

The Influence of Organisational Culture and Knowledge Sharing on Employee Performance at PT XYZ

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ABSTRACT

Human Resources has become something that absolutely must be owned by the company, because humans are the only human resources that have the ability, experience, reason, knowledge and creativity. PT XYZ has long been a leading textile producing company and has imported its production goods to countries in Asia. In the production process, PT XYZ is supported by several departments with different functions, so it is necessary for the company to have a strong organizational culture and application of knowledge sharing. This study aims to analyze the performance of employees at PT XYZ. This study uses variables of organizational culture and knowledge sharing to analyze the effect on employee performance. The method used in this study is a quantitative method with a descriptive type of research. In this study the sample collection using probability sampling technique with simple random sampling and the number of respondents as many as 286 people from all employees at PT XYZ using structural equation modeling (SEM) analysis.

INTRODUCTION

It is undeniable that a company cannot run well without things that support the sustainability of the company. One of the supporting factors is Human Resources (HR). But in its management, the company needs to manage its human resources well, in order to support the success and help the company to achieve its goals. If this company is not able to manage human resources properly, then this company will be very difficult to achieve its goals. According to Suryanto (2020) HR is a factor that has an important and vital role in running an organization with the aim of using all the capabilities of human resources effectively and efficiently to achieve the goals of the company's organization as desired. PT XYZ is a company engaged in clothing that is useful to meet the needs of the community and has produced viscose and excellent quality products for more than 30 years. The quality has been at the forefront and this company has managed to maintain competition and market share. In an effort to realize its vision to become a company whose products are preferred in Asia. To be able to produce high quality products, of course, the company must have a good synergy between departments so that during the production process runs smoothly and so the company can produce high quality products. All of these departments certainly have their own functions and have a very vital role in the continuity of the production process. Organizational culture and knowledge sharing are very important in companies that have many departments to ensure employee performance remains stable and optimal.

A strong organizational culture creates shared values, norms, and practices that direct employee behavior across departments. When this culture is implemented consistently, each department works within the same framework, reducing conflict and increasing synergy between teams. Knowledge sharing is also key in a multi-departmental environment. With knowledge sharing, information and best practices can be easily transferred from one department to another, increasing efficiency and innovation. This is very important in avoiding duplication of effort and ensuring all departments work with the latest and most effective information. this is also supported by supported by previous research belonging to Rijanto and Mukaram (2018) which states that organizational culture has a positive and significant effect on employee performance at PT Agrodana Futures Bandung where the organizational culture is already high and very good. as well as previous research by Rifa Azizi (2020) which states that there is a positive influence of knowledge sharing partially and significantly on employee performance. Maintaining employee performance through organizational culture and knowledge sharing is very important. A strong organizational culture creates shared values and consistent work practices, thereby increasing employee engagement and motivation. Knowledge sharing enables the exchange of information and experiences between employees, increasing efficiency and innovation. because of the importance of organizational culture and knowledge sharing on employee performance, the company must be consistent in maintaining it for the progress and sustainability of the company.

Based on the data presented, it can be concluded that organizational culture and knowledge sharing can influence a employee performance. Therefore, the aim of this research is to find out whether there is an influence on organizational culture and knowledge sharing on employee performance. So the author is interested in conducting research with the title "The influence of organizational culture and knowledge sharing on employee performance at PT XYZ". So it is hoped that this research can be useful for the company's progress in the future. The objectives that the researchers want to achieve are:

1. To find out the implementation of organizational culture, knowledge sharing and employee performance at PT XYZ.
2. To determine the influence of organizational culture and knowledge sharing on employee creativity.
3. To determine the influence of organizational culture and knowledge sharing on employee creativity simultaneously.

