The Effect of Intellectual Capital on Organizational Sustainability through Knowledge Management on Employees of Pd Dharma Jaya in Regionally Owned Enterprises of Dki Jakarta

Alfian Noor and Lenny C. Nawangsari

ABSTRACT

Organizational sustainability is an important strategy in improving the organization. It is not only providing economic benefits but also intellectual capital of knowledge for PD Dharma Jaya employees. Some facts in the company environment show that the company mostly thinks of a turnover in making a profit, and there is only a small effort in a company organization to obtain sustainability by increasing the intellectual capital of its employees with knowledge. This is because the sustainability of the organization is considered voluntary. Because we need research on the factors that affect the sustainability of an organization, the research objective is the effect of intellectual capital on organizational sustainability with employee knowledge management as an intervening variable in PD Dharma Jaya. The research method used is explanatory quantitative with SEM-PLS. The sample in this study was 139 employees of PD Dharma Jaya. The sampling technique used in this study was saturated sampling (census). The results show that human capital and structural capital, as well as relational capital, have a positive and significant effect on Knowledge Management. Human capital has a positive and significant effect on organizational sustainability. Structural capital and relational capital have a negative and significant effect on organizational sustainability. Knowledge Management mediates the influence of human capital on organizational sustainability. It has a positive and significant effect. Knowledge Management mediates the effect of structural capital on organizational sustainability. It has a negative and significant effect. Knowledge Management mediates the effect of relational capital on organizational sustainability. It has a positive and significant effect. Based on interdimensional correlation matrix analysis, to increase employee engagement, it is recommended to maintain and improve indicators: (1) maintaining good relationships with customers and prospective customers; (2) strengthening knowledge management among employees; (3) developing new ideas in collaboration; and (4) continuously improving hard skills and soft skills.

Keywords: Human Capital, Structural Capital, Relational Capital, Knowledge Management, Organization Sustainability.

Submitted: June 06, 2021 Published: June 28, 2021

ISSN: 2507-1076

DOI: 10.24018/ejbmr.2021.6.3.909

Alfian Noor*

Universitas Mercu Buana, Indonesia. (e-mail: alfian noor21@yahoo.com) Lenny C. Nawangsari Universitas Mercu Buana, Indonesia.

(e-mail: lenny.christina@mercubuana.ac.id)

*Corresponding Author

I. INTRODUCTION

Industrial revolution 4.0. has encouraged various technological innovations that have a disruptive impact or fundamental change to people's lives, including the demand for human resources to turn into Human Capital. This unexpected change has become a phenomenon that often occurs in the era of the industrial revolution 4.0. Industrial revolution 4.0 opens up wide opportunities for anyone to advance and develop. Information technology that is currently easily accessible to all corners of rural areas causes everyone to be able to easily connect on a social media network. Easily accessible information provides great benefits for the development of science, including in the field of human resources [1].

The need for food to meet the residents of DKI Jakarta cannot be separated from a company engaged in the food sector itself, with Knowledge Management that is very helpful for companies and organizations because the more structured a company is, the more time and costs incurred by the company and organization can be saved. Productivity increase can also be increased along with the development of Knowledge Management within a company or organization because there has been an exchange of information and existing knowledge between employees. Knowledge Management not only has an impact on innovation and operational processes but also has an impact on seeing and seeking new market opportunities. The results of interviews conducted with the Management of PD Dharma Jaya regarding organizational sustainability show that profitably in carrying out the form of corporate responsibility to the community in the economic field, the ability of the company that was established in 1966 and has a profit margin that is still up and down. Based on the income statement data, it is presented as follows:

TABLE I: COMPANY INCOME STATEMENT OF PD DHARMA JAYA

No	Description		Total Profit/Loss		
1	2017	Profit	IDR 5,084,176,065		
2	2018	Profit	IDR 14,544,013,909		
3	2019	Profit	IDR 8,579,017,407		
4	2020	Loss	IDR (15,382,638,328)		

Source: PD Dharma Jaya 2020.

Based on the table above, it is known that PD Dharma Jaya in 2017 had a profit margin of Rp. 5,084,179,065, then increased in 2018 with a profit margin of Rp. 14,544,013,909, and again experienced a significant decline in 2019 of Rp. 8,579.017.407. This shows that economically it is still quite optimal. However, in 2020, according to financial report data, PD Dharma Jaya suffered a loss of Rp (15,382,638,328), this was due to the COVID-19 pandemic that hit this country and had an impact on Dharma Jaya's core business.

