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The Impact Of Knowledge Sharing On Employee Performance Mediated By Individual Innovation Capability

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Knowledge Sharing; Performance Employee; Individual Innovation Capability.

Abstract
This study seeks to explore the influence of knowledge sharing on employee performance, with a focus on how individual innovation capability plays a mediating role. A sample of 88 employees was analyzed using a quantitative research method. Data was collected through both library and field research, utilizing a 36-item questionnaire. Structural Equation Modeling (SEM) was applied to analyze the data, with SmartPLS software assisting in the process. The findings reveal that knowledge sharing positively affects individual innovation capability, which, in turn, enhances individual performance. However, knowledge sharing does not directly impact individual performance, with its influence being partially mediated by individual innovation capability.

Kata Kunci:
Knowledge Sharing; Kinerja Karyawan; Kemampuan Inovasi Individu.

Abstrak
Studi ini berupaya mengeksplorasi pengaruh berbagi pengetahuan terhadap kinerja karyawan, dengan fokus pada bagaimana kemampuan inovasi individu memainkan peran mediasi. Sampel 88 karyawan dianalisis menggunakan metode penelitian kuantitatif. Data dikumpulkan melalui perpustakaan dan penelitian lapangan, menggunakan kuesioner 36 item. Structural Equation Modeling (SEM) diterapkan untuk menganalisis data, dengan perangkat lunak SmartPLS membantu dalam prosesnya. Temuan ini mengungkapkan bahwa berbagi pengetahuan secara positif memengaruhi kemampuan inovasi individu, yang, pada gilirannya, meningkatkan kinerja individu. Namun, berbagi pengetahuan tidak secara langsung memengaruhi kinerja individu, dengan pengaruhnya sebagian dimediasi oleh kemampuan inovasi individu

INTRODUCTION

The ability of an organization to foster knowledge sharing among employees is crucial because knowledge can be disseminated, implemented, and further developed through sharing. Sharing knowledge can also encourage individuals to think effectively and creatively, enabling them to generate innovations beneficial to the organization. The primary focus of innovation lies in creating new ideas, which are then implemented into new products and processes. The main goal of the innovation process is to provide efficiency and effectiveness to ultimately enhance employee performance (Mangkunegara, 2013) dan (Hasibuan, 2017).

Knowledge sharing is a method or process within a knowledge management system that allows members of a group, organization, institution, or company to exchange their knowledge, techniques, experiences, and ideas with other employees (N. S. dan Y. M. Saputro, 2018). In the success of a company, the role of employees is crucial; without competent and high-quality employees, a company can falter and develop a poor reputation. There are effective and easy ways to enhance employee potential, such as the implementation of knowledge sharing, which is already widely used by large and advanced companies.

Knowledge sharing can be understood as a management activity within a company to disseminate knowledge or information. This usually takes the form of activities such as discussions, presentations, tutoring, and many others. According to (N. S. dan Y. M. Saputro, 2018) (Kurnia Saputra et al., 2023), and (Isti Muslikhah et al., 2024) knowledge sharing plays a crucial role in enhancing individual competencies within an organization because knowledge sharing, both tacit and explicit knowledge can be disseminated, implemented, and developed by individuals. The impact of knowledge sharing on employee performance involves the exchange of experiences and insights, which aids individuals in addressing work-related challenges based on past experiences. Additionally, through the sharing of knowledge, individuals gain more job-specific information, enhancing the effectiveness and efficiency of work processes (Aristanto, 2017).

Knowledge sharing can be understood as a management activity within a company aimed at disseminating knowledge or information. This typically takes the form of activities such as discussions, presentations, tutoring, and many others. Knowledge sharing also plays a significant commercial role for every individual within a business or even between businesses. With the right application system, knowledge sharing can have a significant role, resulting in the creation of competent workers within the business who benefit, develop mutually, form individual innovation capabilities, and contribute to the improvement of employee performance. To achieve these goals, companies need to encourage employees to work according to the company's expectations. Encouraging higher performance is an innovation expressed in the employees' performance.

In the case of CV. Makmur Abadi, knowledge sharing is expected to improve employee performance. By enhancing knowledge sharing, employees can be encouraged to innovate, and the results of their performance will be evident. Based on the phenomenon explained in this issue regarding knowledge sharing and employee performance through individual innovation capability at CV. Makmur Abadi, a company engaged in the operation and maintenance of the transmission and distribution network of electricity, sharing knowledge among employees is still difficult. The contributing factor is that employees are more focused on completing their

respective tasks and tend to work according to the instructions of their superiors, resulting in minimal knowledge sharing.

