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Research Paper



The Influence Of Knowledge Management And Integrity On Organizational Performance Through Organizational Commitments As A Mediation Variable The Deputy For Placement Of The Indonesian Migrant Workers Protection Agency (BP2MI)

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ABSTRACT

This study aims to determine the effect of knowledge management on organizational performance partially, the influence of integrity on organizational performance partially, the influence of organizational commitment on organizational performance partially, the influence of knowledge management on organizational commitment partially, the effect of Integrity on organizational commitment partially, the influence of management knowledge on organizational performance through organizational commitment variable, and knowing the effect of integrity on organizational commitment variable. This research was conducted at the Deputy for Placement of the Indonesian Migrant Workers Protection Agency (BP2MI) involving 103 employees of the agency. Data analysis using path analysis.

Based on the data analysis, the results obtained that the knowledge management variable has a partial effect on organizational performance. Integrity variable partially affects organizational performance. Organizational commitment variable partially affects organizational performance. Knowledge management variable has partial effect on organizational commitment. Integrity variable partially affects organizational commitment. The influence of knowledge management on organizational performance through organizational commitment is greater than the direct effect, so it can be said that the organizational commitment variable is an intervening variable. The direct influence of work knowledge management on performance through organizational commitment is an intervening variable.

KEYWORDS: knowledge management, integrity, organizational commitment, organizational performance

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I. INTRODUCTION

Every organization has a program to improve its performance in the future. In government institutions, increased organizational performance is indicated by service satisfaction to the community, unqualified predicate for financial performance results and the implementation of all work programs of the organization. Organizational performance is the thing produced by the organization which includes results, namely financial performance such as profit as measured by return on assets, return on investment and so on, market performance such as market share expansion, and sales. In addition, the return from the shareholder is the return of the shareholder and the economic growth of the shareholder.

In some areas organizational performance can also be measured from other things such as strategic plans, operations, financial, legal and organizational development. Developing an institution or organization is a must to survive in the world's competitive climate.

Factors that have an impact on organizational performance include knowledge management, integrity and organizational commitment. Management is a process to regulate something that is done by a group of people or organizations to achieve the goals of the organization by working together to utilize the resources they have. The concept of knowledge management includes the management of human resources (HR) and information technology (IT) in order to achieve a better corporate organization so as to win business competition. The development of information technology does play an important role in the concept of knowledge management. Almost all activities of human life will be colored by the mastery of information technology, so when talking about knowledge management can not be separated from management. This development shows the increasingly rapid changes in all areas of life, as a result of the effects of globalization and the accelerated development of information technology. This condition has clearly resulted in the need for new ways of responding to all that is happening in order to survive. The emphasis on the increasing importance of the quality of human resources (HR) is one response in responding to these changes, and this of course requires efforts to improve and develop human resources. In connection with this, the role of science becomes increasingly prominent, because only with knowledge can all changes that occur can be properly addressed. This means that education plays an important role in preparing qualified and competitive human resources. The tight competition globally, especially in the economic field, has made business organizations to rethink their business management strategies, and qualified human resources with mastery of knowledge are important choices that must be made in this context.

Another factor that influences organizational performance is integrity. Integrity is consistency and unwavering steadfastness in upholding noble values and beliefs. Another definition of integrity is a concept that refers to the consistency between actions and values and principles. In ethics, integrity is defined as the honesty and correctness of one's actions. Integrity is one of the most important/key attributes that a person must possess. Integrity is a concept related to consistency in actions, values, methods, standards, principles, expectations and outcomes.

Organizational commitment also has an impact on improving organizational performance. Organizational commitment as a personal value, which is sometimes referred to as an attitude of loyalty to the company. Robbins (2003) suggests that organizational commitment is an attitude that reflects feelings of liking or disliking the organization where they work.

Organizational commitment is the attitude of employees who are interested in the goals, values and goals of the organization which is indicated by the individual's acceptance of the values and goals of the organization and has a desire to be affiliated with the organization and a willingness to work hard for the organization so as to make individuals feel at home and want to stay in the organization for the sake of achievement of organizational goals and sustainability.

II. LITERATURE REVIEW

Knowledge Management

Management is a process to regulate something that is done by a group of people or organizations to achieve the goals of the organization by working together to utilize the resources they have. Etymologically the word management is taken from the old French language, namely management, which means the art of organizing and implementing. Management can also be defined as an effort to plan, coordinate, organize and control resources to achieve goals efficiently and effectively.