The various activities and efforts PD Dharma Jaya carries out to improve the welfare of employees have not been maximized. Activities that have been carried out as a form of concern for employee development activities only provide remuneration and salary and have not been directed towards educational assistance for children, opportunities to attend training/seminars. As acknowledged by the company, the implementation has not been maximized because it is still looking at the company's cash flow. Environmentally, the company has not implemented sustainability optimally, both internally and externally. Internally, in efforts to save on electricity, water, paper, etc., employees are not fully aware that they still have to be reminded of savings so that the company cannot optimally make savings and develop better. It is proven that expenses such as the use of electricity, water, paper, and others are still high and fluctuating. And externally, the company provides assistance or sponsorship if someone submits a proposal such as from a village officer because there is no CSR that is managed properly and correctly. This makes PD Dharma Jaya sustainability still struggling in building the vision and mission of the company itself.

	Pe	riod: 2017-2020	
Costs	2017	2018	2019
Electricity	625,863,452	877,523,007	1,073,550,

1 .726 1,198,451,259 cost 2 9,706,661 Water Fee 60,137,052 7,430,500 8,498,500 Stationery 3 259,379,241 131,253,196 449.566.270 317,760,388 Fee CSR Fee 21,700,000 76,950,000 129,177,740 352.591.500 21,673,350,656 26,916,796,976 37,939,641,227 39,065,080,729 Labor costs

Source: PD Dharma Jaya 2020.

Table II shows that the costs for the use of electricity, water, paper/stationery, and others are still high and fluctuate every year, and even tend to increase. It means that the level of savings for sustainability purposes is still low. Externally, the company does not have a specific budget, meaning that it is temporary according to certain events or conditions so that environmentally friendly conservation efforts are still low.

Based on the description above, it can be concluded that the results of the pre-survey regarding organizational sustainability conducted by the researcher at PD Dharma Jaya, are as written in the form of the following table:

TARIE III. PRESIDVEY ON ORGANIZATIONAL SUSTAINABILITY

IAD	TABLE III. FRE-SURVET ON ORGANIZATIONAL SUSTAINABILITY					
No	Aspect	Problem				
1	Economics	Profit margin has decreased, even minus because it only relies on the KJP system.				
2	Social	Concern for the development of employees only provides remuneration and salary, as well as educational assistance for families, opportunities to attend training, but are temporary in nature following the company's cash flow.				
3	Environment	Savings in the use of electricity, water, paper, and others have not been optimal, as evidenced by the expenses which are still fluctuating.				

Source: Pre-Survey November 2020.

By using the Organizational Sustainability Model in Era 4.0, in the transition period, the culture that the company

needs to build can refer to the Adhocracy type of culture, where this culture emphasizes the assumption that the organization is or is ready to undergo change. Changes occur not only involving employees, but also the company and sustainability itself [2].

2020

Based on the description above, the researchers are very interested in conducting research on "The Effect of Intellectual Capital on Organizational Sustainability through Knowledge Management on PD Dharma Jaya Employees at Regionally-Owned Enterprises of DKI Jakarta".

II. THEORETICAL REVIEW AND FRAMEWORK

According to Bontis [3] quoted by Stewart [4] in the Ulum's book [5], it is explained that Intellectual Capital is everything in the company that can help companies to be competent in the market, including intellectual material knowledge, information, experience, and property - that can be used to create prosperity. Intellectual capital includes three components, namely Human Capital, Structural Capital, and Relational Capital [6] and [7]. The term Human Capital was first put forward by an economist named Theodore Schultz in 1961 who argued that increasing welfare in a company does not depend on land, equipment, energy, resources, but on the knowledge competence of employees [8]. Structural Capital is the ability of an organization or company to fulfill the company's routine processes and structures that support employees' efforts to produce optimal intellectual performance and overall business performance [7]. According to Adecco [9] cited by Daat [10], Relational Capital is defined as an intangible asset based on building, developing, and maintaining high-quality relationships with any organization, individual, or group that affects or has an impact on the company, including: consumers, suppliers, employees, government, partners, competitors, stakeholders [10]. According to Davenport and Prusak [11] in Tung [12], Knowledge Management is a management effort to explicitly record factual knowledge and tacit knowledge that exists within the company in order to achieve business goals [12]. According to Sunday [13], organizational sustainability is an increase in the ability of business organizations to better understand the surrounding community, customers, employees, shareholders, and offer solutions for special needs that can lead to better cooperation with the organization.

In this study, the five variables, namely Human Capital, Structural Capital, Relational Capital, Knowledge Management, Organizational Sustainability are used.

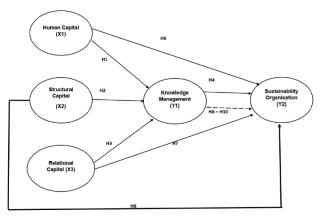


Fig. 1 Thinking Framework.

