

LEARNING ORGANIZATION AND KNOWLEDGE MANAGEMENT ON ORGANIZATIONAL PERFORMANCE

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ABSTRACT

Knowledge management effects the performance of an organization, if an organization tries to be better it requires a very wide knowledge level to be able to compete or survive, for that purpose of this research is to know whether Learning Organization and Knowledge Management has a positive and significant influence on Performance Organization at the Faculty of Economics and Business, University of Budi Luhur. The population in this research is Lecturer of Faculty of Economics and Business, conducted sampling by using purposive sampling technique, then the sample in this research is Lecturer of Faculty of Economics and Business who has taught for 2-25 years in the Field of Accounting and Management at Budi Luhur University, As many as 50 respondents. A total of 250 questionnaires distributed to the respondents data that can be processed only as many as 249 respondents. The data in the research is processed using Microsoft Office Excel 2007 software and Statistic Product Service and Solution (SPSS) version 22.0. The research model used in this research is multiple linear regression, with model equation: $Y = a + b_1X_1 + b_2X_2 + e$. The result of the research shows that there is a significant influence partially between variables of Learning Organization (X1) on Organization Performance (Y) and there is partially significant influence between Knowledge Management (X2) to Organization Performance (Y). Variable Learning Organization (X1) and Knowledge Management (X2) equal to 64,4% influence / influence organizational performance variable (Y) which the rest equal to 35,6% influenced by other variable.

Keywords: Learning Organization, Knowledge Management, Organizational Performance

1. INTRODUCTION

1.1 Background

The world of education must be managed well, because education plays an important role in preparing qualified Human Resources (HR). An organization must continue to change so that the organization is able to grow. In this competitive era, there is a lot of competition for individual organizations and individuals. Competition is what makes the development of technology and information grow more rapidly and quickly. Organizations must be able to keep abreast of the changes that take place. The rapid technological developments can help and facilitate the performance of the organization in achieving a goal that has been specified and agreed together, effectively and efficiently, so that knowledge is needed in the implementation of a goal and strategy to achieve that goal for which knowledge management is required because it has Role in helping individuals or organizations in improving the ability and knowledge to improve the performance of individual and organizational performance. Organizational adjustments to changes that occur can also make it easier for an organization in setting policy. Knowledge is an important asset in an organization, because when an organization tries to be better it requires a very wide level of knowledge to be competent or persisting, knowledge owned by an organization will be managed into a strategy (Nissa and Jambak, 2016) . Changes and developments that occur require an organization must continue to do learning organization or knowledge management for an organization can experience an increase in organizational performance and employee performance residing within the organization. Implementation of learning organization and knowledge management in accordance with the conditions of an organization itself, will positively affect the development and performance of the organization. Organizations that implement learning organizations are able to develop their information, knowledge and expertise that will facilitate the adjustment of the organization to the changes that occur. Organizational learning positively affects the core competencies of the company (Wang and Lo, 2003) from (Rahardjo, 2016). The role of learning organization is needed in an organization to help the organization in achieving the goals and follow the changes or developments that occur around it because, organizations that implement learning organization able to develop information, knowledge and expertise it has that will facilitate the adjustment of the organization to changes that occur. Not only have a positive impact on the organization but also on the human resources in it. The existence of learning organization, organization able to have the speed of thinking and acting in response to all changes that arise (Matturungan et.al., 2016). Knowledge management serves to enhance the

ability of the organization's members to learn from its environment and combine knowledge within an organization to create, collect and maintain the organization's knowledge (Laudon, 2002) of (Widyani, 2015). Knowledge management is very closely related to a company / organization or to individuals / groups, to assist in making policy, strategy, innovation or make a decision, because that is learning and knowledge needed and should always be done (Faeni, 2016).

1.2 Hypothesis

H1: There is a positive and significant influence between Learning Organization (X1) on Organization Performance (Y) at the Faculty of Economics and Business, Budi Luhur University.

H2: There is a positive and significant influence between Knowledge Management (X2) on Organization Performance (Y) at the Faculty of Economics and Business, Budi Luhur University.

