

## **Fostering Innovative Culture through Knowledge Transfer: Influence of Cultural Intelligence, Cultural Diversity and Team Oriented Culture**

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**Abstract:** The global telecom sector is becoming increasingly competitive, placing greater emphasis on the development of an innovative culture that enables employees to devise new solutions to organizational challenges. In this context, the present study investigates the effects of cultural intelligence, team-oriented culture, and cultural diversity on fostering an innovative culture, with knowledge transfer serving as a mediating mechanism. The study also examines the moderating role of job autonomy in the relationship between knowledge transfer and innovative culture. Self-administered questionnaire were used to gather response from employees working in the telecom sector of the Kingdom of Saudi Arabia (KSA). A total of 432 responses were obtained using simple random sampling, yielding a response rate of 69.67%. Smart PLS was used for the analysis of collected information. The results confirmed that knowledge transfer significantly contributes to the development of an innovative culture. Additionally, both cultural intelligence and team-oriented culture were found to positively influence knowledge transfer. The mediating role of knowledge transfer was also validated between team-oriented culture, cultural intelligence, and innovative culture. The study makes a theoretical contribution by integrating the mediating role of knowledge transfer and the moderating effect of job autonomy within a single framework. Practical implications are offered for telecom sector managers seeking to strengthen organizational innovation.

**Keywords:** Innovative Culture, Team-Oriented Culture, Cultural Intelligence, Job Autonomy, Knowledge Transfer

### **1. INTRODUCTION**

The work culture of an organization is shaped by its employees, who develop their attitudes based on both internal environments and external factors. Therefore, it is important to understand the underlying reasons behind employees' cultural adaptability across different situations (Ghaleb, 2024). Culture within a firm is one of the key factors that fosters both

flexibility and stability across various organizational parameters. It plays a vital role in promoting collaboration and engagement among employees. These elements collectively contribute to organizational success by enhancing overall productivity (Iddrisu, 2025). Culture is also vital to hire skilful employees and for longer retention. Most organizations in the current century are multicultural. Products are often designed and conceptualized in one country, manufactured in another, and eventually marketed across several different countries (Alkharafi & Alsabah, 2025). As a result of this situation, numerous one-to-one interactions occur among employees from different cultural backgrounds. These differences among employees may arise from various factors, including social class, politics, religion, ethnicity, and language (Khan & Jin, 2024). Therefore, cultural intelligence (CI) among employees is essential for developing effective working relationships. Cultural intelligence plays a vital role in fostering innovation, collaboration, and communication, all of which contribute significantly to organizational success (Yusof et al., 2024). The organizations that have business over multiple countries should focus on cultural intelligence in order to be successful. Organizations are facing challenges related to workforce diversity due to the globalized business environment. As organizations continuously strive for competitive advantage, they are increasingly focusing on fostering an inclusive culture. (Noor et al., 2024). Workforce diversity is encouraged within organizational culture through the development of an inclusive environment where employees from different backgrounds are respected and valued (Shrivastava et al., 2024). All the factors are essential to enhance employee commitment and job satisfaction. A number of past studies have reported that inclusive organizational practices can contribute significantly to retain the employees and to improve the morale of the employees. Team-oriented culture is also an important organizational approach that emphasizes effective team functioning and the development of teams within the workplace (Paredes-Saavedra et al., 2024). Essentially, team management focuses on harnessing both the collective and individual potential of employees working within a team (Leroy et al., 2022). Team oriented culture is the base to develop collective responsibility among the employees to improve team performance (Tadesse Bogale & Debela, 2024). Teamwork is at the core of any organization, promoting synergy and effective communication between employees. (Wang et al., 2024). Team-oriented culture also shapes the overall work environment, influencing nearly every organizational outcome. Innovative culture (IC) is key drivers

of organizational innovation and excellence. (Ali et al., 2024). Innovative culture provides a strong foundation for enhancing employee commitment, motivation, and creativity, enabling the achievement of outcomes that were previously unimaginable contributing to the overall success of innovation initiatives. Innovation transforms ideas into strategic value, fostering an innovative organizational culture and outcomes. Such progress is made possible through an environment shaped by innovative attitudes, feelings, practices, behaviors, and a shared vision. (Farrukh et al., 2024). All the factors ease innovative ideas conversion to desired organizational products. Moreover, culture of the telecom firm is vital to shape behavior of employees and practices that create unmatched innovation at the organizational level (Alateeg & Alhammadi, 2024). Knowledge management is a critical factor for organizational success across various industries, including technology, education, and manufacturing. (Anwar & Saraih, 2024). In this regard, knowledge transfer (KS) holds significant importance, extending across employees, trading partners, suppliers, and even competitors. To enhance organizational effectiveness at the global level, it is essential that knowledge is shared among employees at various levels. The importance of knowledge transfer lies both within and outside the organization. Internally, it can shape the organization's overall success. However, it is possible that some organizational members may lack access to critical knowledge, even when it exists within the organization. Therefore, effective knowledge transfer ensures the acquisition and utilization of desired knowledge (Abinbuhaybeha, 2023). Organizational growth also depends on employees' ability to complete their tasks efficiently and effectively. Another contributing factor is supervision that promotes autonomy in the workplace. By offering job autonomy, organizations can foster long-term employee commitment and loyalty, which are essential for sustaining organizational performance and development (Chang et al., 2021). Employee productivity, engagement and satisfaction is boosted as a result of employee freedom and control of work (Lu & Ou, 2025). Sense of ownership among employees is promoted as a result of job autonomy leading to higher rate of retention. Thus, job autonomy is vital tool to promote employee success, productivity and well-being. Thus, the main aim of this study is to explore the effect of cultural intelligence, knowledge transfer, team oriented culture and cultural diversity to promote innovative culture in the telecom sector employees based in KSA. This study also explored moderating effect of Job autonomy along with mediation of

Knowledge transfer.