A. Research Hypothesis

Based on the Thinking Framework chart above, the researcher tries to conclude tentatively through the hypothesis, as follows:

- 1. H₁: Human Capital has a positive and significant effect on the knowledge management of PD Dharma Jaya
- 2. H₂: Structural capital has a positive and significant effect on the knowledge management of PD Dharma Jaya employees.
- 3. H₃: Relational capital has a positive and significant effect on knowledge management.
- 4. H₄: Human capital has a positive and significant effect on the sustainability of the organization.
- 5. H₅: Structural capital has a positive and significant effect on organizational sustainability.
- 6. H₆: Relational capital has a positive and significant effect on organizational sustainability
- 7. H₇: Sustainability has a positive and significant effect on knowledge management.
- 8. H₈: Knowledge management has a positive and significant effect on human capital and organizational

sustainability

- 9. H₉: Knowledge management has a positive and significant effect on structural capital and organizational sustainability.
- 10. H₁₀: Knowledge management has a positive and significant effect on relational capital and organizational sustainability.

III. RESEARCH METHODS

This research uses a quantitative approach with an explanatory type of research (explanation). Explanatory research is a type of research that seeks to explain the causal relationship between variables. Relationship is a research that is used to determine a causal relationship. So, in this study there are independent variables (influencing variables) and dependent variables (influenced variables) [14].

A. Population and Sample

The population in this study were all employees at PD Dharma Jaya with a total population of 210 employees. The sample size taken was 139 respondents, which is obtained from the Slovin formula, namely:

$$n = \frac{N}{1 + N(e)^2}$$

where sescription N = the population to be studied;

n =sample or respondent;

e = tolerated error.

$$n = \frac{210}{1 + 210(0.05)^2} = \frac{210}{137.704}$$

137,704 = 139 Respondents

B. Measurement Model (Outer Model)

Outer Model is a model that connects indicators with their latent variables, also known as outer relations or measurement models, which define the characteristics of the construct and its manifest variables. To measure the validity of a latent variable, two validity tests were carried out called convergent validity and discriminant validity. Convergent validity is seen based on individual item reliability and the average variance extracted (AVE) value obtained through partial least square regression. Examination of individual item reliability can be seen from the standardized loading factor value. The loading factor value used in this study is > 0.5. The AVE value must be greater than 0.50 so that it can be said to be valid [15].

C. Structural Model (Inner Model)

An inner model or structural model is a model that connects latent variables. The assessment of the inner model is carried out to see the coefficient of determination, predictive relevance, estimated path coefficient, and parameter coefficient [15]. The structural model or inner model is evaluated to see how strong the influence of the independent variable is on the dependent variable by looking at the path coefficient value between numbers 0 to 1. Meanwhile, if the path coefficient value is close to -1, it means that the independent variable has a stronger influence in weakening the dependent variable [15].

D. Hypothesis Testing

The test of the direct effect hypothesis uses the T-test. The t-test procedure used in this study is by using the bootstrapping method. In simple words, the bootstrapping process is used to see if there is a significant relationship between the observed variables. The criteria for accepting or rejecting the hypothesis are that Ha is accepted and Ho is rejected when the t-statistic shows > 1.96, and to reject or accept the hypothesis using a probability value, HA will be accepted if the p-value < 0.05 [16].

IV. FINDING AND DISCUSSION

A. Descriptive Statistics Test Results

Based on the results of the descriptive test, it can be seen that the Human Capital variable has a minimum value of 1, a maximum of 5, a mean of 3.880, and a standard deviation of 0.660. Structural Capital has a minimum value of 1, a maximum of 5, a mean of 3840, and a standard deviation of 0.762. Relational Capital has a minimum value of 1, a maximum of 5, a mean of 3.784, and a standard deviation of 0.782. Knowledge Management has a minimum value of 1, a maximum of 5, a mean of 8837, and a standard deviation of 0.777. Organizational Sustainability has a minimum value of 1, a maximum of 5, a mean of 3.917, and a standard deviation of 0.761.

B. SEM Analysis Using SmartPLS

This research uses SEM analysis and SmartPLS version 3.0 application. Partial Least Square (PLS) is one of the alternative methods of Structural Equation Modeling (SEM) that can be used to overcome these problems [16].

C. Outer Model Evaluation

Evaluation of the measurement model or outer model is carried out to assess the validity and reliability of the model. The outer model with reflexive indicators is evaluated through the convergent validity and discriminant validity of the indicators and composite reliability for the indicator block [15].

D. Validity Test

Convergent Validity testing of each construct indicator according to Chin in Ghozali and Latan [15], an indicator is said to be valid if the value is greater than 0.7. The following are the outer loading values for each construct indicator:

Based on Table V, all indicators have outer loading >0.7. The indicator is said to be valid if its value is greater than 0.7. From the results of these data, it is stated that validity testing has an average value above 0.7. So, the results of the validity test in each variable are declared valid.