LITERATURE REVIEW

Definition of Organizational Culture

Culture is a habit that is carried out continuously over a long period of time and has become a characteristic of a group of people and becomes a unity of view that creates uniformity of behaviour and action. Over time a good culture will produce good results too. Meanwhile, according to Schein in Priansa Juni in the book business organisational behaviour (2017) explains that organisational culture consists of various basic assumptions that are discovered, created and developed by a particular group with the aim that the organisation can learn to overcome problems arising from external adaptation and internal integration that have been running quite well. So it needs to be taught to new members in the right way to understand, think and feel regarding these various problems. According to Mclean in Jeong et al. (2017) organisational culture refers to a set of beliefs, assumptions, and values held by every member of the organisation, which provide norms of behaviour, and these norms influence behaviour. According to Robbins in Priansa June in the book business organisational behaviour (2017) there are five functions of organisational culture, namely:

- A. Culture has a role in setting boundaries. Culture has a role in setting boundaries. That is, culture can create a difference between one organisation and another.
- B. Culture brings an identity to the members of the organisation in it.
Culture brings an identity to the members of the organisation who are in it.
- C. Culture facilitates the emergence of commitment to something. Culture facilitates commitment to something broader than one's personal interests.
- D. Culture facilitates commitment to something broader than the stability of the social system. Culture is a social glue that helps unite the organisation by providing appropriate standards to be applied to employees.

- E. Culture serves as a meaning-making and control mechanism. Culture serves as a meaning-making and control mechanism that guides and shapes the attitudes and behaviour of employees within the organisation.

Denison & Neale (2019) explain that there are four dimensions in measuring organisational culture including:

Involvement

This is how employees play a role in decision making and daily tasks. this can be seen from:

- a. Empowerment: the company gives authority and responsibility to employees
- b. Team orientation: the company prioritises cooperation in achieving common goals.
- c. Capability development: the company develops employee skills to meet sustainable organisations.

Consistency

This is how employees carry out organisational procedures or how they act with the rules set by the organisation, the indicators are:

- a. Core values: the company has an identity and expectations that are believed by its employees.
- b. Agreement: the company is able to overcome differences and deal with critical issues.
- c. Coordination and integration: different departments and units of the company can work together in advancing the company.

Adaptability

This is how employees deal with changes that occur both from within and outside the organisation, with the following indicators:

- a. Creating Change: able to create adaptive to meet the needs of change and anticipate future changes.
- b. Organisation learning: accepting and learning things in the environment and making it an opportunity to develop the company.

Mission

This is how employees know the direction and purpose of the company and the organisation can make its employees have confidence and firmness in everything that is considered important. The following are the indicators:

- a) Strategic direction: has a clear goal and each member can contribute.
- b) Goals and objectives: there is a clear direction in each task of each employee.
- c) Vision: the company and employees have the same view of the future of the company.

Definision of Knowledge Sharing

According to Tung (2018) knowledge sharing is a process for sharing, disseminating and exchanging information and knowledge between individuals to other individuals, individuals to communities and between communities to other communities for better implementation and creating new knowledge. Jaspahara and Prasarnphanich (2004) in Chitale (2011) explain that knowledge sharing is a set of behaviours that involve exchanging information or providing assistance to others. Knowledge sharing has a vital role in an organisation or company because if in the organisation or company there is good knowledge sharing, it will create sustainable company innovation and create a sustainable competitive advantage. Knowledge sharing is created by good communication between individuals or communities with others. The benefits of knowledge sharing stated by Lumbantobing in Armila (2020), namely:

- A. Creating equal opportunities for members of the organisation to access knowledge and learn it.
- B. Increase learning opportunities to acquire and learn new knowledge.
- C. Accelerate the completion of tasks or problems, because the solution no longer starts from point zero.
- D. Solving a problem by utilising methods that have proven effective in the unit or elsewhere.
- E. Providing the basis for innovation in the form of varied and multipres knowledge.

Hoof and Weemen in Harjanti and Noerchoidah (2017) explain that knowledge sharing is an activity of individuals sharing and exchanging new knowledge through the process of exchanging, contributing, and collecting knowledge. This definition explains that all knowledge sharing behaviour consists of:

1. Knowledge donating
which is the process or voluntary action of individuals or organisations in voluntarily sharing knowledge, information, or skills with others or the general public.
2. Knowledge collecting
defined as a reference to the process of collecting and storing knowledge, information, and data from various sources that are relevant to company operations, strategies, and goals.