## 2. LITERATURE REVIEW

### 2.1 Innovative Culture (IC)

An IC in literature is defined as the environment of the workplace that supports and encourages the continuous improvement, creative solutions and development of new ideas (Srirahayu et al., 2024). It develops a mindset in which employees are free to take risks, collaborate with other employees for innovation and challenge the current status quo. This is important for organization to drive growth, adapt change and to stay competitive (Naveed et al., 2022). In a fast moving and energetic business environment, high innovation is needed for the characterization of business operations. This innovation is vital to improve productivity, performance and profits. It is possible for organizations to improve productivity and performance by applying innovative ideas to develop new technology, new work methods, procedures, managerial strategies, services and products. Thus, innovation is one of important instrument to shape business environment that is rapidly changing as it is capable to play a vital role to maintain competitive advantage and organizational performance. the vital factor to determine organizational sustainability is innovation (Arsawan et al., 2022).

### 2.2 Relationships Between Knowledge Transfer (KS) and Innovative Culture

Knowledge is one of the important sources that serve as a vital source for organizations to gain competitive advantage. The organizations that implement knowledge management in an effective way can improve external competition, employee creativity and adaptability within the organization. Scholars defined KS as a process in which one employee get benefit from the experience of other (Zulkifly et al., 2020). Studies has also define KS as exchange of organisational knowledge between a recipient and source unit in which identity of both parties matter (Argote, 2024). There exists close link between technology transfer, knowledge transmission, knowledge sharing, and KS. Sometimes knowledge transfer takes place within organisation, within department and also within groups (Yeboah, 2023). From the perspective of knowledge creation within the organization, scholars are opined that innovation is developed in the organization as a result of KS (Zamfir, 2020). After acquiring certain

knowledge by the employee, it is vital to transfer it to other employees in order to get benefit from it at the organizational level. Scholars mentioned that KS has significant effect on innovation through the processes of application, processing and communication. Thus, studies identified that transferring of information is one of the critical part of innovation creation. KS plays very important role in developing IC by enabling best practices, expertise and ideas. It enhances continuous learning, creativity and ability to support problem. On the same lines, study by (Liu & Chan, 2017) and (Arsawan et al., 2022) revealed that KS has significant effect on IC.

H1: KS Has Positive Effect on Innovative Culture.

### 2.3 Cultural Intelligence (CI) and Knowledge Transfer (KS)

CI is referred in literature as the capacity of a person to adapt settings of the new culture on the basis of multiple factors including behavioral, motivational and cognitive features (Ott & Michailova, 2018). Scholars in the past defined CI as a certain type of intelligence or the ability of the individual to interact effectively and also adapt the knowledge of foreign culture in terms of cultural metacognition, cross cultural skills and cultural knowledge. The role of CI to achieve leadership effectiveness and organizational outcomes is discussed in multiple past studies. CI is regarding intercultural competence of the individual that required a person to be socially sensitive within a certain environment setting (Phookan & Sharma, 2021). Employees, who have high level of CI, can easily share organizational goals with others. The level of knowledge sharing and interaction among employees is expected to be high as a result of high level of CI (Zulkifly et al., 2020). In the context of working environment that is multi-cultural, the knowledge exchange between employees is promoted as a result of individual CI (Ratasuk & Charoensukmongkol, 2020). As a result of, employees are facilitated to learn new skills from each other, find new paths to solve the problems, propose new ideas and discuss difficult problems. The employees having diverse cultural background will also promote knowledge sharing. As a result, employees behaviors will be impacted along with organizational outcomes. Studies have revealed that high level of CI can play key role to promote knowledge sharing that takes place as a result of communication and information exchange among individuals (Li et al., 2021). The employee having high level of CI has the ability to handle complex tasks. They can easily solve the problems with creative methods, making easy for such employees to get settled in cross cultures. The study by Pasadame and Niu (2021) revealed that CI has significant positive effect on KS.

H2: Cultural intelligence has positive effect on knowledge transfer.