Research is a development of research by (N. S. Saputro & Mayowan, 2018) and its renewal in research is on a different object, namely CV. Makmur Abadi but the variable remains the same variable. The impact is often seen in employees' performance being hindered in completing tasks, where assignments are not completed on time due to lack of knowledge and minimal sharing of knowledge among employees (N. S. dan Y. M. Saputro, 2018) dan (Anjani Nur Febriyanti et al., 2024). This condition is less than ideal considering that knowledge sharing can encourage individuals to innovate. Knowledge sharing plays a positive role in enhancing personal innovation skills because it helps employees reuse and revitalize existing knowledge within the organization, ultimately enhancing employees' innovation capabilities(Saputra & Nugroho, 2023) dan (Anjani Nur Febriyanti et al., 2024).

The existence of knowledge sharing among employees ensures that information about developments from both external and internal environments is disseminated comprehensively throughout all parts and levels of the CV. Makmur Abadi, so that the knowledge possessed by each employee is not buried within individual employees. With knowledge sharing like this, employees of CV. Makmur Abadi can quickly learn about the developments regarding their work conditions and adapt to the rapidly changing environment. To achieve success in knowledge management within the workplace, support from internal parties, namely the employees in the company, is needed.

The situation at CV. Makmur Abadi is also less than ideal because sharing experiences among fellow employees is crucial for broadening insights and innovation, as well as finding the best ways to improve employee performance (Elier et al., 2022). Therefore, the influence of knowledge sharing needs to be consistently applied to the CV. Makmur Abadi, along with improving individual innovation capabilities according to the abilities of the employees. Good knowledge sharing can enhance employee performance, indirectly increasing the company's performance and competitive advantage.

RESEARCH METHODS

The researcher employs a quantitative research method. The quantitative method is referred to as a traditional method because it has been used for a relatively long time and has become traditional for research. The population consists of 88 (eighty-eight) employees of CV. Makmur Abadi. The sample used is a saturated sample, where all the population in the study will be included as the sample. In this study, data collection techniques are divided into 2: questionnaire and literature review. A questionnaire is a collection of written questions designed to gather information from respondents about their personal experiences or knowledge (Sugiyono, 2019). Literature Review A literature review is the effort made by researchers to gather relevant information using topics or issues that are being researched or studied. Information can be gathered from a variety of sources, including scientific books, research reports, scholarly papers, theses and dissertations, regulations, legal decisions, yearbooks, encyclopedias, and other written materials, whether they are in printed or electronic formats (Isa Alamsyahbana et al., 2023).

Data Analysis Method

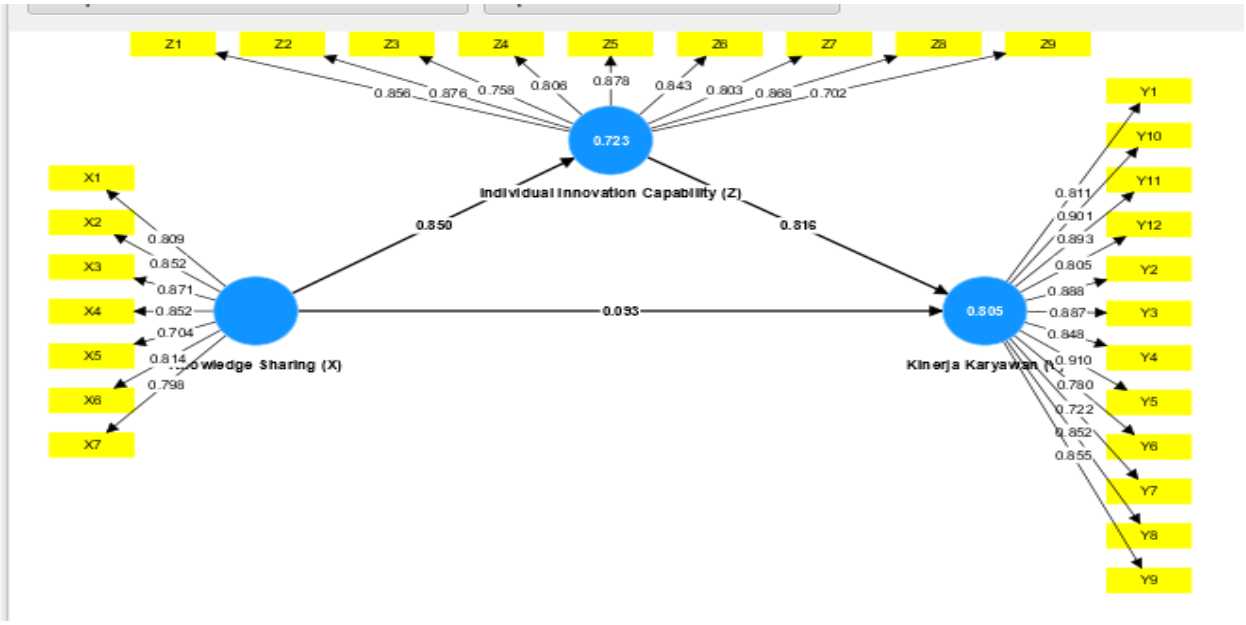
The data analysis technique used is with the assistance of Smart PLS.4 software program for structural equation model (SEM) analysis. Modeling in the PLS program consists of an outer model and an inner model. The outer model connects latent variables with their indicators. The latent variable Knowledge Sharing consists of 2 indicators (Tacit knowledge sharing and explicit knowledge sharing). Then the latent variable Individual Innovation Capability consists of 3 indicators (personal characteristic, behavior, and output). Finally, the latent variable of Individual Performance is comprised of seven indicators: Quality of Work, Quantity of Work, Knowledge of the Job, Cooperation, Initiative, Dependability, and Personal Qualities. The inner model of this study includes one exogenous latent variable (Knowledge Sharing) and two endogenous latent variables (Individual Innovation Capability and Individual Performance).