H3: There is a positive and significant influence between Learning Organization (X1) and Knowledge Management (X2) on Organization Performance (Y) at the Faculty of Economics and Business, Budi Luhur University.

1.4 Research Framework

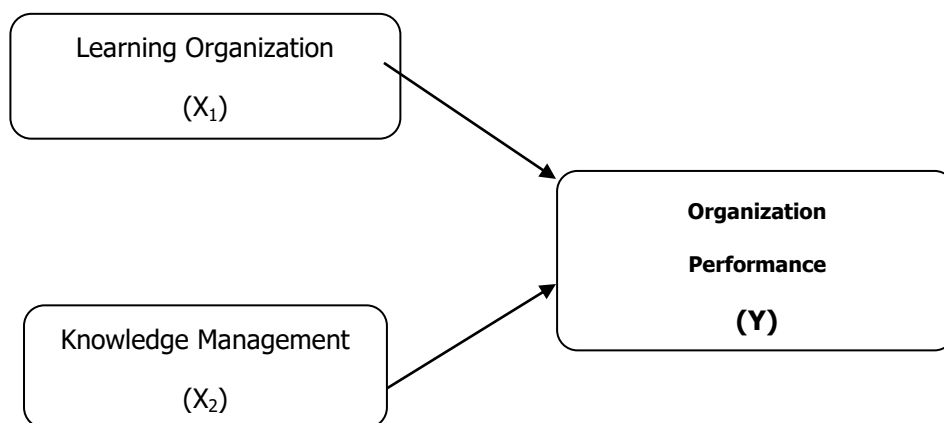


Figure 1 : Research Framework

2. Literature Review

1. Organization Performance (Y)

Performance is an activity of processing organizational resources to achieve organizational goals (Sinambela, 2016). The performance of an organization or company is the result of several

business factors such as work processes, interaction and team / group communications, corporate image and culture, policy, leadership, and corporate climate that drive innovation, creativity and loyalty (Haword 2007 in Cho, 2011) Of (Yassin et.al., 2016). Organization is the structure of the division of labor and the structure of work relations between a group of position holders who work together in a certain way to jointly achieve a certain goal (Atmosudirdjo, 1976) in (Umam, 2012). Organizational performance is the effectiveness that includes achieving organizational goals, efficiency considering the relationship between input and output needed to achieve output, and adaptations that reflect an organization's ability to adapt to environmental change (Reukert at.al., 1985 in Homburg, et.al. , 1999) from (Winarno and Widiastuti, 2015). Performance is influenced by 3 (three) factors (Simamora in Mangkunegara, 2012) from (Setyani, 2015), that is; (1) Individual factors that include capability and expertise, background, and demography; (2) Psychological factors that include perception, attitude (attitude), personality (personality), and learning motivation; (3) Organizational factors that include resources, leadership, awards, structure and job descriptions (job design). Conceptually, conceptual performance can be seen from two aspects, namely the performance of individual employees and organizational performance. Performance of employees and organizational performance have a close relationship, the achievement of organizational goals can not be released resources owned by organizations used or run by employees who play an active role as an actor in an effort to achieve organizational goals (Uha, 2013) (Faeni, 2016).

2. LEARNING ORGANIZATION (X₁)

Organizational learning refers to the intellectual enhancement and productive capabilities gained through the commitment of all organizations and opportunities for continuous improvement (Saefullah and Rusdiana, 2016). Learning organization as a place where people continue to expand their capacity to create the results they really want, where new and wide-ranging thinking patterns are developed, aspirations freed, and where people continually learn together and grow together (Senge, 1990) cited by (Haley & Lazouskas, 2006) from (Suryono and Hatane, 2016). Organizational learning is an organizational skill to create, acquire, interpret, transfer, and share knowledge, aiming to modify its behavior to describe new knowledge and insights (Garvin in Saefullah and Rusdiana, 2016). Organizational learning is shared learning (involving all members of the organization), and sharing mechanisms (sharing in ways of thinking, perspective, mental modeling, or sharing a common vision) (Saefullah and Rusdiana, 2016). Using nine items to measure learning related to HR activities, ie human resource strategy, training and learning, performance appraisal, rewards and incentives, supporting conditions,

team work, knowledge creation, quality management, and flexibility (Khandekar and Sharma, 2006) In (Saefullah and Rusdiana, 2016). One of the basic principles of organizational learning is the dynamic process of creating, taking, and integrating knowledge to develop resources and capabilities in contributing to better organizational performance (Lopez, 2005) in (Saefullah and Rusdiana, 2016).

