



The Influence of Knowledge Sharing and Innovative Behavior on Organizational Innovation Capability

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Abstract. *The purpose of this research is to determine the influence of knowledge sharing and innovative work behavior on organizational innovation capability. This research design uses a quantitative approach with a survey method. This approach is used to measure the influence of knowledge sharing variables and innovative work behavior on innovation capability. This research was conducted at the PDAM Kolaka Regency office, Southeast Sulawesi Province. The population of this study was 30 employees of PDAM Kolaka Regency, Southeast Sulawesi Province. In this research, primary data sources are used in the form of survey results by distributing questionnaires to obtain information and responses related to knowledge variables, innovative work behavior and employee innovation capabilities. To test the hypothesis, this research uses PLS-SEM with the help of the Smart-PLS version 3.0 application. The research results show that there is no influence between knowledge sharing and innovative work behavior on organizational innovation capability.*

Keywords: *Employee Performance; Innovation Capability; Innovative Work Behavior; Knowledge Sharing; Organizational Innovation*

Abstrak. Tujuan penelitian ini adalah untuk mengetahui pengaruh berbagi pengetahuan dan perilaku kerja inovatif terhadap kemampuan inovasi organisasi. Desain penelitian ini menggunakan pendekatan kuantitatif dengan metode survei. Pendekatan ini digunakan untuk mengukur pengaruh variabel berbagi pengetahuan dan perilaku kerja inovatif terhadap kemampuan inovasi. Penelitian ini dilakukan di kantor PDAM Kabupaten Kolaka, Provinsi Sulawesi Tenggara. Populasi penelitian ini adalah 30 karyawan PDAM Kabupaten Kolaka, Provinsi Sulawesi Tenggara. Dalam penelitian ini, sumber data primer yang digunakan berupa hasil survei dengan mendistribusikan kuesioner untuk memperoleh informasi dan tanggapan terkait variabel pengetahuan, perilaku kerja inovatif, dan kemampuan inovasi karyawan. Untuk menguji hipotesis, penelitian ini menggunakan PLS-SEM dengan bantuan aplikasi Smart-PLS versi 3.0. Hasil penelitian menunjukkan bahwa tidak ada pengaruh antara berbagi pengetahuan dan perilaku kerja inovatif terhadap kemampuan inovasi organisasi.

Kata kunci: Berbagi Pengetahuan; Inovasi Organisasi; Kemampuan Inovasi; Kinerja Karyawan; Perilaku Kerja Inovatif

1. INTRODUCTION

Public organizations are often faced with demands to improve efficiency, service quality and responsiveness to community needs. In the current era of technological development and increasingly high public expectations, public organizations are required to innovate so that they can remain relevant and effective according to the needs of the communities they serve (Nam, 2019). Therefore, having innovation capabilities is no longer an option, but a necessity to provide more effective, efficient and relevant services to the public. Organizational innovation capability is an important factor for organizations to achieve higher competitive performance (Silva & Cirani, 2020). An organization's innovation capability is related to the organization's internal efforts to interact with the external environment to pursue resources, knowledge and skills that will be incorporated into the organization to create new products and service processes that can be utilized by the organization's stakeholders (Silva &

Cirani, 2020). However, to increase organizational innovation capabilities, it is necessary to consider an important factor, namely knowledge sharing (Castaneda & Cuellar, 2020). According to Castaneda & Cuellar (2020) innovation can be created by modern infrastructure, technology and economic resources, but what is more important is the exchange of knowledge between workers which must be considered in increasing an organization's innovation capabilities. Knowledge sharing has been proven to improve decision making, innovation and organizational performance (Jiang & Chen, 2018).

Organizational innovation capabilities can be influenced by knowledge sharing. This is because knowledge sharing is realized as an activity of exchanging knowledge, information and membership between individuals and organizations (Hoang & Truong, 2021). This is in line with what was stated by (Huo et al., 2022) that knowledge is something valuable as a resource and asset, therefore, sharing employee knowledge is important to increase organizational efficiency such as the application of knowledge and innovation. When employees generate and exchange knowledge with other individuals, knowledge is generated and passed down in the workplace so that organizational performance improves.