#### 2.4 Team Oriented Culture and Knowledge Transfer

Work team in literature is defined as collection of individuals within the organization having clear membership and is responsible for sharing organizational goals (Rapp & Mathieu, 2019). Whereas, scholars have defined team orientation as ability to work collectively in team settings (Yin Yin Lau et al., 2020). Team performance is significantly affected by the team cultures as it is linked with behavioral norms of the individuals. Factor of trust and cooperation among employees or members of the team stimulate sharing of knowledge within the team affecting the performance of team. When members of the team socialize with each other, they will cooperate with each other leading to development of friendly environments and trust among them. In this situation employees like to share their skills and knowledge with others, developing network. With the help of this networking, employees can easily utilize, organize, interpret, modify, store and collect the data from whenever they want. Open communication, trust and collaboration among employees is fostered as a result of team oriented culture (Gajda, 2024). Team oriented culture also reduce barriers of information flow, encourage support among employees, and develop shared sense of purpose. As a result of this collective environment, frequency and efficiency of KS among employees improves. The individual performance of the employee along with organizational performance is significantly affected by the team oriented culture, by playing very important role in knowledge sharing and personal learning as well (Ayuni et al., 2023). Studies like sRahman et al. (2022) established that team oriented culture has positive significant effect on KS.

H3: Team Oriented culture has positive effect on knowledge transfer.

#### 2.5 Cultural Diversity and Knowledge transfer

Cultural diversity in generally referred as a possibility of co-existence of diverse sexual orientation, nationalities, races, ethnicities, genders, abilities, languages and religions of human beings (Lin, 2020). This concept is extended to the reality in which people from different backgrounds choose to live together. In other words, it is the presence as well as acceptance of different cultures within the organization (Khan & Jin, 2024). In order to work successfully, the organizations having large number of human resource need to handle multiple issues of employees and KS among them. In the context of corporate culture, literature has mentioned that

acceptance of diversified culture is vital for cooperation and information sharing within the organization. Organizations can handle diverse talented and multi-talented employees that have workforce from multiple nations. KS among employees will be easy who embrace diverse backgrounds (Latif et al., 2025). In the fields of cross-cultural management, KS is very important reflecting the ability of individuals to cooperate and interact to achieve organizational goals. The organization hosting diverse workforce, the chances of diverse knowledge also become higher. In other words, employees who are working in diverse culture have multiple skills that can be used to improve organizational output by sharing employee knowledge (Li et al., 2021). The diversity of group members is increased as a result of knowledge sharing among the employees. The knowledge sharing is improved among the structural diverse force as skills and ideas are shared within the organization. Likewise, the study of Paolone et al. (2024) mentioned that workforce diversity has positive significant effect on KS.

H4: Cultural diversity has positive effect on knowledge transfer.

## 2.6 Knowledge Transfer as Mediator

### 2.6.1 Between Cultural Intelligence and Innovative Culture

Past studies have discussed knowledge sharing as one of the important mediator among various variables (Yang & Xu, 2021). It can act as the mediator among CI and IC as it becomes possible to exchange different practices, perspective and ideas among employees as a result of knowledge sharing. Engagement of people becomes easy who have high level of CI and they belong to different cultures as well. The level of trust and communication among such employees rise because of CI. As a result of cultural sensitivity, sharing of experiences, ideas and knowledge becomes easy. As knowledge among such employees flow more freely, problem solving ability, collaboration and creativity is fuelled. Therefore, tangible innovation becomes possible because of KS from the benefits of CI. On the other hand, studies of Yang and Xu (2021) and Kordab et al. (2020) also highlighted the mediating role of KS in their studies. Thus, we propose in this study that KS may act as mediator among CI and IC.

H5: Knowledge transfer is a significant mediator between Cultural intelligence and Innovative culture.

### 2.6.2 Between Team Oriented Culture and Innovative Culture

Team oriented culture plays an important role in improving knowledge sharing among the employees. As a result of this knowledge sharing,

innovation becomes easier within the organization. In other words, relationship among team oriented culture and IC is mediated by knowledge sharing as collaboration among employees is improved. The culture that is team oriented, employees of the organization prefer to achieve collective goal. They also prioritize trust and cooperation leading to mutual support and open communication (Adham & Sukkar, 2024). Such environment encourages employees to share experiences, skills and knowledge with each other. Moreover, new ideas are sparked as a result of knowledge sharing leading to improved problem solving. This mechanism also accelerates learning among employees and foster innovation. Therefore, a mechanism is created by knowledge sharing in which IC is developed with the help of team oriented culture. Similarly, (Muqadas et al., 2016) and (Kim & Yoon, 2025) reported mediating effect of KS in their studies.

H6: Knowledge transfer is a significant mediator between Team oriented culture and Innovative culture.

### 2.6.3 Between Cultural Diversity and Innovative Culture

The organization that has diverse employees has the members who have diversified level of skills. In such organization rich pool of viewpoints and ideas are generated that has cultural diversity (Babu, 2024). But, for the optimum use of such employees, it is important that these organizations may have knowledge sharing mechanism. Mutual learning among employees is fostered as a result of idea sharing by the employees. Also, creativity is enhanced along with innovative thinking at the group level as a result of knowledge sharing. Furthermore, communication barriers among employees are removed because of knowledge sharing encouraging collaboration and building trusts among all employees. Resultantly, with the help of inclusive and active sharing of knowledge, IC is harnessed. The studies of Muqadas et al. (2016) and Kim and Yoon (2025) reported mediating effect of KS.

H7: Knowledge transfer is a significant mediator between Cultural Diversity and Innovative culture.