3. KNOWLEDGE MANAGEMENT (X₂)

Knowledge management is a discipline that treats intellectual capital as a managed asset (Honeycutt, 2000) in (Saefullah and Rusdiana, 2016). Knowledge management is a tool, technique, strategy for storing, analyzing, organizing, enhancing, and sharing business experience (Groff and Jones, 2003) in (Saefullah and Rusdiana, 2016). Knowledge management functions as a management system in managing intangible assets in the form of employee knowledge, information, and skills (Yassin et.all., 2016). Knowledge can be divided into two (Saefullah and Rusdiana, 2016), namely: (1) Tacit knowledge, ie knowledge in the form of know-how, based on experience, ability, and understanding of a person to a problem that has ever been faced; (2) Explicit knowledge, written knowledge, archived, dispersed (printed or electronic), and can be used as a reference material for others. Indicators of tacit knowledge and explicit knowledge (Serrat, 2009) from (Widyani, 2015), namely: (1) Indicators of tacit knowledge are ideas, perceptions, ways of thinking, insight, expertise, and experience, and (2) indicators of explicit Knowledge in the form of reports, documents, letters, files, electronic, data base, audio visual and inform others. Knowledge management or knowledge management (KM) is intended to represent a planned and systematic approach in ensuring the full use of organizational knowledge base, plus expertise, competence, thought, innovation, and individual potential ideas to create more efficient and effective organizations (Saefullah and Rusdiana, 2016). Companies need to apply knowledge management at a simple level to a high level, companies with far-sighted vision must understand broad market goals and diverse interests, companies need to apply knowledge management in a broad context ranging from individuals ie employees from staff to Leaders (Budihardjo, 2016) (Faeni, 2016).

4. RESEARCH METHODOLOGY

4.1 Population and Sampling

The study was conducted at Budi Luhur University, Jl. Ciledug Raya, Petukangan Utara, South Jakarta, 12260. DKI Jakarta, Indonesia. Tel. 021-585 3753. Respondents in this study are Lecturer at the Faculty of Economics and Business (FEB), Budi Luhur University Management

and Accounting Program with a long teaching 2-25 years. Total population of lecturers are 1018 lecturers. Research done to 250 lecturers by using Slovin formula and was a simple purposive sampling.

On April 1, 1979 established the Academy of Computer Science (AIK) Budi Luhur in Jakarta, having its address at Jl. Budi Utomo No. 11 Central Jakarta, to produce skilled or professional personnel in the field of computers to meet the needs of national development. On August 11, 1981 AIK Budi Luhur obtained operational permission from the government. In the operational permit, the name AIK Budi Luhur changed to Computer Science Academy (APK) Budi Luhur (<http://www.budiluhur.ac.id>).

5. RESULT AND DISCUSSION

5.1 Simple Correlation Analysis

Table 1 : Pearson Correlation

Correlations

		Perfo rman ce Orga nizati on(Y)	Learning Organiz ation (X1)	Knowle dge Manage ment (X2)
Organization Performance (Y)	Pearson Correlation	1	.756**	.770**
	Sig. (2-tailed)		.000	.000
	N	49	49	49
Learning Organization (X1)	Pearson Correlation	.756**	1	.769**
	Sig. (2-tailed)	.000		.000
	N	49	49	49
Knowledge	Pearson	.770**	.769**	1

Management (X2)	Correlation			
	Sig. (2-tailed)	.000	.000	
	N	49	49	49

** . Correlation is significant at the 0.01 level (2-tailed).

Source : Primary Data, 2017.

To know the relation between independent variable and dependent variable in this research can be seen from value of pearson correlation and Sig. (2-tailed).