Definision Employee Performance

Employee performance is the result of work achieved by a person or group of people according to the authority / responsibility of each employee during a certain period. A company needs to conduct a performance appraisal on its employees. according to Faustino Cadosa Gomes in Mangkunegara (2005: 9), says that the definition of employee work as: 'Expressions such as output, efficiency and effectiveness are often associated with productivity'. According to Kaswan (2015: 156) factors that affect performance include motivation, work ethics, job design, co-workers and support from the organisation which includes

training and development. According to Ivancevich in Juni (2015: 270) the factors that can affect performance are individual variables such as mentality, experience and background, psychological variables such as attitudes and behaviour, as well as organisational variables such as job type and leadership style. The objectives of performance appraisal according to (Dharma, 2001: 150) are as follows:

- A. Discipline, assessment of discipline in obeying existing rules and doing work according to the instructions given to him.
- B. Creativity, assessment of the ability of employees to develop creativity to complete the work to hard.
- C. Accountability, if standards and targets are used as a means of measuring accountability, then the basis for making decisions on raising salaries or wages, promotions and special assignments, and so on is the quality of the work of the employee concerned.
- D. Development, if standards and targets are used as a tool for development purposes, it refers to the support employees need in carrying out their work. That support can be in the form of training, guidance or other assistance.

Meanwhile, according to Idham & Subowo (2005: 135) the dimensions for measuring performance are:

1. Quality of work, including accuracy, tidiness, accuracy and work skills.
2. Work quantity, including the ability to produce volumes of new jobs.
3. Knowledge, related to individual knowledge in their work.
4. Reliability, related to the ability of individuals to carry out their duties.
5. Cooperation, including the ability to complete tasks together.

Theoretical Framework

This research aims to determine and analyze the influence of organizational culture and knowledge sharing on employee performance. The analysis technique used is the structural equation modeling method which adopts a confirmative approach to structurally analyze theories related to several phenomena.

The frame of mind according to Sugiyono (2019: 95) in Vm Jaori (2020), is a conceptual model of how theory relates to various factors that have been identified as important.

Based on the discussion of the literature review above, the thinking framework model in this research can be depicted in the following chart:

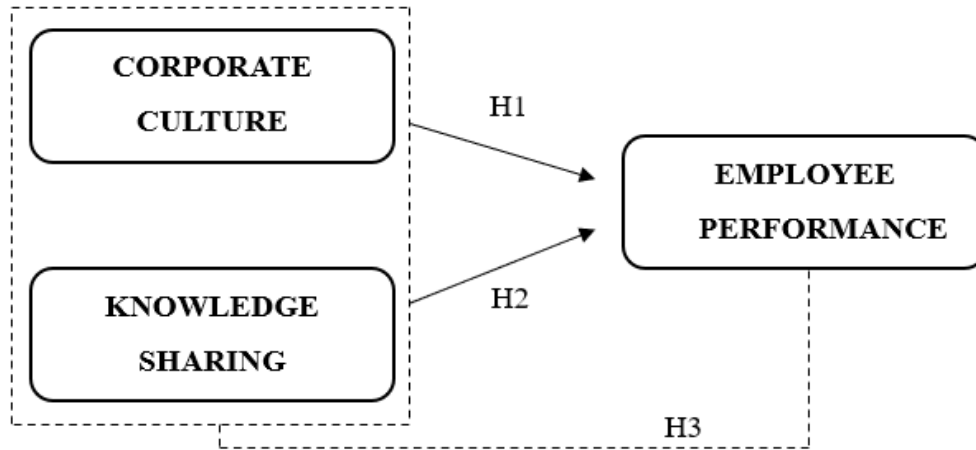


Figure 1: Conceptual Framework

METHODOLOGY

In this study the object under study is all employees who work at PT XYZ. The methods used in this study are quantitative methods with descriptive research. In this study, sampling using probability sampling technique with simple random sampling and the number of respondents as many as 286 people from all employees who are at PT XYZ. The data processing method used in this study is the SEM method. Structural Equation Modeling in data Processing uses covariance structure analysis to explain the casual relationship between constructs. SEM method has a limitation that only presents one relationship between the dependent variable and the independent variable. However, it has advantages such as several interrelated dependent relationships that can be estimated together and can present unobserved concepts or latent variables Cooper et al., (2011)