TABLE IV: VALIDITY TEST RESULTS

X7 1- 1 -	Indicator	Outer	December
Variable	indicator	loading	Description
	x1.1	0.849	Valid
	x1.2	0.732	Valid
	x1.3	0.759	Valid
	x1.4	0.743	Valid
Human Capital	x1.5	0.802	Valid
•	x1.6	0.736	Valid
	x1.7	0.753	Valid
	x1.8	0.738	Valid
	x1.9	0.734	Valid
	x2.1	0.755	Valid
	x2.2	0.862	Valid
C+1	x2.3	0.805	Valid
Structural	x2.4	0.779	Valid
Capital	x2.5	0.789	Valid
	x2.6	0.801	Valid
	x2.7	0.745	Valid
	x3.1	0.827	Valid
	x3.2	0.732	Valid
Relational	x3.3	0.723	Valid
Capital	x3.4	0.706	Valid
•	x3.5	0.757	Valid
	x3.6	0.761	Valid
	y1.1	0.750	Valid
	y1.2	0.733	Valid
	y1.3	0.764	Valid
Knowledge	y1.4	0.748	Valid
Management	y1.5	0.819	Valid
•	y1.6	0.862	Valid
	y1.7	0.762	Valid
	y1.8	0.770	Valid
	z1.1	0.898	Valid
	z1.2	0.826	Valid
	z1.3	0.742	Valid
Organizational	z1.4	0.805	Valid
Sustainability	z1.5	0.810	Valid
•	z1.6	0.762	Valid
	z1.7	0.780	Valid
	z1.8	0.716	Valid

Source: Questionnaire Test Results with SmartPLS version 3.0, 2021.

E. Average Variance Extracted (AVE) Test

Another way that can be used to examine discriminant validity is to compare the square of the AVE for each construct with the correlation value between the constructs in the model. The acceptable AVE value must be greater than 0.5 [15]. The following is the AVE value for each variable:

TABLE V: TEST RESULTS OF AVERAGE VARIANCE EXTRACTED (AVE)

Variable	Average Variance Extracted (AVE)	Description	
Human Capital	0.580	Valid	
Structural Capital	0.627	Valid	
Relational Capital	0.566	Valid	
Knowledge Management	0.604	Valid	
Organizational Sustanability	0.631	Valid	

Source: Questionnaire Test Results with SmartPLS version 3.0, 2021.

Based on Table VI, it can be seen from the value of AVE, Human Capital 0.580 > 0.5: Valid, Structural Capital 0.627 > 0.5: valid, Relational Capital 0.566>0.5: valid, Knowledge Management 0.604>0.5: valid and Organizational Sustainability 0.631>0,5: valid. This means that the average AVE value is above 0.5, in accordance with the opinion of Ghozali and Latan in their book in 2016. It can be stated that the value of the AVE test results has the value of valid data from each of the existing variables.

F. Reliability Test

According to Ghozali and Latan [15], composite reliability testing aims to test the reliability of the instrument in a research model. If all values of latent variables have composite reliability values > 0.7 and Cronbach's alpha > 0.7, it means that the value of the construct has good reliability, or the questionnaire used as a tool in this study is reliable or consistent. A reliability test is used to determine the consistency of the research instrument so that it is always used consistently to collect data.

TABLE VI: COMPOSITE RELIABILITY TEST RESULTS

	Variable	Composite Reliability	Cronbach's Alpha	Description
Ī	Human Capital	0.925	0.910	Reliable
	Structural Capital	0.921	0.901	Reliable
	Relational Capital	0.886	0.848	Reliable
	Knowledge Management	0.924	0.906	Reliable
	Otganizazional Sustainability	0.932	0.916	Reliable

Source: Questionnaire Test Results with SmartPLS version 3.0, 2021.

Based on Table VII, it can be seen that all variables in this research model are reliable because of the value of composite reliability and Cronbach's Alpha > 0.7.

G. Inner Model (Structural Model)

The inner model test is the development of a concept and theory-based model to analyze the relationship between exogenous and endogenous variables which has been described in a conceptual framework [15]. Structural model tests were conducted to assess the coefficient of determination (R²), Effect Size (f2), Predictive Relevance Value (Q^2) , T-statistics.

H. R Square (R^2)

According to Ghozali and Latan [15], changes in the value of R-squares can be used to assess the effect of certain independent latent variables on the dependent latent variable whether it has a substantive effect. The results of \mathbb{R}^2 of 0.67, 0.33, and 0.19 for endogenous latent variables in the structural model indicate that the model is "strong", "moderate" and "weak" [15].

TABLE VI: R² VALUE OF EACH VARIABLE

Variable	\mathbb{R}^2	Description
Knowledge Management	0.399	moderate
Organizational Sustanability	0.379	moderate

Source: Questionnaire Test Results with SmartPLS version 3.0, 2021.

Based on Table VIII, it can be seen that the R² value for Knowledge Management is 0.399 which means that it is included in the moderate category and the R2 value for Organizational Sustainability is 0.379 which means that it is included in the moderate category. Based on this, the R-Square value has a moderate effect which is mutually influential between other variables.