Apart from sharing knowledge, innovative work behavior is a factor that can influence organizational capabilities (Wang et al., 2017). This is because employee innovative behavior can play an important role in driving company innovation and enabling them to do various things related to organizational progress and adapt to complex business environments (Dai et al., 2024). According to Sode & Chenji (2024) innovative behavior is how employees view their work environment as better so that at work they tend towards proactive and innovative behavior, such as proposing new ideas and assuming additional responsibilities given by the organization, this is in line with what was stated Tsameti et al., (2023) innovative behavior is defined as the intentional creation, introduction, and implementation of new ideas by individuals in work roles, groups, or organizations, aimed at improving task-related performance or solving work-related problems. Therefore, to increase the level of organizational innovation it is important to understand individual innovative behavior (Wang et al., 2017).

Based on the above, this research tries to examine knowledge sharing and innovative work behavior of employees in increasing organizational innovation capabilities. Previous research has explained that knowledge sharing and innovative work behavior influence innovation capability, but there is a gap in research results in understanding innovation capability, where there are still limited people conducting research related to innovation issues in public organizations (Tsameti et al., 2023). This is because the legitimacy of innovation in

public organizations is questioned because it is associated with taking risks that have the potential to cause failure, including citizen rights, favoritism and corruption (Cao et al., 2023). Meanwhile, public organizations that want to innovate need to take risks to try new ideas or change the way they work, while public organizations are organizations that have strict rules and procedures, so taking risks is a big challenge faced by employees and the organization. Organizations that comply with rules can hinder innovation that is beneficial to the organization and society. From the explanation above, this research was conducted to understand how knowledge sharing and innovative work behavior influence innovation capabilities in public organizations. This research is expected to provide an in-depth understanding of how to optimize knowledge sharing practices and innovative work behavior in encouraging innovation capabilities in public organizations.

2. LITERATURE REVIEW

Knowledge Sharing

Knowledge is one of the most important factors in producing success and competitive advantage in organizations (Xu & Wei, 2023). Knowledge sharing is typically defined as a process where people within or outside an organization mutually exchange their tacit and explicit knowledge to create new knowledge (Dzenopoljac et al., 2023). Knowledge sharing is often viewed as employees' altruistic and initiative behavior and is a crucial factor in improving individual performance and the organizational innovation capability (Yao et al., 2023). Knowledge sharing has been proven to improve decision making, innovation and organizational performance (Jiang & Chen, 2018). Knowledge sharing and hiding are two ubiquitous behaviors that affect employees' creative behaviors and corporate innovation (Yao et al., 2023).

Work Innovative Behavior

Wang et al., (2017) to increase the level of organizational innovation it is important to understand individual innovative behavior. Innovative work behavior refers to individual actions that involve the process of creating, introducing, and implementing new and creative ideas to support their work. This includes the ability to think outside the box, generate unconventional solutions, and seek new ways to address challenges or improve work processes (Wonua et al., 2023). Innovative work behavior is expected to produce innovative and therefore beneficial outcomes for individuals, groups, or organizations (Srirahayu et al., 2023). Sode & Chenji (2024) innovative behavior is how employees perceive their work environment as better

so that at work they tend towards proactive and innovative behavior, such as proposing new ideas and assuming additional responsibilities given by the organization.

Organizational Innovation Capability

Organizational innovation capabilities refer to the abilities that organizations need to gain a competitive advantage in the market. They serve as tools that can utilize to lead their organizations to success. innovation capability is defined as a process involving the creation of new ideas and management potentials to create a competitive advantage for the organization (Somwethee et al., 2023). Demircioglu (2016) suggested that organizational innovation capability is ability to generate ideas, new products, methods, services, processes, technologies and strategies introduced by an organization. Innovation capability emphasises a firm's ability to transform ideas and knowledge into unique, new products that respond to customers' demands and thus generate benefits for the organisation (Hurtado-Palomino et al., 2022).