Next is to test the model fit commonly referred to as a fit model, using the Smart PLS.4 application to test SRMR, Chi-Square through PLS Algorithm.

RESULTS

Smart PLS Modeling.4

Outer Loading/ Loading Factor



Source: Data Processed by SmartPLS.4 (2023)

Outer Model Measurement

Convergent validity measurement indicates that all loading factor values are above 0.7 (valid), and the AVE values are above 0.5 (valid) for all indicators.

Inner Model Measurement

The Cronbach's alpha values exceed the threshold of 0.6, with values of 0.915 for Knowledge Sharing (X), 0.940 for Individual Innovation Capability (Z), and 0.964 for Employee Performance (Y), demonstrating the high reliability of the data. Additionally, the Composite Reliability values for all variables are above 0.7, confirming their reliability. The R^2 values indicate that 72.3% of the variance in Individual Innovation Capability and 80.5% of the variance in Employee Performance can be explained by the model.

Model Suitability Test (Goodness of Fit)

Table. 1
Model Compatibility (Model fit)

	Saturated (saturated)	Model	Model Approximation
SRMR		0.071	0.071
d_ULS		2.053	2.053
d_G		2.826	2.826
Chi-square		1,023.310	1,023.310
NFI		0.79	0.769

Source: Data Processed by SmartPLS.4 (2023)

In testing SRMR, a value of <0.10 or 0.08 indicates a good fit for the model. Based on the processed data above, the SRMR value is 0.071, which is <0.071 and smaller than the specified threshold. Therefore, the model is considered a good fit.

Path Coefficient (Path Analysis)