1. In Table 1 (one) explains that the pearson correlation shows the relationship between the variables of learning organization (X1) and organizational performance (Y) shows a positive number means the relationship between positive variables so that if the variable learning organization (X1) increases then the organizational performance variable (Y) Will also increase, vice versa if the variable learning organization (X1) decreased organizational performance (Y) will also decrease. Also seen in the pearson correlation relationship between variable learning organization (X1) and organizational performance (Y) has a very strong relationship with a value of 0.756. Sig value. (2-tailed) ie 0,000 means the value of Sig. Less than 0.05 ($0.000 < 0.05$) so that the relationship between the variable learning organization (X1) and the performance of the organization (Y) can be said to be significant.

2. In Table 1 (one) explains that the pearson correlation shows the relationship between the variables of knowledge management (X2) and organizational performance (Y) shows the positive number means the relationship between positive variables so that if the variable of knowledge management (X2) increases then the organizational performance variable (Y) Will also increase, vice versa if the variable knowledge management (X2) decreased organizational performance variable (Y) will also decrease. Also seen in the pearson correlation relationship between the variable knowledge management (X2) and organizational performance (Y) has a very strong relationship with a value of 0.770. Sig value. (2-tailed) ie 0,000 means the value of Sig. Less than 0.05 ($0.000 < 0.05$) so that the relationship between the knowledge management variables (X2) and the performance of the organization (Y) can be said to be significant.

4.2 Multiple Regression Analysis

Table 2: Multiple Regression Analysis

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	,482	,323		1,492	,143
Learning Organization (X1)	,415	,140	,400	2,967	,005
Knowledge Management (X2)	,476	,139	,463	3,432	,001

a. Dependent Variable: Organization Performance

Source: Primary Data, 2017.

In Table 2 (two) explains that in column Sig. Variable learning organization (X1) has a value of 0.005 while the value of Sig. On the variable knowledge management (X2) of 0.001, each variable has a Sig value. Less than 0.05 so that the variable learning organization (X1) has a significant influence on the organizational performance variable (Y) and the knowledge management variable (X2) also has a significant influence on organizational performance (Y).

In Table 2 (two) regression equations that as stipulated below:

$$Y = a + b_1X_1 + b_2X_2 + e$$

$$Y = 0,482 + 0,415 X_1 + 0,476 X_2 + e$$

$$(1,492) \quad (2,967) \quad (3,432)$$

Descriptions :

Y = Organization Performance

a = Constanta

b_1, b_2 = Coefficient Regression of each variables

X_1 = Learning Organization

X_2 = Knowledge Management

e = Error

The regression equation can be interpreted as follows:

1. Constanta (a) 0,482, hence mean if learning organization (X_1) and knowledge management (X_2) value 0 or no influence then organization performance (Y) has value equal to 0,482.
2. Regression coefficient (b_1) X_1 has positive value which means learning organization (X_1) have positive effect on organizational performance (Y), by adding one unit of learning organization then organization performance will increase equal to 0,415.
3. The regression coefficient (b_2) X_2 has a positive value which means knowledge management (X_2) has a positive effect on organizational performance (Y), by adding one unit of knowledge management, the performance of the organization will increase by 0.476.

5.3 Determination Coefficient

Table 3 : Coefficient Determination

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.812 ^a	.659	.644	.59023

a. Predictors: (Constant), Knowledge Management (X_2), Learning Organization (X_1)

b. Dependent Variable: Organization Performance (Y)

Source : Primary Data, 2017

In Table 3 (three), explains that the value of Adjusted R Square on the table of 0.644 or equal to 64.4%, which means that the variable of organizational performance (Y) influenced or determined by the variable learning organization (X1) and knowledge management (X2) , While the remaining 35.6% (100% -64.4%) was obtained from other variables not used in this study.

5.4 Realibility Test Analysis

Table 4 : Realibility Test Analysis

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig .
1 Regression	30,933	2	15,467	44,396	,000 ^a
Residual	16,025	46	,348		
Total	46,959	48			

a. Predictors: (Constant), Knowledge Management (X2), Learning Organization (X1)

b. Dependent Variable: Organization Performance (Y)

Source: Primary Data, 2017

In Table 4 (four) explain that the value of F arithmetic of 44.396 and the value of Sig. 0.000 with default error used is 0,05. Thus, the prob score F arithmetic (Sig.) In Table 4:18 is smaller than the error rate used (0.05) so that it can be said that the linear regression model in the estimation is feasible used to explain the role of learning organization and knowledge management on organizational performance.