Effective in this case is to achieve goals according to planning and efficient to carry out work correctly and organized.

According to Handoko (2001), there are three main reasons why management is needed:

- 1. Management is needed so that personal and organizational goals can be achieved
- 2. Next, management is also needed to maintain a balance between goals, objectives, and activities, which conflict with each other from those who have an interest in the organization.
- 3. Management is needed to achieve the efficiency and effectiveness of an organization's work. A growing organization requires management in several ways; includes strategic management, human resource management, production, marketing, and other management.

Integrity

Integrity is consistency and unwavering steadfastness in upholding noble values and beliefs. Another definition of integrity is a concept that refers to the consistency between actions and values and principles. In ethics, integrity is defined as the honesty and correctness of one's actions. The opposite of integrity is hypocrisy. A person is said to have "integrity" if his actions are in accordance with the values, beliefs, and principles he holds. Simply put, the character of a person with integrity is marked by only words and actions, not a person whose words cannot be kept. A person who has integrity is not a human type with many faces and appearances that are adapted to his personal motives and interests. Integrity is a key character for a leader. A leader who has integrity will gain the trust of his employees. Leaders with integrity are trusted because what they say is also

their actions. The definition of integrity is a way of thinking, saying, behaving and acting properly and correctly and upholding the code of ethics and moral principles.

In the Big Indonesian Dictionary, the definition of integrity is: (1) the quality, nature, or condition that shows a unified whole so that it has the potential and ability that radiates authority; (2) honesty. If it is associated with organizational integrity, the meaning is a manifestation of the integrity of the moral and ethical principles of employees in organizational life. Integrity is not only interpreted, but more importantly, how to strengthen the implementation of a culture of integrity within the organization, particularly in relation to performance and risk management.

Integrity is one of the most important/key attributes that a person must possess. Integrity is a concept related to consistency in actions, values, methods, standards, principles, expectations and outcomes.

People with integrity means having an honest personality and having a strong character. Integrity itself comes from the Latin word "integer", which means: A firm attitude to maintain principles, do not want corruption, and become the basis that is attached to oneself as moral values.

Integrity is consistency or firmness that cannot be shaken in upholding values, beliefs and principles. Another definition of integrity is a concept that shows consistency or firmness of actions with values and principles. In ethics, integrity can be interpreted as the truth and honesty of one's actions.

Organizational Commitment

According to Cherrington (1995) organizational commitment as a personal value, which is sometimes referred to as an attitude of loyalty to the company. Robbins (2003) suggests that organizational commitment is an attitude that reflects feelings of liking or disliking the organization where they work.

Organizational commitment is the attitude of employees who are interested in the goals, values and goals of the organization which is indicated by the individual's acceptance of the values and goals of the organization and has a desire to be affiliated with the organization and a willingness to work hard for the organization so as to make individuals feel at home and want to stay in the organization for the sake of achievement of organizational goals and sustainability.

Meyer and Allen (1993) suggest three components of organizational commitment:

- 1. Affective Commitment, occurs when employees want to be part of the organization because of an emotional attachment or feel they have the same values as the organization,
- 2. Continuance Commitment, namely the willingness of individuals to remain in the organization because they cannot find another job or because of certain economic rewards.
- 3. Normative Commitment, arising from employee values. Employees remain members of the organization because there is an awareness that being committed to the organization is something that should be done.

Organizational commitment according to Griffin and Moorhead (1998:99) relates to one's partiality and attachment to the organization, as the statement states: "organizational commitment reflects an individuals identification with and attachment to the organization".

Bratton & Gold, (1999: 194) view organizational commitment as: "organizational commitment as an effective response (attitude) resulting in an evaluation of the work situation which links or attaches the individual to the organization.

Organizational Performance

Mangkuprawira (2009:218-219) says that performance is a matter, or the level of success of a person as a whole during a certain period in carrying out tasks compared to various possibilities, such as work standards, targets, or targets or criteria that have been determined in advance and have been determined mutually agreed upon. The notion of organizational performance refers to the ability of employees to carry out all the tasks that are their responsibility. These tasks are usually based on indicators of success that have been implemented. As a result, it will be known that an employee belongs to a certain work level. The level can be various terms. Performance can be classified as over-target, on-target or under-targeted. Departing from the things referred to as a whole for the work of an employee. Understanding organizational performance is a description of the level of achievement of the implementation of a program of activities or policies in realizing the goals, objectives, vision and mission of the organization as outlined through the strategic planning of an organization (Moehriono, 2010:60).

