terms of similarity/overlap with their foreign partners.

In terms of research implications, the findings underscore the need for consideration of the distinctiveness of "asymmetric market-exploitation" alliances in theorising about determinants of learning/knowledge transfer in the literature. While the theoretical propositions in this paper are not generalizable, it offers insights that can be tested quantitatively in future research. However, it is important to acknowledge possible limitations to the study reported in this paper. Firstly, the Nigerian context, within which the study was conducted, is characterised by both pervasive corruption, and significant government involvement in the oil industry. These factors may have influenced events which were not acknowledged by the respondents in the study. Secondly, the study covers only a subset of collaborative learning arrangements, i.e. those that do not create a separate entity such as a Joint Venture (JV). It remains to be seen whether or not, and how, more formal structures such JVs may affect motivation and resource commitment of the partners differently.

References

- Atsegbua, L. (2005). Issues in the Development of Marginal Oilfields in Nigeria. *Journal of Energy and Natural Resources Law*, 23(3), 323–336
- Awang, A.H., Hussain, M.Y., & Malek, J.A. (2013). Knowledge Transfer and the Role of Local Absorptive Capability at Science and Technology Parks. *The Learning Organisation*, 20 (4/5), 291–307.
- Beamish, P. W. (1988). The Characteristics of Joint Ventures in Developed and Developing Countries. *Columbia Journal of World Business*, Fall 1985, 13 – 19.
- Bengoa, D. & Kaufmann, H (2016) The Influence of Trust on the Trilogy of Knowledge Creation, Knowledge Sharing and Knowledge Transfer. *Thunderbird International Business Review*, 58(3), 239 – 249.
- Chen, H. & Chen, T. (2002). Asymmetric Strategic Alliances – A Network View. *Journal of Business Research*, 55, 1007 – 1013.
- Cohen, W. M., & Levinthal, D. A. (1990). Absorptive Capacity: A New Perspective on Learning and Innovation. *Administrative Science Quarterly*, 35, 128–152
- Dacin, M., Hitt, M. & Levitas, E (1997). Selecting Partners for Successful International Alliances: Examination of US and Korean Firms. *Journal of World Business*, 32(1), 3 – 16.
- Easterby-Smith, M., Lyles, M. A., & Tsang, E. W. K. (2008). Inter-Organisational Knowledge Transfer: Current Themes and Future Prospects. *Journal of Management Studies*, 45, 677–690.
- Eisenhardt, K. M. (1989). Building Theories from Case Study Research. *Academy of Management Review*, 14(4), 532–550
- Eisenhardt, K. M., & Graebner, M. E. (2007). Theory Building from Cases: Opportunities and Challenges. *Academy of Management Journal*, 50(1), 25–32
- Grant, R. M. (1996). Towards a Knowledge-based Theory of the Firm. *Strategic Management Journal*, 17(Winter special issue), 109–122
- Grant, R. M., & Baden-Fuller, C. (2004). Knowledge Accessing Theory of Strategic Alliances. *Journal of Management Studies*, 41(1), 61–84
- Hamel, G. (1991). Competition for Competence and Inter-Partner Learning Within International Strategic Alliances. *Strategic Management Journal*, 12(S1), 83–103
- Hansen, M. (1999). The Search-Transfer Problem: The Role of Weak Ties in Sharing Knowledge across Organisational Subunits. *Administrative Science Quarterly*, 44(1), 82–111.
- Heum, P., Quale, C., Karlsen, J. E., Kragha, M., & Osahon, G. (2003). *Enhancement of Local Content in the Upstream Oil and Gas Industry in Nigeria: SNF Report No. 25/03*. Bergen, Norway: Institute for Research in Economics and Business Administration (SNF).
- Hindle, C., & Woldemichael, D. (2009). *Nigeria: Africa's Energy Giant*. Global Business Report (A Special Report from Oil and Gas Investor).