I. Predictive Relevance Value (Q^2)

Q-square measures how well the observed values are generated by the model as well as the estimated parameters. The magnitude of Q^2 has a value range of $0 < Q^2 < 1$, where the closer to 1 means the better the model. The quantity of Q^2 is equivalent to the coefficient of total determination in path analysis. The value of $Q^2 > 0$ indicates that the model has predictive relevance, otherwise if the value of Q² is 0, it indicates that the model lacks predictive relevance.

Q-Square = 1-
$$[(1-R1^2) \times (1-R2^2)]$$

= 1 - $[(1-0.399) \times (1-0.379)]$
= 1 - 0.373
= 0.627

Based on the calculation results above, it is known that the O-Square value is 0.627. This shows that the amount of diversity of research data that can be explained from this study is 62.7% and the remaining 37.3% is explained by other factors outside this study.

J. Hypothesis Test

Testing the research hypothesis using the t-statistic coefficient. Where the result/output of the bootstrapping command produces t-statistics. Indicators that have a tstatistic > 1.96 are said to be significant [15]. An indicator can also be said to be influential if it has a p-value <0.05 [16].

TA.	BLE	: VIII	DIRECT	EFFECT	HYPOTHESIS	TESTING

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Description
Human Capital -> Knowledge Management	0.205	0.199	0.079	2.583	0.010	Significant
Structural Capital -> Knowledge Management	0.192	0.198	0.078	2.469	0.014	Significant
Relational Capital -> Knowledge Management	0.405	0.415	0.073	5.536	0.000	Significant
Human Capital -> Organizational Sustanability	0.303	0.292	0.105	2.884	0.004	Significant
Structural Capital -> Organizational Sustanability	0.131	0.133	0.087	1.511	0.132	Not significant
Relational Capital -> Organizational Sustanability	0.058	0.070	0.104	0.555	0.579	Not Significant
Knowledge Management -> Organization Sustanability	0.281	0.279	0.088	3.192	0.002	Significant

Source: Test Results using SmartPLS version 3.0, 2021.

Based on Table IX, it can be concluded that the results of the research model hypothesis testing:

1. Hypothesis 1 Human Capital on Knowledge Management

Human Capital has a t-statistic value of 2.583 > 1.96, pvalue 0.010 < 0.05, and the original sample is 0.205, so H_1 is accepted, meaning that Human Capital has a positive and significant effect on Knowledge Management. The point is the direction of the value of Human Capital to Knowledge Management. Significantly affect the value of Human Capital to Knowledge Management.

2. Hypothesis 2 Structural Capital on Knowledge Management

Structural Capital has a t-statistic value of 2.469 > 1.96, pvalue 0.014 <0.05, and original sample 0.192, so H₂ is accepted, meaning that Structural Capital has a positive and significant effect on Knowledge Management. These results explain that the better the company's Structural Capital, the better the employee's ability in Knowledge Management.

3. Hypothesis 3 Relational Capital on Knowledge Management

Relational Capital has a t-statistic value of 5.536 > 1.96, pvalue 0.000 <0.05, and original sample 0.405, so H₃ is accepted, meaning that Relational Capital has a positive and significant effect on Knowledge Management. These results explain that the better the company's Relational Capital, the better the employee's ability in Knowledge Management.

4. Hypothesis 4 Human Capital on Organizational Sustainability

Human Capital has a t-statistic value of 2.884 > 1.96, pvalue 0.010 < 0.04, and original sample 0.303, so H_4 is accepted, meaning that Human Capital has a positive and significant effect on Organizational Sustainability. These results explain that the better Human Capital guarantees will affect the sustainability of the organization (Sustainability).

5. Hypothesis 5 Structural Capital on Organizational Sustainability

Structural Capital has a t-statistic value of 1.511 < 1.96, pvalue 0.132 > 0.05 and the original sample is 0.131, so H₅ is rejected, meaning that Structural Capital has a positive but not significant effect on Organizational Sustainability. These results explain that better Structural Capital does not guarantee it will affect the sustainability of the organization (Sustainability).

6. Hypothesis 6 Relational Capital on Organizational Sustainability

Relational Capital has a t-statistic value of 0.555 < 1.96, pvalue 0.579 > 0.05 and the original sample is 0.058, so H₆ is rejected, meaning that Relational Capital has a positive but significant effect on Organizational Sustainability. These results explain that better relational capital does not guarantee it will affect the sustainability of the organization (sustainability).

7. Hypothesis 7 Knowledge Management Organizational Sustainability

Knowledge Management has a t-statistic value of 3.192 > 1.96, p-value 0.002 < 0.05, and original sample 0.281, so H₇ is accepted, meaning that Knowledge Management has a positive and significant effect on Organizational Sustainability. These results explain that better Knowledge Management guarantees it will affect the sustainability of the organization (Sustainability).