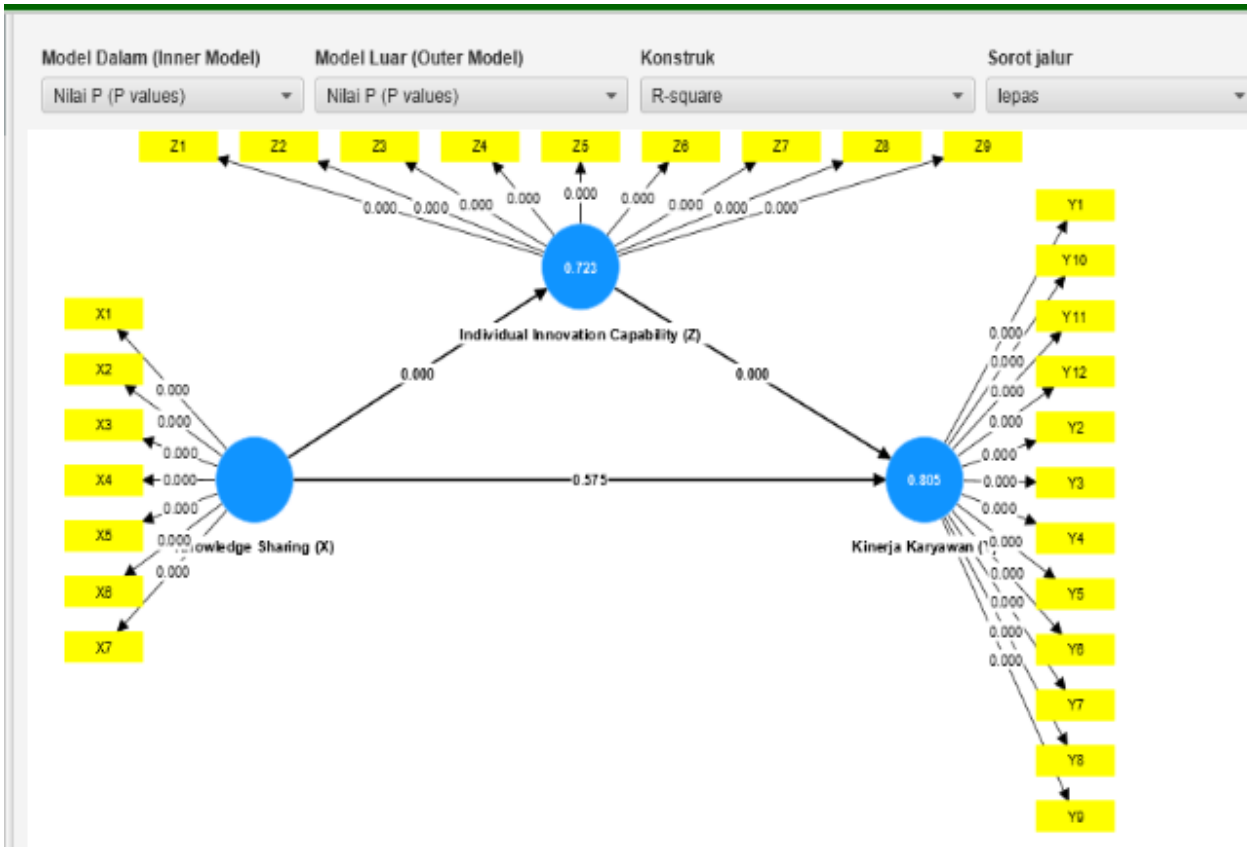


Image.1 Path Coefficient (Path Analysis)

Table. 2
Path-Coefficient-Average, STDEV, T-Value, P-Value

	Original Samples (0)	Average sample (M)	Standard deviation (STDEV)	T statistic (0/STDEV)	P-value (P value)

Individual Innovation Capability (Z) → Employee Performance (Y)	0.816	0.814	0.155	5.260	0.000
Knowledge Sharing (X) → Individual Innovation Capability (Z)	0.850	0.854	0,038	22.488	0.000
Knowledge Sharing (X) → Employee Performance (Y)	0.093	0.092	0.167	0.561	0.575

Source: Data Processed by SmartPLS.4 (2023)

Hypotheses are said to be accepted if the sig (P.Values) < 0.05 and the T-statistic > 1.96. This information provides significance (Harahap, 2018). From the data above, it is stated that X significantly influences Z, Z influences Y, and X does not significantly influence Y.

Table. 3 T-Statistic Test
Direct Influence

	T-Statistik	**Nilai P (P *Value*)**
Individual Innovation Capability (Z) → Employee Performance (Y)	5.260	0.000
Knowledge Sharing (X) → Individual Innovation Capability (Z)	22.488	0.000
Knowledge Sharing (X) → Employee Performance (Y)	0.561	0.575

Source: Data Processed by SmartPLS.4 (2023)

Table. 4 T-Statistic Test
Indirect Influence

	T-Statistik	**Nilai P (P *Value*)**
Knowledge Sharing (X) → Employee Performance (Y)	4.871	0.000

Source: Data Processed by SmartPLS.4 (2023)

H1: The hypothesis is considered valid if the significance level (P-value) is less than 0.05 and the T-statistic exceeds 1.96. This study finds that Knowledge Sharing (X) does not significantly affect Employee Performance (Y), as indicated by a P-value of 0.592 (which is greater than 0.05) and a T-statistic of 0.537 (which is less than 1.96). Consequently, it can be concluded that Knowledge Sharing does not have a positive impact on Employee Performance, leading to the rejection of the third hypothesis.

H2: The hypothesis is deemed valid if the significance level (P-value) is below 0.05 and the T-statistic is above 1.96. This study demonstrates that Individual Innovation Capability (Z) has a significant impact on employee performance (Y), with a P-value of 0.000 (which is less than 0.05) and a T-statistic of 5.064 (which exceeds 1.96). Therefore, it can be concluded that

Individual Innovation Capability has a positive and moderate effect on Employee Performance, leading to the acceptance of the second hypothesis.