3. METODE PENELITIAN

This research design uses a quantitative approach with a survey method. This approach is used to measure the influence of knowledge sharing variables and innovative work behavior on innovation capability. This research was conducted at the PDAM Kolaka Regency office, Southeast Sulawesi Province.

The population of this study was 30 employees of PDAM Kolaka Regency, Southeast Sulawesi Province, consisting of 19 men and 11 women. Because the population is only 30 people, the entire population was used as a research sample with the aim of obtaining accurate and representative data, thereby increasing the validity of the results of this research.

In this research, primary data sources are used in the form of survey results by distributing questionnaires to obtain information and responses related to various demographic variables, including factors such as gender, age and educational background. The two core questionnaires include 3 latent variables, 11 dimensions and 22 indicators measuring the knowledge, innovative work behavior and innovation capabilities of PDAM employees, Kolaka Regency, Southeast Sulawesi Province. The survey questionnaire consists of two parts: the first relates to characteristics using a 1-5 Likert scale, ranging from "strongly disagree" to "strongly agree".

To test the hypothesis, this research uses PLS-SEM with the help of the Smart-PLS version 3.0 application. To investigate the main factors and complex structural relationships between variables, the PLS technique was used (Hair et al., 2017). In this research, the data was analyzed into two steps (Hair et al., 2017) measurements were examined to determine the

reliability and validity of the construct by looking at the factor loadings, composite reliability, and average variance. The structural equation model is then checked to see whether there is any correlation between the latent constructs.

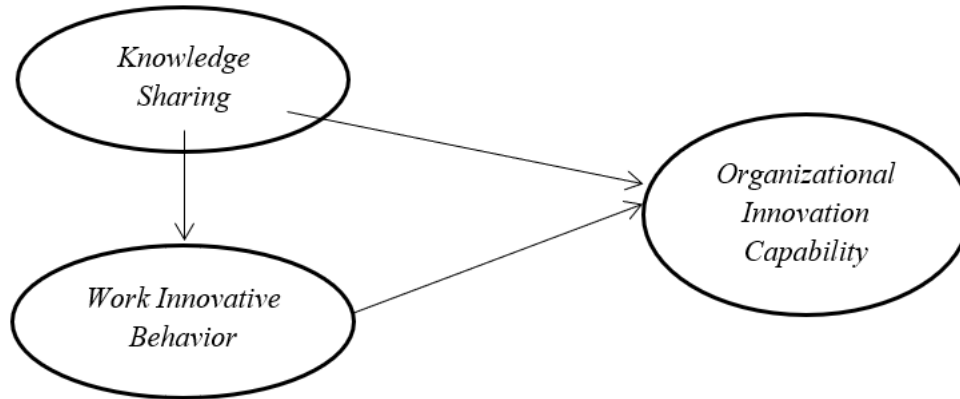


Figure 1. Research Design.

4. RESULTS AND DISCUSSIONS

Result

The results of this research tested the model built using two stages. The measurement model was first evaluated to ensure the validity and reliability of the instrument used, the structural model was assessed to verify the proposed hypothesis. This study evaluates the convergent and discriminant validity of the measurement model. Convergent validity refers to the extent to which two items measuring a construct load equally heavily on that construct.