TABLE IX: SPECIFIC INDIRECT EFFECTS

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Description
Human Capital -> Knowledge Management -> Organizational Sustainability	0.058	0.055	0.028	2.040	0.042	Significant
Structural Capital -> Knowledge Management -> Organizational Sustainability	0.054	0.056	0.029	1.839	0.067	Not Significant
Relational Capital -> Knowledge Management -> Organizational Sustainability	0.114	0.116	0.043	2.649	0.008	Significant

Source: Test Results using SmartPLS version 3.0, 2021.

Based on the table of Specific Indirect Effects above, it is known that from the 3 (three) mediating effects, there are 2 (two) mediated variables which are declared to have a significant effect and there is 1 (one) mediated variable which is declared to have no significant effect. A hypothesis is declared acceptable or has a significant effect if the T-Statistic is in accordance with the T-Table standard, which has a value of > 1.96 and has a P-Value of < 0.05.

On the indirect effect, the results of hypothesis testing indicate that Human Capital has a significant positive effect organizational sustainability through Knowledge Management as indicated by the path coefficient value of 0.055 with a p-value of 0.042. In the previous direct effect, it is known that human capital has a significant effect on the sustainability of the organization. Therefore, it can be explained that Knowledge Management has a mediating role in the influence of human capital on the sustainability of the organization. The results of the indirect effect hypothesis test show that structural capital has a positive and significant effect on organizational sustainability through Knowledge Management as indicated by the path coefficient value of 0.054 and p-value of 0.067. These results explain that an increase in the company's structural capital can improve Knowledge Management.

K. Discussion of Research Results

1. The Effect of Human Capital on Knowledge Management

Based on the results of the study, H₁ is accepted, which means that Human Capital has a positive and significant influence on Knowledge Management, meaning that changes in the value of Human Capital have a unidirectional effect on changes in Knowledge Management or in other words, if Human Capital increases, there will be an increase in the level of Knowledge Management. facts have a significant effect. Based on the results of the study, it means that Human Capital has a positive relationship to Knowledge Management. This proves a hypothesis can be accepted.

2. The Effect of Structural Capital on Knowledge Management

Based on the results of the study, H2 is accepted, which means that Structural Capital has a positive and significant influence on Knowledge Management, meaning that changes in the value of Structural Capital have a unidirectional effect on changes in Knowledge Management or in other words, if Structural Capital increases, there will be an increase in the level of Knowledge Management. the path coefficient value of Structural Capital on Knowledge Management which means that Structural Capital has a positive relationship to Knowledge Management. This proves a hypothesis can be accepted.

3. The Effect of Relational Capital on Knowledge Management

Based on the results of the study, H₃ is accepted, which means that Relational Capital has a positive and significant influence on Knowledge Management, meaning that changes in the value of Relational Capital have a unidirectional effect on changes in Knowledge Management or in other words, if Relational Capital increases, there will be an increase in the level of Knowledge Management. the path coefficient value of Relational Capital to Knowledge Management which means that Relational Capital has a positive relationship to Knowledge Management. This proves a hypothesis can be accepted.

4. The Effect of Human Capital on Organizational Sustainability

Based on the results of the study, H₄ is accepted, which means that Human Capital has a positive and significant influence on Organizational Sustainability, meaning that changes in the value of Human Capital have a unidirectional effect on changes in Organizational Sustainability or in other words, if Human Capital increases, there will be an increase in the level of Organizational Sustainability and value. Path coefficient of Human Capital towards Organizational Sustainability which means that Human Capital has a positive relationship to Organizational Sustainability. This proves a hypothesis can be accepted.

5. The Effect of Structural Capital on Organizational Sustainability

Based on the research results, H₅ is rejected, which means that Structural Capital has a positive but not significant effect on Organizational Sustainability, meaning that if Structural Capital increases, there will be no significant increase in the level of Organizational Sustainability. Based on the results of the path coefficient value of Structural Capital on Organizational Sustainability, which means that Structural Capital has a positive relationship to Organizational Sustainability.

6. The Effect of Structural Capital on Organizational *Sustainability*

Based on the research results, H₅ is rejected, which means that Structural Capital has a positive but not significant effect on Organizational Sustainability, meaning that if Structural Capital increases, there will be no significant increase in the level of Organizational Sustainability. Based on the results of the path coefficient value of Structural Capital on Organizational Sustainability, which means that Structural Capital has a positive relationship to Organizational Sustainability.

7. The Effect of Relational Capital on Organizational *Sustainability*

Based on the results of the study, H₆ is rejected, which means that Relational Capital has a positive but not significant effect on Organizational Sustainability, meaning that if Relational Capital increases, there will be no significant increase in the level of Organizational Sustainability. Based on the results of the path coefficient value of Relational Capital on Organizational Sustainability, which means that Relational Capital has a positive relationship with Organizational Sustainability.