H3: The hypothesis is considered valid if the significance level (P-value) is less than 0.05 and the T-statistic is greater than 1.96. This study indicates that Knowledge Sharing (X) significantly affects Individual Innovation Capability (Z), with a P-value of 0.000 (below 0.05) and a T-statistic of 22.079 (above 1.96). Therefore, it can be concluded that Knowledge Sharing has a positive and strong effect on Individual Innovation Capability, resulting in the acceptance of the first hypothesis.

H4: The hypothesis is accepted if the significance level (P-value) is below 0.05 and the T-statistic is above 1.96. This study shows that Individual Innovation Capability (Z) partially mediates the relationship between Knowledge Sharing (X) and Employee Performance (Y), with a P-value of 0.000 (less than 0.05) and a T-statistic of 4.642 (greater than 1.96). These findings, based on indirect testing through intervening variables, indicate that Individual Innovation Capability positively and moderately influences Employee Performance. Therefore, the fourth hypothesis is accepted.

DISCUSSION

Knowledge Sharing (X) Does Not Affect Employee Performance (Y)

The lack of knowledge sharing affects employee performance. Knowledge Sharing is a strong factor in driving employee performance because employees are continuously equipped with new knowledge about their work and general knowledge outside of work. Based on the calculations using Smart PLS.4, it can be stated that the Knowledge Sharing variable (X) does not affect Employee Performance (Y). The results of this study are supported by calculations obtained from the questionnaire statements. In the T-Statistical Test conducted, there are very low values, indicating the minimal awareness of employees about the importance of knowledge sharing for employee performance.

Individual Innovation Capability (Z) Affects Employee Performance (Y)

Based on the calculations using SmartPLS.4, the influence of knowledge sharing based on the calculations conducted statistically proves that Knowledge Sharing has a positive effect on Employee Performance. Therefore, it can be stated that the Individual Innovation Capability variable (Z) affects Employee Performance (Y). The results of this study are consistent with the research by (Saragih, 2015), (Hanapi et al., 2020), (Nurcahyo & Wikaningrum, 2020), and (Kadir & Ariprabowo, 2023), which state that Employee Performance significantly affects Individual Innovation Capability. This indicates that employees can innovate, manifested in the ability to produce something new and the ability to generate new processes that ultimately can improve performance. Employees who have applied these innovations receive results in the form of increased productivity or performance.

Knowledge Sharing (X) Affects Individual Innovation Capability (Z)

Through statistical tests, there are high t-statistic values compared to the average value. Based on the calculations using Smart PLS.4, it can be stated that the Knowledge Sharing

variable (X) affects Individual Innovation Capability (Z). The results of this study are consistent with the research by (Aristanto, 2017), (Hanapi et al., 2020), (Nurcahyo & Wikaningrum, 2020), and (Saputra & Nugroho, 2023), which state that knowledge sharing affects individual innovation capability when employees successfully apply knowledge sharing in terms of experience and personal knowledge. Sharing experiences and personal knowledge greatly helps improve employees' abilities to come up with new methods or ways of working and to improve work processes to be more effective and efficient.

Knowledge Sharing (X) Affects Employee Performance (Y) Through Individual Innovation Capability (Z)

Based on the results obtained from Smart PLS.4, the calculation shows an Indirect Effect, indicating that the improvement in Individual Innovation Capability serves as a bridge for the relationship between Knowledge Sharing and Employee Performance. These findings are consistent with the research conducted by (Aristanto, 2017), (Baidun et al., 2023), and (Saputra & Nugroho, 2023), which state that Individual Innovation Capability acts as partial mediation or partial mediation of the influence of Knowledge Sharing on Employee Performance.

CONCLUSIONS

The conclusions drawn from this study are as follows: The variable Knowledge Sharing (X) has a direct influence on the variable Individual Innovation Capability (Z). Respondents rated Knowledge Sharing positively, indicating that it enhances knowledge and motivates individuals to innovate, particularly among employees of CV. Makmur Abadi. The variable Individual Innovation Capability (Z) positively affects the variable Employee Performance (Y), indicating that Individual Innovation Capability significantly impacts the performance of employees at CV. Makmur Abadi. The ratings received fall into the "good" category, suggesting that innovations emerging from individuals enhance performance. The variable Knowledge Sharing (X) does not significantly influence or have a positive impact on Employee Performance (Y) at CV. Makmur Abadi. The ratings received fall into the "low" category. The variable Knowledge Sharing (X) has a significant partial effect on Employee Performance (Y) through Individual Innovation Capability (Z). In testing indirect effects, the ratings received fall into the "good" category.

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