# The Effect of Organizational Climate and Knowledge Sharing on Employee Performance in Ministry of Communication and Informatics Jakarta

#### Devi Astri Utami<sup>1</sup>, Dewi Nusraningrum<sup>2</sup>

<sup>12</sup>Study Program Management, Faculty of Economics and Business, Universitas Mercu Buana JI. Raya Meruya Selatan Email: deviutamii88@gmail.com, dewinusraningrum@mercubuana.ac.id

**Abstract** - This study aims to examine and analyze the effect of organizational climate and knowledge sharing on employee performance. The object of this research is the part of staffing in communication and informatics institutions located in Jakarta. This study was conducted on 30 respondents with this researcher using the sampling method: saturated or biased is also called the census method and the data obtained is analyzed using PLS (Partial Least Square) analysis techniques through SmartPLS software. The results are organizational climate has a positive and significant effect on employee performance, and knowledge sharing has no effect and insignificant effect on employee performance.

Keywords: organizational climate; knowledge sharing; employee performance

#### INTRODUCTION

An organization is established because it has certain goals that it wants and must achieve. In achieving its goals every organization must have human resources. The human resources will regulate and manage other resources that the organization has to help realizes organizational goals. The potential of human resources needs to be developed and considered to become professional and quality human resources that have an impact on the success of the organization. The existence of human resources within the organization's is the main pillar and also the driving force in the effort to realize the organization vision and mission (Anggraeni, 2015).

Organizations and institutions must have competent human resources and have a high level of performance in carrying out the tasks assigned by the organizations. Performance is the quantity and quality of the work of an individual or group of individuals in the organization to carry out basic tasks and functions that are guided by norms, standard operating procedures, predetermined criteria and measures that apply in the organization (Torang, 2014). Climate is the quality of the internal environment that is relatively ongoing, experienced by members of the organization and the behavior of each member (Tarigan dan Litwin, 2007). The organization is to apply knowledge sharing which is the basis of knowledge management. Turner and Minonne, (2015) define to measure the effects of implementing knowledge management in a company, how should it be seen first knowledge within the organization can be created through a knowledge process sharing.

Ministry of Communications and Informatics (Menkominfo) is a government agency that engaged in the field of communication and information technology. In the strategic plan of the Ministry of Communication and Informatics Year 2015-2019, the development of communications and informatics fields in the next five years will be prioritized in supporting the achievement of food sovereignty, the sufficiency of energy, the management of maritime and marine resources, as the leading sector in the field of communication and informatics. Therefore a government agency should be based on the superiority of human resources that have the ability of science and technology. (Renstra Kominfo, 2014-2019).

It can be seen that human resources are one of the important factors that must be considered by the organizations in achieving is the factor of human resources. Because of the growing, the organization must have a high quality of human resources for technology in the organization that can be used and employee performance can be run effectively.

Many researchers raised the human resources associated with the variables above. Some of the research results are as follows; a). The research conducted by Ridwan (2016) shows that organizational climate has a significant effect on employee performance. Mardillah (2017) research examined the effect of knowledge sharing on employee performance results from their research is knowledge sharing has a positive influence on performance, where the knowledge sharing is improved then employee performance will increase.

#### LITERATURE REVIEW

Human resources is a vital of the success of the company and has a huge role in running the organization (Zagoto, 2020). However, Management of Human Resources is the science and art of managing relationships and the role of labor to be able to realize the goals of the company, employees, and society of labor to achieve the organizational goals (Hasibuan, 2013).

Performance is the result of work that can be achieved by a person or group of people in an organization of the respective authority and responsibility (Mangkunegara, 2012) by obeying the law and by morals (Simorangkir, 2013), and also a record of the outcomes produced from a particular job function or certain activities in a certain time period (Gomes, 2013).

Wirawan (2008) stated that organizational climate is the perception of organizational members (individually and groups) and those who are constantly in touch with the organization about what is happen or happening in the organization's internal environment regularly, that affect organizational attitudes and behavior and the performance of organizational members which then determines organizational performance. Knowledge Sharing is a systematic process in delivering messages between individuals and organizations through diverse media (Triana, 2016).

 $H_1:$  There is an influence of organizational climate on employee performance

H<sub>2</sub>: There is an influence of knowledge sharing on employee performance.

#### METHODS

This research is a causal quantitative research by spreading out the questionnaires to respondents of employees of the Ministry of Communication and Informatics. Data analysis method used component or variance-based Structural Equation Modeling (SEM) wherein data processing using Smart-Partial Least Square (Smart-PLS) version 3.0 program. PLS is intended for causal predictive analytics in situations of high complexity and low theory support (Ghozali, 2014).

| VARIABLE                | INDICATOR OUTER<br>LOADINGS |       | INFORMATION |  |
|-------------------------|-----------------------------|-------|-------------|--|
|                         | OC1                         | 0.794 | Valid       |  |
|                         | OC5                         | 0.758 | Valid       |  |
| Organizational          | OC6                         | 0.727 | Valid       |  |
| Climate                 | OC7                         | 0.769 | Valid       |  |
|                         | OC10                        | 0.794 | Valid       |  |
|                         | OC11                        | 0.678 | Valid       |  |
|                         | KS1                         | 0.908 | Valid       |  |
| (nowledge Charing       | KS2                         | 0.527 | Valid       |  |
| (nowledge Sharing       | KS5                         | 0.610 | Valid       |  |
|                         | KS6                         | 0.746 | Valid       |  |
|                         | EP4                         | 0.810 | Valid       |  |
| Frankassa               | EP9                         | 0.620 | Valid       |  |
| Employee<br>Performance | EP10                        | 0.699 | Valid       |  |
| Performance             | EP11                        | 0.794 | Valid       |  |
|                         | EP17                        | 0.707 | Valid       |  |