- Hitt, M. A., Dacin, T. M., Levitas, E., Arregle, J.-L., & Borza, A. (2000). Partner Selection in Emerging and Developed Market Contexts: Resource-based and Organizational Learning Perspectives. *Academy of Management Journal*, 43(3), 449–467
- Husted, K. & Michailova, S. (2002). Diagnosing and Fighting Knowledge Sharing Hostility. *Organisational Dynamics*, 31(1), 60–73.
- Ihua, U. Bellema. (2010). Local Content Policy and SMEs Sector Promotion: The Nigerian Oil Industry Experience. *International Journal of Business and Management*, 5(5), 3–13
- Inkpen, A. C. (1998). Learning and Knowledge Acquisition Through International Strategic Alliances. *Academy of Management Executive*, 12(4), 69–80
- Inkpen, A. C. (2000). Learning Through Joint Ventures: A Framework of Knowledge Acquisition. *Journal of Management Studies*, 37(7), 1019–1043
- Inkpen, A. C. (2002). Learning, Knowledge Management, and Strategic Alliances: So Many Studies, So Many Unanswered Questions. In F. J. Contractor & P. Lorange (Eds.), *Cooperative Strategies and Alliances* (pp. 267–289). Amsterdam: Elsevier Science.
- Inkpen, A. C. (2008). Managing Knowledge Transfer in International Alliances. *Thunderbird International Business Review*, 50(2), 77 – 90.
- Inkpen, A. C., & Beamish, P. W. (1997). Knowledge, Bargaining Power, and the Instability of International Joint Ventures. *Academy of Management Review*, 22(1), 177–202.
- Inkpen, A. C., & Dinur, A. (1998). Knowledge Management Processes and International Joint Ventures. *Organization Science*, 9(4), 454–468
- Inkpen, A. C., & Tsang, E. W. K. (2005). Social Capital, Networks and Knowledge Transfer. *Academy of Management Review*, 30(1), 146–165
- Jasimuddin, S., Li, J. & Perdakis, Nicholas (2015), Knowledge Recipients, Acquisition Mechanisms, and Knowledge Transfer in Japanese Subsidiaries: An empirical Study in China. *Thunderbird International Business Review*, 57(6), 463 – 479.
- Junni, P. & Sarala, R. (2013). The Role of Absorptive Capacity in Acquisition Knowledge Transfer. *Thunderbird International Business Review*, 55(4), 419 – 438.
- Kale, P., & Anand, J. (2006). The Decline of Emerging Economy Joint Ventures: The Case of India. *California Management Review*, 48(3), 62–76
- Kogut, B., & Zander, U. (1992). Knowledge of the Firm, Combinative Capabilities, and the Replication of Technology. *Organization Science*, 3(3), 383–397
- Lane, P., & Lubatkin, M. (1998). Relative Absorptive Capacity and Inter-organizational Learning. *Strategic Management Journal*, 19, 461–477
- Lane, P., Salk, J. E., & Lyles, M. A. (2001). Absorptive Capacity, Learning, and Performance in International Joint Ventures. *Strategic Management Journal*, 22(12), 1139–1161
- Lavie, D. (2006). The competitive advantage of interconnected firms: an extension of the resource-based view. *Academy of Management Review*, 31(3), 638–658.