### 2.7 Job Autonomy (JA) as Moderator

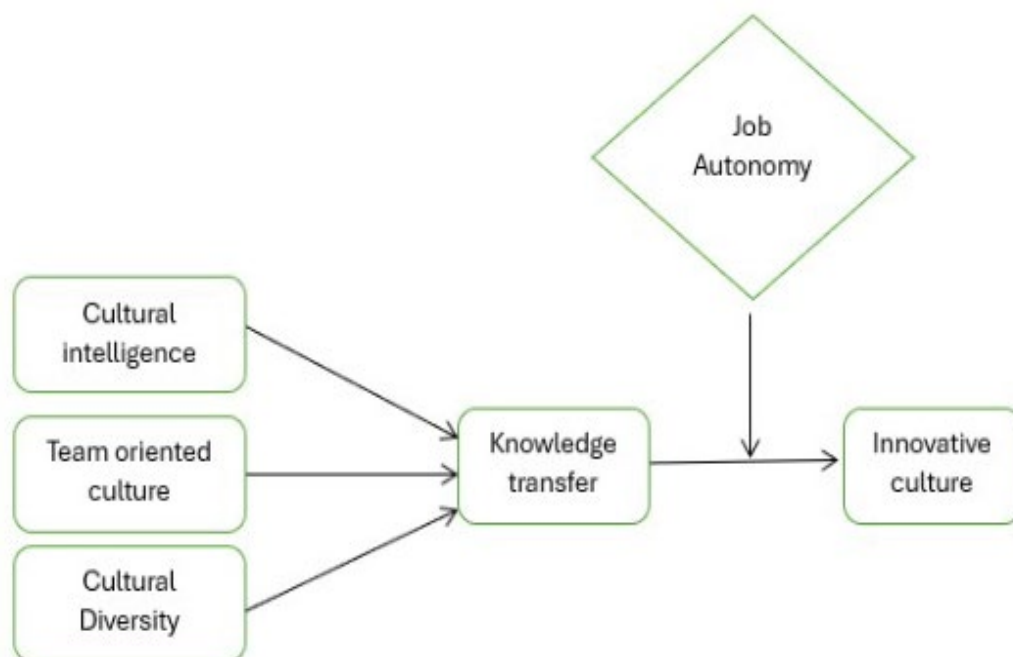
Literature has discussed job autonomy (JA) as the level to which employees of the organization has ability to practice autonomy in execution and planning of tasks. Autonomy of job is linked to certain state of responsibility that affects organizational work that in turn effect motivation of employees and work effectiveness. Individuals get greater discretion,



autonomy and freedom that enables them to achieve their goals effectively (Yulianto et al., 2023). Scholars mentioned that JA has positive effect on innovative work culture and empower knowledge sharing among the employees. JA promotes empowerment, creativity and motivation impacting organizational outcomes (Arifin et al., 2024). Therefore, there exist connection among innovative work culture and JA (Lee, 2025). Knowledge is shared within teams and employees, creating innovative work culture experiencing continuous improvement, creativity and experimentation. JA has significant effect on the way knowledge is shared among the individuals and teams, thus affecting the relationship between KS and innovative work culture (Budur et al., 2024). In case of high level of JA, employees can independently share their knowledge, fostering innovation and creativity. As a result of this freedom, KS is impacted allowing innovative work practices. On the other hand, in case of low JA, the organizational environment become rigid in which it become difficult to share the knowledge. Therefore, JA has the ability to strengthen or weaken the relationship among KS and innovative work culture. Moreover, the studies of Kim (2022) and Lee et al. (2021) discussed the moderating effect of JA in their study. So, we hypothesized that

H8: Job autonomy moderates the relationship of KS and innovative culture.

Based on the above literature and hypothesis, this study proposed the following framework (Figure 1).



**Figure 1:** Research Framework

### 3. METHODOLOGY

(Billups, 2019) discussed e three types of data collection techniques such as tertiary, secondary and primary, this study primary method. Employees of telecom sector based in KSA were targeted to collect the data. Present research developed in depth questionnaire for collection of responses from telecom employees. These questionnaires were distributed in two sections, such as 1<sup>st</sup> for demographic data of telecom employees, and second for testing of hypothesis. The second half of questionnaire was developed on the basis of in depth literature review. Cultural intelligence was measured using six items adapted from (Ang et al., 2007), knowledge transfer was examined through six items adapted from (Rotimi et al., 2024); Innovative culture was measured using eight items adapted from (Rehman et al., 2019); job autonomy was examined using eight items adapted from (Shakil et al., 2023); team oriented culture was examined through the items adapted from (Yin Yin Lau et al., 2020); and *cultural diversity was measured through the items of* (Asare Obeng et al., 2025)

This section was based on five-point Likert scale ranging from 1 to 5. These questionnaires were self-administered and distributed among 432 employees working in the telecom sector firms of KSA. This study used simple random sampling as part of probability sampling to reach the targeted employees Blumberg et al. (2014). By using this sampling technique, 301 usable responses were received back from the employees who were later used for the analysis purpose. SPSS version 25 was used for the demographic analysis whereas, the second section was analysed using PLS tool on the basis of structural equation modelling. This study used smart PLS as it has ability to handle both, non-normal and normal data. The research by Wong (2013) mentioned that normal data is nor the requirement of PLS-SEM for the analysis purpose. Therefore, path assessment, predictive relevance and CFA were conducted by using Smart PLS.