8. The Effect of Knowledge Management on. Organizational Sustainability

Based on the results of the study, H₇ is accepted, which means that Knowledge Management has a positive and significant impact on Organizational Sustainability, meaning that changes in the value of Knowledge Management have a unidirectional effect on changes in Organizational Sustainability or in other words, if Knowledge Management increases, there will be an increase in the level of Organizational Sustainability. statistics have a significant effect. Based on the results of the Knowledge Management path coefficient on Organizational Sustainability, it means that Knowledge Management has a positive relationship to Organizational Sustainability.

9. Knowledge Management mediates the influence between Human Capital and Organizational Sustainability

Based on the research results, H₈ is accepted, which means that Knowledge Management mediates the influence between Human Capital and Organizational Sustainability. This means that if the level of Knowledge Management increases, it can strengthen the relationship between Human Capital and Organizational Sustainability.

10. Knowledge Management mediates the influence between Structural Capital Organizational Sustainability

Based on the research results, H₉ is rejected, which means that Knowledge Management does not mediate the influence between Structural Capital and Organizational Sustainability significantly. This means that if the level of Knowledge Management increases, it cannot significantly strengthen the relationship between Structural Capital and Organizational Sustainability.

11. Knowledge Management mediates the influence Relational between Capital and Organizational Sustainability

Based on the research results, H₁₀ is accepted, which means that Knowledge Management mediates the influence between Relational Capital and Organizational Sustainability. This means that if the level of Knowledge Management increases, then it can strengthen the relationship between Relational Capital and Organizational Sustainability. This proves a hypothesis can be accepted. Which means the role of a knowledge management has the ability to increase Relational Capital and Organizational Sustainability.

V. CONCLUSION AND SUGGESTION

A. Conclusion

Based on the results of research and discussion in the previous chapter, it can be concluded that this research is as

- 1. Human Capital has a positive and significant effect on Knowledge Management for PD Dharma Jaya employees. This shows that human capital for improving knowledge management is very strong, with increasing knowledge management, human capital will increase. Furthermore, the highest factor loading value is obtained from the contribution indicator having knowledge insight with the knowledge dimension. This means that an employee at PD Dharma Jaya has values that are adhered to in accordance with his knowledge and insight to use as knowledge capital in developing the skills they have. So, with good management knowledge, it will affect human capital in supporting performance.
- 2. Capital structure has a positive and significant effect on Knowledge Management for PD Dharma Jaya employees. This shows that the structural capital for organizational improvement within the company is very strong, with an organization that is running well, it will structurally follow the SOPs that have been implemented. Furthermore, the highest factor loading value is obtained from the organization's contribution indicator with the dimension of capability. This shows that an employee of PD Dharma Jaya can exploit both the human resources he has in himself and the organization.
- 3. Relational Capital has a positive and significant effect on Knowledge Management for PD Dharma Jaya employees. This shows that relational capital has increased with customers with increasing knowledge management owned by employees. With knowledge management about customers, relational capital will increase. Furthermore, the highest factor loading value is obtained from the customer contribution indicator with the dimensions of understanding the customer itself. This shows that every PD Dharma Jaya employee has knowledge and understanding of customers and potential customers who will build relationships with the company's organization.
- 4. Human Capital has a positive and significant effect on the Sustainability of the organization. This shows that the human capital owned by PD Dharma Jaya employees will affect the sustainability of the organization. With human capital, the sustainability of the organization will continue to

increase. Furthermore, the highest factor loading value is obtained from the indicators of the contribution of work safety with the social work dimension. This shows that every PD Dharma Jaya employee has knowledge of work safety at the workplace.

- 5. Capital structure has a positive and insignificant effect on Organizational Sustainability. This shows that structural capital has a positive but not significant effect on organizational sustainability, which means that if the capital structure increases, there will be no significant increase in the level of organizational sustainability. Because the influencing factor is the leadership in the organization itself.
- 6. Relational Capital has a positive and insignificant effect on Organizational Sustainability. This shows that relational capital has a positive but not significant effect on organizational sustainability, meaning that if the relational capital increases, there is no significant increase in the level of organizational sustainability.
- 7. Knowledge Management has a positive and significant effect on Organizational Sustainability. This shows that knowledge management owned by PD Dharma Jaya employees has a positive and significant influence on organizational sustainability at PD Dharma Jaya. Furthermore, the highest factor loading value is obtained from the contribution indicators of decision making with leadership dimensions. This shows that every PD Dharma Jaya employee in making decisions has a process flow of leadership in the organization which means there is regeneration in every leadership in the organization.
- 8. Knowledge Management mediates a positive and significant effect on Human Capital and Organizational Sustainability. This shows that knowledge management owned by PD Dharma Jaya employees mediates human capital and organizational sustainability has a positive and significant influence. If the level of Knowledge Management increases, it can strengthen the relationship between Human Capital and Organizational Sustainability. Furthermore, the highest factor loading value is obtained from the technology contribution indicator with the dimensions of knowledge and economic performance. This explains that every PD Dharma Jaya employee is not tech-savvy to the latest technology, because PD Dharma Jaya employees have knowledge in understanding technology to support performance in organizational sustainability.
- 9. Knowledge Management mediates a positive but not significant effect on the Structural Capital and Sustainability of the organization. This means that knowledge management does not significantly mediate the influence between Structural Capital and organizational sustainability, so it cannot significantly strengthen the relationship between Structural Capital and organizational Sustainability.
- Knowledge Management mediates positive and 10. influence on Relational Capital significant Organizational Sustainability. This shows that if the level of knowledge management increases, it can strengthen the relationship between Relational Capital and the Sustainability of the organization. Furthermore, the highest factor loading value is obtained from the Knowledge contribution indicator with the dimensions of understanding the organization's sustainable business performance. So, with increasing knowledge of business performance, the sustainability of the

organization will also increase.