- Lawson, B. & Potter, A. (2012), Determinants of Knowledge Transfer in Inter-firm New Product Development Projects. *International Journal of Operations & Production Management*, 32(10), 1228 – 1247.
- Liebeskind, J.P. (1996). Knowledge, Strategy, and the Theory of the Firm. *Strategic Management Journal*, 17 (Winter special Issue), 93 – 107
- Lubatkin, M., Florin, J., & Lane, P. (2001). Learning Together and Apart: A Model of Reciprocal Interfirm Learning. *Human Relations*, 54(10), 1353–1382
- Makino, S., & Delios, A. (1996). Local Knowledge Transfer and Performance: Implications for Alliance Formation in Asia. *Journal of International Business Studies*, 27(5), 905–927
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook* (2. ed.). Thousand Oaks, Calif.: Sage.
- Minbaeva, D. B. (2007). Knowledge Transfer in Multinational Corporations. *Management International Review*, Volume 47 (4), 567–593
- Minbaeva, D. B. & Michailova, S. (2004). Knowledge Transfer and Expatriation in Multinational Corporations. The Role of Disseminative Capacity. *Employee Relations*, 26(6), 663–679
- Mowery, D. C., Oxley, J. E., & Silverman, B. S. (1996). Strategic Alliances and Knowledge Transfer. *Strategic Management Journal*, 17(winter special issue), 77–91
- Narteh, B. (2008). Knowledge Transfer in Developed-Developing Country Inter-firm Collaborations: a Conceptual Framework. *Journal of Knowledge Management*, 12(1), 78-91.
- Norman, P. M. (2004). Knowledge Acquisition, Knowledge Loss, and Satisfaction in High Technology Alliances. *Journal of Business Research*, 57(6), 610–619
- Osabutey, E., Williams, K. & Debrah, Y. (2014) The Potential for Technology and Knowledge Transfers between Foreign and Local firms: A study of the construction industry in Ghana. *Journal of World Business* 49 (2014) 560–571
- Park, B. (2011). Differences in Knowledge Acquisition Mechanisms between IJVs with Western vs Japanese Parents. Focus on Factors Comprising Absorptive Capacity. *Management Decision*, 49(3), 422–443.
- Pérez-Nordtvedt, L., Kedia, B. L., Datta, D. K., & Rasheed, A. A. (2008). Effectiveness and Efficiency of Cross-Border Knowledge Transfer: An Empirical Examination. *Journal of Management Studies*, 45(4), 714–744
- Prahalad, C. K., & Hamel, G. (1990). The Core-Competence of the Corporation. *Harvard Business Review*, May-June 1990, 79–91
- Pucik, V. (1988). Strategic Alliances, Organizational Learning and Competitive Advantage. The HRM Agenda. *Human Resource Management*, 27(1), 77–93
- Reagans, R. & McEvily, B. (2003). Network Structure and Knowledge Transfer: The Effects of Cohesion and Range. *Administrative Science Quarterly*, 48(June), 240–267.

Scott-Kennel, J., & Enderwick, P. (2004). Inter-firm Alliance and Network Relationships and the eclectic Paradigm of International Production: an exploratory analysis of quasi-internalisation at the subsidiary level. *International Business Review*, 13(4), 425–445

Simonin, B. L. (1999). Ambiguity and the Process of Knowledge Transfer in Strategic Alliances. *Strategic Management Journal*, Volume 20(7), 595–623

Simonin, B. L. (2004). An Empirical Investigation of the Process of Knowledge Transfer in International Strategic Alliances. *Journal of International Business Studies*, 35(5), 407–427

Szulanski, G. (1996). Exploring Internal Stickiness: Impediments to the Transfer of Best Practice within the Firm. *Strategic Management Journal*, 17 (Winter special Issue), 27 – 43

Tsang, E. W. K. (2002). Acquiring Knowledge by Foreign Partner from International Joint Ventures in a Transition Economy: Learning-by-Doing or Learning Myopia. *Strategic Management Journal*, 23(9), 835–854

Van Wijk, R., Jansen, J. P. & Lyles, M.A. (2008). Inter- and Intra-Organisational Knowledge Transfer: A Meta-Analytical Review and Assessment of its Antecedents and Consequences. *Journal of Management Studies*, 45(4), 815–838.

Yin, R. K. (2009). *Case Study Research: Design and Methods* (4th ed.). Thousand Oaks, California: Sage.

Zander, U., & Kogut, B. (1995). Knowledge and the Speed of the Transfer and Imitation of organisational Capabilities. *Organization Science*, 6(1), 76 – 92.