### 4. RESULTS

The analysis began with demographic analysis of the respondents. These results showed that 79.24% of respondents were male and remaining were females, 69.11% of the respondents were married and remaining were not married, and 38.21% of the respondents had the age between 18 to 30 years, 26.17% of the respondents had the age between 30 to 40 years, and

remaining respondents were of age more than 40 years.

Table 1: Reliability and Validity

	$\alpha$	rho_c	AVE
CD	0.781	0.856	0.598
CI	0.861	0.900	0.644
IC	0.797	0.860	0.552
JA	0.766	0.842	0.515
KS	0.811	0.872	0.588
TOC	0.839	0.903	0.756

Note: CD= Cultural Diversity; KS= Knowledge Transfer; IC= Innovative Culture; TOC= Team Oriented Culture; CI= Cultural Intelligence; JA= Job Autonomy; A= Cronbach Alpha

The analysis through Smart PLS is divided in two main sections. The first one is measurement model which is followed by the second section, structural model. The measurement model analysis is the first phase pertaining to convergent validity and reliability analysis. According to Wong (2013), reliability of the data can be established if the composite reliability and  $\alpha$  values are more than 0.70. Table 1, of the study shows that the benchmark value mentioned by Wong (2013) is achieved as all scores of rho\_c and  $\alpha$  is more than 0.70, showing no variable is needed to be re-evaluated.

Table 2(a): Factor Loading

	CD	CI	IC	JA	KS	TOC
CD1	0.853					
CD2	0.730					
CD3	0.787					
CD4	0.716					
CI1		0.800				
CI2		0.829				
CI3		0.797				
CI4		0.844				
CI6		0.738				
IC1			0.699			
IC2			0.722			
IC3			0.724			
IC4			0.782			
IC5			0.783			
JA1				0.722		
JA2				0.731		
JA3				0.675		
JA4				0.762		
JA6				0.697		

Table 2(b): Factor Loading

	CD	CI	IC	JA	KS	TOC
KS1					0.577	
KS2					0.895	
KS3					0.849	
KS4					0.897	
KS5					0.531	
TOC1						0.843
TOC2						0.876
TOC3						0.889

Note: CD= Cultural Diversity; KS= Knowledge Transfer; IC= Innovative Culture; TOC= Team Oriented Culture; CI= Cultural Intelligence; JA= Job Autonomy

Later, this study used factor loading to ensure the validity of the data. According to Hair et al. (2007), the threshold level of factor loading is 0.40. In other words, items having loading of more than 0.40 can be retained for further analysis. In this study, values of factor loadings (Table 2) show that all figures of retained items are more than 0.40 and remaining having loading less than 0.40 is emitted (see measurement model in Figure 2).

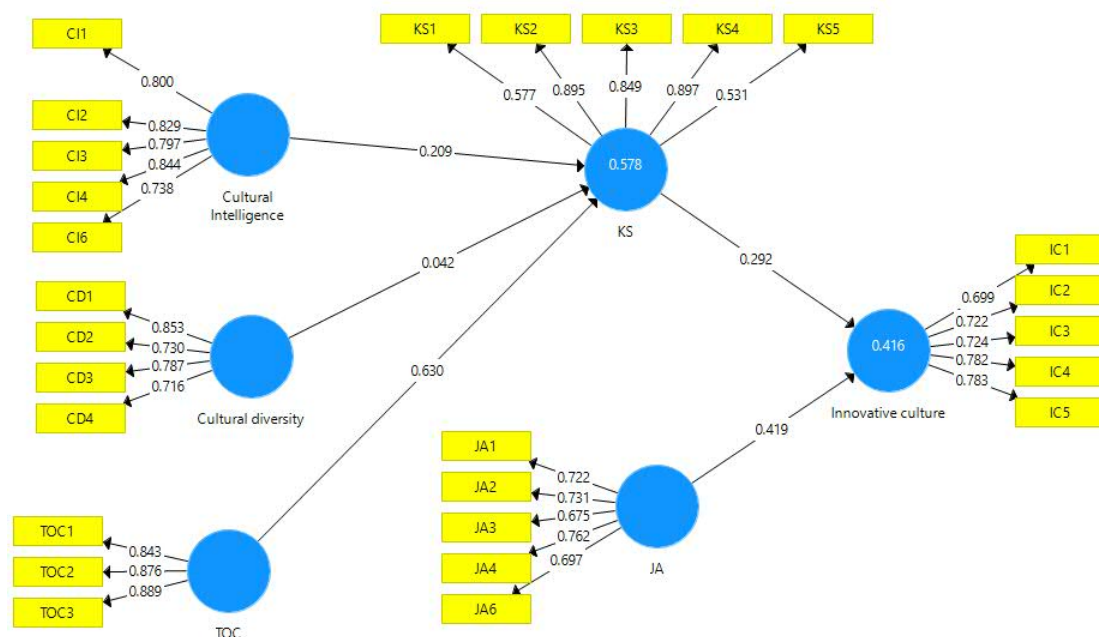


Figure 2: Measurement Model

Note: CD= Cultural Diversity; KS= Knowledge Transfer; IC= Innovative Culture; TOC= Team Oriented Culture; CI= Cultural Intelligence; JA= Job Autonomy

Whereas, one of the major component of measurement model is convergent validity for which acceptable range of AVE is more than 0.50 (Vinzi et al., 2010). The statistical figures of AVE are given in present study showing all values are more than 0.50, confirming validity of the study. This study determined discriminant validity after confirmation of convergent

validity. Present study used HTMT criteria for the confirmation of discriminant validity (Henseler et al. (2015). Scholars asserted the acceptable value of HTMT is in case of below 0.90 (Hair et al., 2016). All of the statistical figures given in table 3 are below 0.90 meeting the liberal criteria of discriminant validity showing gathered data possesses discriminant nature.