RESEARCH RESULT

According to Baron in Aliniya (2018), organizational culture is defined as a cognitive framework that contains attitudes, values, norms and expectations shared by members of the organization. Parts of the organization will always try to maintain order behavior, mindset, cooperation and interaction of employees with the environment. In order to stay on its path and does not change corridor. Good employee performance can not separated from a good organizational culture. Organizational culture can be affect the success of the company itself and companies that have a good organizational culture will certainly lead its employees to meet their obligations. According to Ilmaniar and Djastuti. (2018) organizational culture is an aspect that is owned by a company and is binding. All activities of employees in a company should refer entirely the culture of this organization. With the existence of this organizational culture will certainly make the entire enterprise device affected and they will feel as part of the company. And of course this will affect the employee performance.

According to Mardillah and Rahardjo (2017). Knowledge or very knowledge important for employees in performing their duties, because with the planting knowledge on each employee, then the employee can run their respective duties in accordance with the expected company, so it will good impact on employee performance. Then explained by research Frimpong et al. (2018) it can be noted that knowledge management have an influence on employee performance at Techiman City in Ghana, in where in the process of knowledge management consists of how knowledge acquired, acquired, and disseminated (knowledge sharing). In addition, it is explained also that from the study found that there is a significant relationship between motivation and knowledge management that can also contribute on employee performance. Based on the results of previous research that has been presented, it can be seen that employee performance can increase with the right organizational culture and knowledge sharing activities. It can be said that organizational culture and knowledge sharing have an influence on employee performance.

DISCUSSION

Organizational culture and knowledge sharing play an important role in improving employee performance. When employees feel valued and supported, they are more motivated and committed to the company's goals, which ultimately increases their productivity and performance. A strong organizational culture also helps build a sense of belonging among employees, so that they feel part of something bigger. Knowledge sharing complements a good organizational culture by allowing employees to learn from each other's experiences. This process not only enriches the knowledge of individuals but also the organization as a whole. By sharing knowledge, employees can develop new skills, avoid common mistakes, and find innovative solutions to problems at hand. The combination of a strong organizational culture and effective knowledge sharing practices makes employees more motivated, feel valued, and ready for challenges. Overall, this improves employee performance and makes the company more competitive. Implementation of this strategy requires commitment from all layers of the organization, but the long-term benefits are invaluable to the company's progress.

CONCLUSIONS AND RECOMMENDATIONS

Organizational culture and knowledge sharing have a crucial role in improving employee performance. Organizational culture is the foundation of the values, norms, and practices adopted by all members of the company. At PT XYZ, the implementation of a positive organizational culture, such as a culture of collaboration, openness, and innovation, can create a conducive and supportive work environment. When employees feel valued and supported, they tend to be more motivated and committed to the company's goals, which ultimately increases their productivity and performance. In addition, knowledge sharing is an important element that complements a good organizational culture. By sharing knowledge, employees can learn from each other's experiences, develop new skills, and avoid common mistakes. This not only improves operational efficiency but also enriches the company's knowledge base. PT XYZ

can encourage knowledge sharing practices through mentoring programs, internal training, group discussions, and the use of information technology such as intranet platforms or collaboration applications. Management has an important role to play in facilitating this process by setting a good example and creating incentive systems to encourage employees to share information. The combination of a strong organizational culture and effective knowledge sharing practices can make employees more motivated, feel valued, and have a high sense of belonging. They also become better prepared for challenges and changes because they have access to the resources and knowledge needed to thrive.

Overall, by building and maintaining a positive organizational culture and encouraging knowledge sharing, PT XYZ can create a productive and innovative work environment, which ultimately improves employee performance and makes the company more competitive in the market. Implementation of this strategy does require commitment from all layers of the organization, but the long-term benefits are invaluable to the company's progress. The author acknowledges that there are limitations in research so it is hoped that readers can carry out further research with different variables and research objects in order to increase knowledge and insight.

ADVANCED RESEARCH

In writing this article the researcher realizes that there are still many shortcomings in terms of language, writing, and form of presentation considering the limited knowledge and abilities of the researchers themselves. Therefore, for the perfection of the article, the researcher expects constructive criticism and suggestions from various parties.

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