According to Wibowo (2010: 19), performance is a management style in managing performanceoriented resources that carries out an open and sustainable communication process by creating a shared vision and strategic and integrated approach as a driving force to achieve organizational goals. According to Rivai and Sagala (2011: 548) suggests that: "Performance is a function of motivation and ability to complete a task or job a person should have a certain degree of willingness and level of ability. According to Richard et al (1999) organizational performance is the thing produced by the organization which includes results (outcomes) namely financial performance such as profit as measured by return on assets, return on investment and so on, market performancesuch as expansion of market share. , and sales. In addition, the return from the shareholder is the return of the shareholder and the economic growth of the shareholder.

In some areas organizational performance can also be measured from other things such as strategic plans, operations, finance, legal and organizational development. Developing an institution or organization is a must to survive in the world's competitive climate.

Organizations put forward by experts, including John Miner (Sudarmanto, 2009:11-12) who suggested that there are four dimensions that can be used as benchmarks or indicators in assessing organizational performance, namely:

- 1. Quality, namely: the level of error, damage, accuracy.
- 2. Quantity, namely: the number of jobs produced.
- 3. Use of time at work, namely: absenteeism, tardiness, effective working time/lost working hours.
- 4. Cooperation with others in work.

III. RESEARCH METHODS

Research Time and Location

The research will be conducted in October-December 2019 by taking the location at the Deputy for Placement of the Indonesian Migrant Workers Protection Agency (BP2MI).

Research Design

This study uses an explanatory analysis approach. This means that each variable presented in the hypothesis will be observed through testing the causal relationship of the independent variable to the dependent variable. The relationship between variables can be described in the form of a path analysis diagram.

Population and Sample

The population in this study is employees who work in the office of the Deputy for Placement of the Indonesian Migrant Workers Protection Agency (BP2MI). While the sample used includes 103 employees who work in the office. This sampling uses the saturated sample method because it uses all employees in the office

IV. RESEARCH RESULT

1. Analysis of the Effect of Knowledge Management on Organizational Performance Partially

The results of the analysis of the influence of knowledge management on organizational performance are partially known that the knowledge management coefficient is 0.523. The t value is 6.161. The significance value is 0.00. This significance value is smaller than 0.05. This means that the knowledge management variable has a partial effect on organizational performance. The magnitude of the influence of knowledge management on organizational performance is known that the value of r squared is 0.273. This means that the influence of the Knowledge Management variable on performance is 27.3% and the rest is influenced by other variables that are not included in the equation model.

2. Analysis of the Effect of Work Integrity on Organizational Performance Partially

The results of the analysis of the influence of integrity on organizational performance are partially known that the integrity coefficient is 0.642. The t value is 8.411. The significance value is 0.00. This significance value is smaller than 0.05. This means that the variable of integrity affects the performance of the organization partially. The magnitude of the influence of integrity on organizational performance is known that the value of r squared is 0.412. This means that the influence of the integrity variable on organizational performance is 41.2% and the rest is influenced by other variables that are not included in the equation model.

3. Analysis of the Effect of Organizational Commitment on Organizational Performance Partially

The results of the analysis of the effect of work organizational commitment on organizational performance are partially known that the coefficient of organizational commitment is 0.858. The t value is 16,784. The significance value is 0.00. This significance value is smaller than 0.05. This means that the variable of organizational commitment has an effect on organizational performance partially. The magnitude of the influence of organizational commitment on organizational performance is known that the value of r squared is 0.736. This means that the influence of the organizational commitment variable on organizational performance is 73.6% and the rest is influenced by other variables that are not included in the equation model.

4. Analysis of the Effect of Knowledge Management on Organizational Commitment Partially

The results of the analysis of the influence of knowledge management on organizational commitment are partially known that the coefficient of knowledge management is 0.656. The t value is 8.741. The significance value is 0.00. This significance value is smaller than 0.05. This means that the knowledge management variable

has a partial effect on organizational commitment. The magnitude of the influence of knowledge management on organizational commitment is known that the value of r squared is 0.431. This means that the influence of the organizational commitment variable on organizational performance is 43.1% and the rest is influenced by other variables that are not included in the equation model.