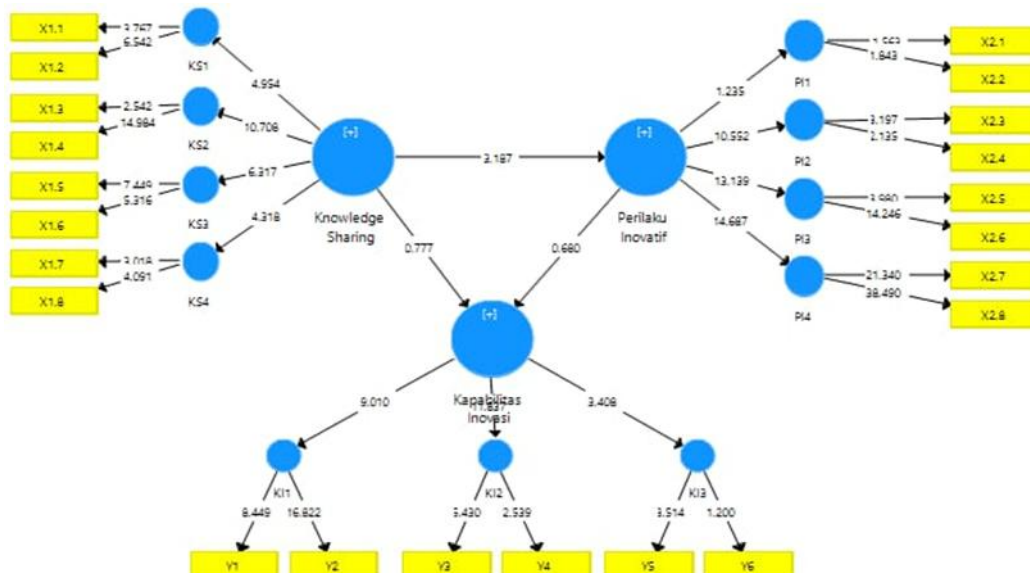


Figure 2. Model Path Analysis.

Measurement Model (Outer Model)

Table 1. Measurement Model.

Variabel	Dimensions	Cronbach's Alpha	Composite Reliability	AVE
<i>Innovation Capability</i>	Product Innovation	0,704	0,803	0,792
	Market Innovation			0,608
	Service Innovation			0,609
	Seeing opportunities			0,757
<i>Work Innovation Behavior</i>	Throw out ideas	0,820	0,871	0,797
	Struggle			0,796
	Idea application			0,720
	Ability to motivate each other			0,668
<i>Share Knowledge</i>	Ability to solve problems	0,813	0,860	0,562
	Ability to absorb information			0,800
	Ability to absorb the knowledge gained			0,928

The results of the measurement model show that the Cronbach's alpha value is above 0.60 and the composite reliability is above 0.70, and the AVE value is above 0.5. Therefore, the measurement is valid and reliable, so it can be concluded that all variables have good reliability and validity (Hair et al., 2017).

Structural Model (Inner Model) Assessment

R-Square values

The R2 value is essential for evaluating the strength of a model as it indicates the extent to which the factors that influence an endogenous variable explain the variation in that variable. This measurement is essential for assessing model robustness. Accordingly, for an endogenous latent variable, an R2 score of 0.75 indicates a significant and excellent, 0.50 suggests a moderate and average, while 0.25 signifies a weak and poor model (Hair et al., 2017). The R-Square test results are presented in table 2.

Table 2. Nilai R-Square.

Variable	R-Square
<i>Work Innovation Behavior</i>	0,422
<i>Innovation Capability</i>	0,223

The results of the analysis show that the endogenous variable Organizational Innovation Capability (Y) has an R Square value of 0.233 which is in the low category. This means that only 22.3% of the endogenous variable Innovation Capability (Y) is influenced by

the exogenous variables Knowledge sharing and innovation capability, while 77.7% is influenced by other exogenous variables.

Hypothesis test

Table 3. Path Coefficients Inner Model.

	Original Sampel (0)	Sampel Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values	Result
<i>Knowledge Sharing (X1) -> Organizational Innovation Capability (Y)</i>	0.277	0.266	0.337	0.824	0.410	Rejected
<i>Work Innovation Behavior (X2) -> Organizational Innovation Capability (Y)</i>	0.159	0.171	0.227	0.698	0.486	Rejected
<i>Knowledge Sharing (X1)-> Innovation capability (X2)</i>	0.569	0.560	0.179	3.182	0.002	Accepted