Table 3: HTMT

	<b>CD</b>	<b>CI</b>	<b>IC</b>	<b>JA</b>	<b>KS</b>	<b>TOC</b>
CD						
CI	0.200					
IC	0.207	0.549				
JA	0.338	0.876	0.761			
KS	0.220	0.662	0.673	0.790		
TOC	0.279	0.666	0.575	0.701	0.882	

Note: CD= Cultural Diversity; KS= Knowledge Transfer; IC= Innovative Culture; TOC= Team Oriented Culture; CI= Cultural Intelligence; JA= Job Autonomy

The next stage proposed hypothesis of the study were tested. The results were gathered using bootstrapping procedure as proposed by Ramayah et al. (2018). The statistical figures showed significance of the relationship on the basis of P and T score. Table 4 of the study shows the direct, indirect and moderating results of the study.

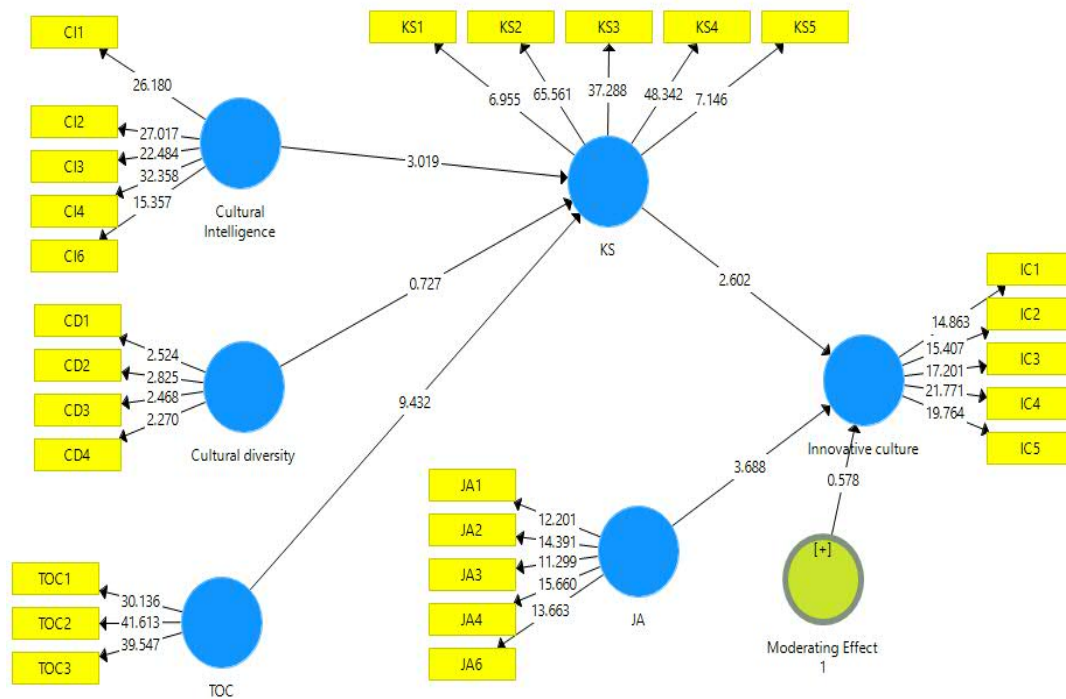
Table 4: Hypothesis Testing

	<b><math>\beta</math></b>	<b><math>\sigma</math></b>	<b>T score</b>	<b>P score</b>	<b>Decision</b>
CD -> KS	0.042	0.058	0.727	0.234	NS
CI -> KS	0.209	0.069	3.019	0.001	SUP
KS -> IC	0.286	0.110	2.602	0.005	SUP
Mod -> IC	0.038	0.066	0.578	0.282	NS
TOC -> KS	0.630	0.067	9.432	0.000	SUP
CI -> KS -> IC	0.060	0.030	2.018	0.022	SUP
TOC -> KS -> IC	0.180	0.073	2.450	0.007	SUP
CD -> KS -> IC	0.012	0.017	0.718	0.237	NS

Note: CD= Cultural Diversity; KS= Knowledge Transfer; IC= Innovative Culture; TOC= Team Oriented Culture; CI= Cultural Intelligence; JA= Job Autonomy; NS= Not Support; SUP= Supported

The results of the study shows that cultural intelligence has positive effect on KS as  $\beta = 0.209$ ,  $t = 3.019$ , thus proposed hypothesis is accepted; KS has positive significant effect on IC as  $\beta = 0.286$ ,  $t = 2.602$ ; team oriented culture has positive effect on knowledge sharing with  $\beta = 0.630$ ,  $t = 9.432$ . On the other hand, the direct findings also shows that cultural diversity do not have positive significant effect on knowledge sharing as  $\beta = 0.042$ ,  $t = 0.727$ , not supporting the hypothesis. In terms of mediating

results, the mediating role of KS is supported between team oriented culture and IC, and team oriented culture and IC. Whereas, its mediation is not statistically confirmed between cultural diversity and IC. The moderating role of JA is also not confirmed in this study as  $\beta = 0.038$ ,  $t=0.282$ .