5. Analysis of the Effect of Integrity on Organizational Commitment Partially

The results of the analysis of the effect of integrity on organizational commitment partially show that the coefficient of integrity is 0.773. The t value is 12,251. The significance value is 0.00. This significance value is smaller than 0.05. This means that the Integrity variable has a partial effect on organizational commitment. The magnitude of the influence of Integrity on organizational commitment is known to have an r-squared value of 0.598. This means that the effect of the integration variable on organizational commitment is 59.8% and the rest is influenced by other variables that are not included in the equation model.

6. Analysis of the Effect of Knowledge Management on Organizational Performance Through Organizational Commitment Variables

Based on the above analysis, it is known that the influence of knowledge management on organizational performance is 0.523. The effect of knowledge management on organizational performance through organizational commitment is $0.656 \times 0.858 = 0.562$. In this case, the indirect effect is greater than the direct effect, so it can be said that the work organization commitment variable is the intervening variable.

7. Analysis of the Effect of Work Knowledge Management on Organizational Performance Through Organizational Commitment Variables

Based on the above analysis, it is known that the direct influence of knowledge management on organizational performance is 0.642. While the influence of knowledge management on organizational performance through organizational commitment is $0.773 \times 0.858 = 0.663$. In this case, the indirect effect is greater than the direct effect, so it can be said that the work organization commitment variable is the intervening variable.

V. DISCUSSION

In previous research, knowledge management has an effect on organizational performance. The higher the knowledge management, the greater the organizational performance. In other words, this influence is positive or unidirectional. This research was conducted on a number of companies (Laoh, 2016). The results of this study are the same as the results of his research, the higher the knowledge management, the greater the organizational performance.

In this study, integrity affects organizational performance. The influence of knowledge management on organizational performance was also carried out by several researchers. Based on research, it is known that integrity affects organizational performance (Soedjono, 2005).

In previous research, organizational commitment has an effect on organizational performance. Organizational commitment is also carried out in several studies. The higher the organizational commitment to employees, the greater the organizational performance. This influence is also positive Sari and Susilo (2018). The results of this study are the same as those of previous studies.

VI. CONCLUSION

Knowledge management variables partially affect organizational performance. The t value is 6.161. The significance value is 0.00. This significance value is smaller than 0.05. Integrity variable partially affects organizational performance. The t value is 8.411. The significance value is 0.00. This significance value is smaller than 0.05.

Organizational commitment variable partially affects organizational performance. The t value is 16,784. The significance value is 0.00. This significance value is smaller than 0.05. Knowledge management variables partially affect organizational commitment. The t value is 8.741. The significance value is 0.00. This significance value is smaller than 0.05. Integrity variable partially affects organizational commitment. The t value is 12,251. The significance value is 0.00. This significance value is smaller than 0.05.

The effect of knowledge management on organizational performance is 0.523. The effect of knowledge management on organizational performance through organizational commitment is $0.656 \times 0.858 = 0.562$. In this case, the indirect effect is greater than the direct influence, so it can be said that the organizational commitment variable is the intervening variable.

The direct effect of work knowledge management on organizational performance is 0.642. While the influence of knowledge management on organizational performance through organizational commitment is $0.773 \times 0.858 = 0.663$. In this case, the indirect effect is greater than the direct effect, so it can be said that the work organization commitment variable is the intervening variable.

VII. SUGGESTION

In improving organizational performance, it is necessary to develop knowledge management improvement by paying attention to employees who manage knowledge and information systems used in the organization. Knowledge management will run if both elements are met properly. This is done by training in managing knowledge and improving the information system used by the company.

Integration also needs to be considered by considering improving organizational performance. Every employee needs to express good thoughts and behavior at work. This is done as in the procurement of joint activities both inside and outside the organization.

Organizational commitment also needs to be developed by taking into account the needs of employees. Normative commitment shown by an attitude of defending the organization and being obedient to the organization is enhanced by meeting the needs of employees and paying attention to the wishes of employees so that they can defend the organization well. The commitment to sustainability (continuity) is carried out by paying attention to the comparison of income if working for the organization and the existence of impartial regulations so that employees entrust their lives in the future to the company. This increase in commitment is carried out through joint activities, joint decision making, and maintaining the good name of the organization together.

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