#### **RESULTS AND DISCUSSION**

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From the table 1. Shows that six indicators of organizational climate are valid, four indicators of knowledge sharing are valid, and five indicators of employee performance are valid.

| Table 2. Discriminant Validity Test (Fornell & Larcker) (Modification) |                          |                           |                              |  |
|--|--------------------------|---------------------------|------------------------------|--|
|  | Employees<br>Performance | Organizational<br>Climate | Organizational<br>Commitment |  |
| Employees Performance  | 0.728                    |                           |                              |  |
| Knowledge Sharing  | 0.586                    | 0.713                     |                              |  |
| Organizational Climate   | 0.757                    | 0.474                     | 0.742                        |  |

The result of discriminant validity test shows that some values of loading factors for each indicator of each latent variable already have a loading factor values that is not the greatest compared to the loading value if it is associated with other latent variables.

| Table 3. Average Variance Extracted Test Results (AVE) |       |  |  |
|--|-------|--|--|
| Variable Average Variance Extracted (AV                |       |  |  |
| Employees Performance                                  | 0.529 |  |  |
| Knowledge Sharing                                      | 0.508 |  |  |
| Organizational Climate                                 | 0.557 |  |  |

The testing of composite reliability and Cronbach's alpha aims to test the reliability of the instrument in a research model.

| Table 4. Composite Reliability and Cronbach's Alpha Test Results |                          |                     |             |
|--|--------------------------|---------------------|-------------|
| Variable   | Composite<br>Reliability | Cronbach's<br>Alpha | Reliability |
| Employees Performance  | 0.848                    | 0.777               | Reliable    |
| Knowledge Sharing  | 0.798                    | 0.756               | Reliable    |
| Organizational Climate   | 0.862                    | 0.802               | Reliable    |

| Table 5. R <sup>2</sup> Value Endogen Variable |          |  |
|--|----------|--|
| Endogen Variable                               | R Square |  |
| Employees Performance                          | 0.640    |  |

From the data above can be concluded that the R-Square value of 0.640 which means variability employees performance (EP) which can be explained by the two variables in the model that is organizational climate, knowledge sharing equal to 64,0% while 36,0% explained by other variables which are not examine in this model.

The predictive relevance value  $(Q^2)$  is 0,640. The  $Q^2$  show the predictive relevance value of 0.640>0. It means that 64,0% of the variation in the employee's performance variable (dependent variable) is explained by the variables used, thus the model is said to be feasible the relevant predictive value.

| Table 6. Hypothesis Testing Results |                    |                                  |                        |       |          |
|-------------------------------------|--------------------|----------------------------------|------------------------|-------|----------|
| Original Sample (O)                 | Sample<br>Mean (M) | Standard<br>Deviation<br>(STDEV) | t-Stats<br>( O/STDEV ) |       | p-Values |
| OC -> EP                            | 0.619              | 0.620                            | 0.110                  | 5,631 | 0.000    |
| OCL -> EP                           | 0.292              | 0.316                            | 0.163                  | 1,790 | 0.074    |

Organizational Climate has a positive and significant effect on employee performance. Because,  $t_{stats} > t_{table}$  (5.631>1,96) and hypothesis are accepted, meaning that if the organizational climate is given well, then it can increase the employee performance. Conversely, if the organizational commitment was

Utami, Devi Astri. Nusraningrum, Dewi. (2020). The Effect of Organizational Climate and Knowledge Sharing on Employee Performance in Ministry of Communication and Informatics Jakarta given badly it will also decrease the employee performance of the employee. This finding is supported by previous research (Raja et.al., 2019; Diputra, 2018; Sugiarto, 2018). The employee perspective of the organization quality will effect to organizational climate and will subsequently impact to the employee's next behavior.

Knowledge Sharing has no effect and not significant effect on employee performance. Because, t<sub>stats</sub> < t<sub>table</sub> (1,790<1,96) and hypothesis is not approved, which means that there is no impact in knowledge sharing towards employee performance. This finding is supported by previous research (Alyoubi et.al., 2018; Anggita & Kawedar, 2017; Atif, 2015). Knowledge sharing can be encourage among employees, so that the employees can share that new ideas. This culture will convey a positive image of the organization through attention, commitment and positive attitude from the managerial level. In order to encourage and motivate the employees towards knowledge sharing incentive system required major change (Bartol & Srivastava, 2002; Hall, 2001). Reward system can be a source of motivation to encourage the knowledge sharing environment in organization (Bilal, 2015).

## CONCLUSIONS

Organizational Climate has a positive and significant effect on Employee Performance, it means that if Organizational Climate is given well, then the quality of employee performance will increase. Contrarily, if Organizational Climate is given badly it will decrease the Employee Performance of the employees. The Knowledge Sharing has no impact on Employee Performance, it can be said that without knowledge sharing among employees, the employee performance is still in good condition.

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