**Figure 3: Structural Model**

Note: CD= Cultural Diversity; KS= Knowledge Transfer; IC= Innovative Culture; TOC= Team Oriented Culture; CI= Cultural Integration; JA= Job Autonomy

Later, this research also assessed R square value to examine the effect of independent variables on outcome variables. Table 5 and Figure 3 of the study shows the R square values demonstrating that IC is affected 41.7% and KS is affected 57.8% by the IVs of the present study.

Table 5: R Square Value

	R Square
IC	0.417
KS	0.578

## 5. DISCUSSION

Organizations across the globe are facing intense competition and must embrace innovation at various levels to remain competitive. The telecom sector in KSA is experiencing similar pressures and must identify factors that contribute to the development of an IC within their organizational

settings. In this context, this study examined the role of cultural diversity, KS, CI, and team-oriented culture in shaping IC along with mediation of KS and moderation of JA. The statistical figures demonstrate that KS has a significant effect on IC (Arsawan et al., 2022) in past. A possible explanation for these findings is that KS is a key factor in promoting innovation among employees. When skills or expertise are transferred from one employee to another, it contributes to the development of an IC within the organization. Several respondents reported that they actively participate in KS activities and dedicate a reasonable amount of time to such initiatives within their organizations. Many also indicated that they are highly engaged in knowledge-sharing processes and that their co-workers are comfortable in exchanging knowledge. These responses suggest that the participants perceive their organizational culture as challenging yet supportive of creativity in the workplace. Furthermore, they believe their organizational environment is both enterprising and stimulating. Such a culture likely encourages openness, idea generation, and continuous learning, which are essential elements in fostering innovation. Therefore, the positive association between KS and IC is well-aligned with the lived experiences of the respondents. The statistical results also revealed that CI has a positive effect on KS. Employees in the telecom sector expressed that they possess knowledge of the economic systems, legal frameworks, and language rules of other cultures. This cross-cultural understanding allows them to navigate workplace interactions more effectively. They also reported a clear awareness of the religious beliefs and cultural values held by employees from different backgrounds. As a result, they are able to interact with culturally diverse colleagues in ways that are both efficient and respectful. This deep cultural awareness strengthens communication and reduces the likelihood of misunderstandings. Furthermore, because these employees exhibit high levels of CI, they tend to be more open-minded, adaptable, and accepting of differences, fostering a more inclusive organizational environment. In such environments, employees feel psychologically safe and are more willing to share knowledge. Some respondents also mentioned having knowledge of family systems, traditional crafts, and the artistic heritage of other cultures. Additionally, they understand nonverbal cues and can respond appropriately to gestures and expressions from culturally different coworkers. These culturally intelligent employees serve as effective bridges between different cultural groups, thereby enhancing the success and frequency of KS within the organization. In literature, Pasadame and Niu (2021) also mentioned similar findings in their study.

The findings revealed that team-oriented culture of the organization plays key role KS within the organization. In past, Rahman et al. (2022) also mentioned same results in their study as well. Teams play a crucial role in achieving both individual and organizational goals. When a team is well-coordinated, it creates a synergistic effect, fostering open communication, mutual trust, and collaboration—elements that are essential for effective KS. Employees working in teams are more likely to share their experiences and skills with one another. In situations where challenges arise during task performance, employees tend to seek assistance from their teammates, thereby contributing to the development of a supportive and knowledge-sharing culture. Respondents in this study revealed that they feel empowered and valued, which encourages them to share knowledge willingly. Employees in the telecom sector noted that their organizations emphasize team orientation as a key part of their work culture. Some respondents also indicated that their organizations place strong emphasis on employee skill development, recognizing its importance for both individual performance and collective success. Additionally, a core priority within these firms is fostering collaboration among employees and across teams to enhance KS. This collaborative approach not only improves communication and support but also accelerates the diffusion of expertise within the organization, thereby contributing to the establishment of an innovative and high-performing work culture. The mediating results shows that KS mediates among team oriented culture and IC (Kim & Yoon, 2025). A possible explanation for this finding is that expertise and idea sharing among employees is encouraged through a collaborative team environment. This atmosphere facilitates the exchange of knowledge, which in turn fuels innovation within the organization. When employees work closely in teams, they are better equipped to find creative solutions to complex problems by drawing on diverse perspectives. This effective knowledge exchange bridges the gap between cooperation and innovation. Such collaboration becomes possible when employees willingly share their past experiences, contributing to collective learning and innovative outcomes. This study also illustrated mediating effect of KS between CI and IC as revealed by Yang and Xu (2021) in past. The employees working in the telecom sector are possibly culturally intelligent that help in transfer of knowledge among employees of diverse culture effectively. Such employees can adapt according to diverse cultural needs as well. Both these factors improve creativity which is vital for IC. So, transfer of knowledge transforms CI into IC. The results of the study showed the insignificant but positive moderating role JA on the path of KS and cultural innovation.