5.5 Partial Test of Partial Hypothesis Coefficient (t test)

Table 5 : t Test

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	,482	,323		1,492	,143
Learning Organization (X1)	,415	,140	,400	2,967	,005
Knowledge Management (X2)	,476	,139	,463	3,432	,001

a. Dependent Variable: Organization Performance (Y)

Source : Primary Data, 2017

t Test Learning Organization (X1)

In Table 5 (five) explains that the value of t arithmetic variable learning organization of 2.967, the comparison used is t table. To find out the size of t table is by looking at table t, the error rate used is 0.05, $df = n - k - 1$ ($df = 49 - 2 - 1 = 46$) t value of the table in the can is equal to 1.679. The value of t arithmetic greater than t table is ($2.967 > 1.679$) and the value of Sig. $0.005 < 0.05$ means the value of Sig. At the output is less than the error rate used. Thus, H0 rejected H1 accepted so that there is a partially significant influence between the Learning Organization on Organizational Performance at all Faculties University of Budi Luhur.

t Test Knowledge Management (X₂)

In Table 5 (five) explains that the value of t arithmetic knowledge management variable of 3.432, the comparison used is t table. To find out the size of t table is by looking at table t, the error rate used is 0.05, $df = n-k-1$ ($df = 49-2-1 = 46$) t value of the table in the can is equal to 1.679. The value of t arithmetic greater than t table is ($3.432 > 1.679$) and the value of Sig. $0.001 < 0.05$ means the value of Sig. At the output is less than the error rate used. Thus, H₀ rejected H₁ accepted so that there is a partially significant influence between Knowledge Management on Organizational Performance at the Faculties of Universitas of Budi Luhur.

6. CONCLUSIONS

6.1 CONCLUSIONS

Based on the results of data processing that has been done by the researcher proves that there is a significant influence and have a strong and positive relationship or direction between the variables Learning Organization and Knowledge Management on the Performance of the Organization. 64.4% of organizational performance variables (Y) influenced or determined by the variable learning organization (X₁) and knowledge management (X₂), while the remaining 35.6% obtained from other variables that are not used in this study. Tests conducted on the hypothesis in the study gives results that can be concluded that is as follows:

1. There is a significant influence between the Learning Organization on Organizational Performance at the Faculty of Economics and Business, Budi Luhur University.
2. There is a significant influence between Knowledge Management on Organizational Performance at the Faculty of Economics and Business, Budi Luhur University.
3. Appropriate linear regression model is used to explain the role of learning organization and knowledge management on organizational performance.

6.2 MANAGERIAL IMPLICATION

Increasing commitment to individual and group in managing and creating learning in an organization that can help run the vision and mission optimally to improve the quality and accreditation Faculty Universitas Budi Luhur, supported by facilities and technology that can be used in Encourage the effectiveness of knowledge management. All parties are expected to

participate actively in making learning organization and knowledge management work or running optimally that is with the effort to generate or obtain and transfer knowledge, information and new ideas that can impact on the performance of the organization. Lecturers must be able to establish good communication with students because it will also affect the quality of students who impact on the quality of Universitas Budi Luhur. Increasing the level of education is also one way of expanding the knowledge and learning process that will impact on organizational performance and improving the quality of the organization. Faculty of economics and business is also suggested to implement learning organization and knowledge management to improve accreditation of Universitas Budi Luhur by multiplying scientific research journals which can help in increasing knowledge.

6.3 SUGGESTION

For the next researcher who will do research by using or have the same research variables with this research the researcher should be able to add or replace the variables that may affect the performance of the organization, so as to expand the object, respondents and can use different methods or analytical tools in data processing , So it can simplify the next researcher in searching for research references with the same variables. If the researcher then uses a different data processing analytical tool with the previous researcher, it will look different from the result of data processing done by the previous researcher.

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