Discussion

The Effect of Knowledge Sharing on Innovation Capability

Huo et al., (2022) that knowledge is something valuable as a resource and asset, therefore, employee knowledge sharing is important to improve organizational efficiency such as knowledge adoption and innovation. Where knowledge sharing has been proven to improve decision making, innovation and organizational performance (Jiang & Chen, 2018). However, research shows that knowledge sharing does not affect innovation capabilities, this is because public organizations often have rigid bureaucratic structures and conservative organizational cultures. In such a context, knowledge sharing may not be enough to drive innovation capabilities. A work culture that focuses more on stability and compliance with rules can hinder the implementation of new ideas that result from knowledge sharing. Then, even though you have innovative ideas, implementing them takes time because every decision awaits the leadership's direction. This is in line with what (Wu et al., 2020) said, the lack of employee freedom can be an obstacle to spurring innovative activities in the organization. Then there is a tendency to be resistant to change so that organizational members do not want to accept new ideas and new ways of working. This is in line with research Wonua et al., (2023) that public organizations have a more bureaucratic structure so that implementing rules is so strict that it

prevents organizational members from daring to try new approaches or share different ideas in carrying out innovations at work.

The Influence of Innovative Work Behavior on Innovation Capability

Sode & Chenji (2024) innovative behavior is how employees perceive their work environment as better so that at work they tend towards proactive and innovative behavior, such as proposing new ideas and assuming additional responsibilities given by the organization, therefore according to Wang et al., (2017) to increase the level of organizational innovation it is important to understand individual innovative behavior. Tsameti et al., (2023) innovative behavior is defined as the intentional creation, introduction, and implementation of new ideas by individuals in work roles, groups, or organizations, aimed at improving task-related performance or solving work-related problems. However, the results of this research show that Innovative Work Behavior has no influence on Innovation capability, this is because PDAM Kolaka is a regional company where policies are too hierarchical, or have strict limits on change, thereby inhibiting employee innovative behavior at work and as a result innovation is hampered. Then

PDAM Kolaka employees work based on SOPs only so they do not produce new ideas or innovations to solve all the problems faced by PDAM. As we know, public companies that have rigid and overly formal policies and processes can limit creativity and innovation. Rules that are too rigid and excessive bureaucracy can discourage employees from trying new ideas or taking the risks necessary to innovate. This is in line with research by Wonua et al., (2023) that public organizations have a more bureaucratic structure so that implementing rules is so strict that it prevents organizational members from daring to try new approaches or share different ideas in carrying out innovations at work. As stated by (Cao et al., 2023) the legitimacy of innovation in public organizations is questioned because it is related to risk taking which has the potential to cause failure, abuse of citizens' rights, favoritism and corruption. Based on this, it causes public organizations to take precautionary measures so that freedom to work must be based on the rules that apply within the organization.

The Effect of Knowledge Sharing on Innovative Work Behavior

The research results show that the third hypothesis is accepted. This means that sharing knowledge influences innovative behavior. This shows that sharing knowledge is a way to increase employee innovative work behavior. This is in line with what knowledge sharing is realized as an activity of exchanging knowledge, information and membership between individuals and organizations (Hoang & Truong, 2021) stated, knowledge sharing is the process of transferring knowledge, strategies, experiences and concepts between employees in

an organization. The findings of this research are also in line with the findings (Aristanto, 2017) that sharing knowledge encourages innovative behavior. Therefore, it is possible to draw the conclusion that inventive behavior is related to increased knowledge sharing with colleagues.

5. KESIMPULAN

Based on the research results, it can be concluded that there are limitations in the influence of knowledge sharing and innovative work behavior on organizational innovation capabilities. The conclusions of the research provide recommendations for future researchers. First, researchers can consider using a qualitative approach to dig deeper into the factors that influence the innovation capabilities of public companies. This approach can involve in-depth interviews to understand in detail the experiences, perceptions and contextual factors that influence the phenomenon. Apart from that, researchers can also expand the scope of the research sample by involving companies from various sectors to gain a broader understanding of the relationship between knowledge sharing, innovative behavior and innovation capability. In addition, researchers can combine quantitative and qualitative methods in research designs to gain a deeper understanding of the factors that influence innovation in public companies.

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