It shows that effect of KS to promote IC become more slightly stronger when employees are given autonomy in the task assigned. When employees feel freedom and have discretion in decision making and task performing, they will find innovative ways to solve the problems. Moreover, employees can easily transfer knowledge to others in their team works; it is highly likely that the employees will find innovative way to perform assigned duties. Employees feel empowered to implement, adapt, and experiment new ideas that are drawn from the shared knowledge, therefore developing IC within the firm. On the other hand, limited JA create obstacle for the transfer of knowledge which will later suppress cultural innovation. The results of Lee et al. (2021) in past also confirmed moderating role of JA in their study which aligned with the findings of this study as well.

## 6. LIMITATIONS AND FUTURE DIRECTIONS

There are several limitations of this study that should be acknowledged in light of the findings. This research examined the mediating effect of KS among the proposed variables. In the current technological era, future studies may consider including a technological construct as a mediator within the proposed model. Moreover, a quantitative research design was adopted in this study. Given that this research is among the few that analyze cultural factors in the context of KSA, future research is encouraged to employ qualitative methods to gain deeper insights. The  $R^2$  values in this study were 41.7% for the dependent variable and 57.8% for the mediator. To enhance the explanatory power of the model, future research could incorporate additional independent variables such as organizational culture or employee satisfaction. Lastly, this study examined the moderating role of JA between KS and cultural innovation; however, the effect was not statistically significant. It is therefore recommended to test JA as a moderator in the initial section of the model between independent variables and the mediator—to explore potential differences in moderation outcomes.

## 7. THEORETICAL AND MANAGERIAL IMPLICATIONS

This research offers both theoretical and managerial contributions. From a theoretical perspective, it is one of the few studies that examine cultural factors within the context of Saudi telecom firms. Additionally, it addresses the mediating role of KS and the moderating effect of JA within a single

framework, thereby extending the existing body of knowledge. The findings also provide empirical support for the role of CI in enhancing KS. Furthermore, the study contributes by identifying team-oriented culture and CI as strong predictors of KS and cultural innovation. From a managerial standpoint, the results underscore the importance of promoting KS among employees to foster an IC within the telecom sector. The findings also highlight the significance of teamwork in facilitating organizational knowledge sharing. Lastly, policymakers in the KSA telecom industry can utilize these insights to design strategies that promote and sustain innovative organizational cultures.

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## APPENDIX: STUDY ITEMS

S. No	Variable	Items	Reference
1	Cultural Intelligence	1. I know the legal and economic systems of other cultures. 2. I know the rules (e.g., vocabulary, grammar) of other languages. 3. I know the cultural values and religious beliefs of other cultures. 4. I know the marriage systems of other cultures. 5. I know the arts and crafts of other cultures. 6. I know the rules for expressing nonverbal behaviors in other cultures.	(Ang et al., 2007)
2	Knowledge Transfer	1. I frequently participate in knowledge sharing activities 2. I spend a good deal of time conducting knowledge sharing activities with my peers 3. I usually actively share my knowledge with others 4. I usually involve myself in discussions about various topics 5. My co-workers are now comfortable using knowledge transfer because of me 6. I usually involve myself in solving complicated issues	(Rotimi et al., 2024)
3	Innovative Culture	1. My organization culture is challenging 2. My organization culture is creative 3. My organization culture is enterprising 4. My organization culture is stimulating 5. My organization culture is driving 6. My organization culture is risk taking 7. My organization culture is result-oriented 8. My organization culture is pressurized	(Rehman et al., 2019)

4	Job Autonomy	<ol style="list-style-type: none"> <li>1. I am allowed in the work to decide many issues from my viewpoint</li> <li>2. I am allowed in the work to come to a decision of what approaches I apply for completing my job.</li> <li>3. I am allowed in the work to be provided significant amount of autonomy to make decision</li> <li>4. I am allowed in the work to make decision on what order jobs are performed accordingly</li> <li>5. I am allowed in the work to make decision of how to maintain schedule in performing job</li> <li>6. I am allowed in the work to be provided substantial opportunities of freedom as well as independence in performing tasks</li> <li>7. I am allowed in the work to plan the ways of performing job</li> <li>8. I am allowed in the work the opportunity of applying my own judgment or initiative in performing job</li> </ol>	(Shakil et al., 2023)
5	Team Oriented Culture	<ol style="list-style-type: none"> <li>1. My organization is recognized for its emphasis on being team oriented</li> <li>2. My organization is recognized for its emphasis on being people-oriented</li> <li>3. My organization is recognized for its emphasis on working in collaboration with others</li> </ol>	(Yin Yin Lau et al., 2020)
6	Cultural Diversity	<p>Creativity and innovations are rewarded</p> <p>Policies and programs promote diversity in the workplace (for example, recruiting women, training in awareness of diversity issues, mentoring)</p> <p>My supervisor is committed to a workforce representative of all segments of society</p> <p>Supervisors work well with employees of all different background</p>	(Asare Obeng et al., 2025)

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