B. Suggestion

Based on the conclusions above, the researchers provide suggestions to the Management of PD Dharma Jaya, including:

- 1. The results show that intellectual capital significantly affects knowledge management. Based on the highest factor loading value, namely Structural Capital. Therefore, it is better for PD Dharma Jaya employees in the future to continue to prioritize harmonious relationships and provide the best service to all customers, stakeholders, and the wider community, as well as the main duties and functions of PD Dharma Jaya is to provide services to the citizens of the city of DKI Jakarta. And no less important is knowledge management which is very necessary for the improvement of Dharma Jaya employees in competency competition towards industry 5.0. by increasing hard skills and soft skills through quality education and providing compensation for employees in accordance with the weight of performance and responsibilities carried out by each position in the organizational structure of Dharma Jaya.
- 2. The results show that Intellectual Capital significantly influences Organizational Sustainability. Based on the highest factor loading value, namely Human Capital. Therefore, it is better to increase the training and training that has been less than optimal by PD Dharma Jaya, so that it can be maximized again for the provision of training and training that can be carried out individually or in-house training as well as face-to-face and remotely. With increasing knowledge through training, the sustainability of the organization for the long term will also increase.

To support the sustainability of the Dharma Jaya organization, there is a need for training, training, in this case, to be competitive with competitors and also face the industrial 5.0 era. there is no progress of knowledge without learning. So, every individual need training and learning, whether it's learning in education or learning in training. Considering that the majority of Dharma Jaya employees have educational backgrounds that are only at the high school level or equivalent, then to support this, learning can be provided by providing higher education but still supporting learning with hard skills and soft skills training to achieve Dharma Jaya's vision and mission to the following years.

3. The results of the study show that Knowledge Management has a significant influence on organizational sustainability. Based on the highest factor loading value, namely organizational sustainability. Therefore, PD Dharma Jaya continues to make breakthroughs in performance ideas that can support organizational sustainability, for example by utilizing technology that can support employee performance and facilitate heavy work into light burdens with the use of adequate coaxial machine technology.

Industry 4.0 world cannot be separated from digital technology, then for the sustainability of the organization, the use of digital technology is very supportive of the organization itself. Improvements in technology improvement include the need for heavy transportation equipment that aims to simplify and speed up performance in the distribution of an item, slaughter equipment needs rejuvenation to package, and printing the Dharma Jaya logo in product packaging. HRIS (Human Resource Information System) technology which makes it easier for all employees to access data as well as performance assessment as well as an HRIS application that can be integrated with ERP (Enterprise Resource Planning) applications, which is a technology application that connects Enterprise/company, Resources/resources, and planning/planning. In this case the use of technology in the industrial era 5.0. will be more competitive and Dharma Jaya must be ready to compete in the face of global competition.

4. The results show that knowledge management significantly affects mediating Intellectual capital and organizational sustainability. This can be seen from the highest loading factor, namely Human Capital. Therefore, human capital is an invaluable asset in the sustainability of the organization.

The achievement of a company's vision and mission cannot be separated from the intellectual property capital that exists within the organization itself. So, knowledge management plays an important role in the sustainability of the organization, in this case, it is human capital, namely Dharma Jaya employees. So, in supporting knowledge management, it is necessary to increase human capital in the form of increasing competence through tacit knowledge and explicit knowledge so that organizational sustainability can be achieved simultaneously and get good results following the company's vision and mission.

In practice, this research has limitations, including:

- 1. The author feels that there are still many weaknesses in this study. The limitation in this study is that the sample used is very limited, so that further research can use a wider sample and a wider research object. In addition, because of the limitations that the researcher experienced due to the COVID-19 pandemic situation, it was difficult to obtain data. For further research interested in the same topic, it is recommended to explore the effect of independent variables on employee performance and involve other variables such as compensation, work culture, and employee behavior to predict the sustainability of corporate performance
- 2. For further research, it is possible to develop a research model by developing a more varied and larger population and sample so that it can be useful input for the company's organization.

REFERENCES

- Kasali, R. (2019). Disruption (Mulyono (Ed.); Kesebelas). Pt Gramedia.
- Ong, J. O., & Mahazan, M. (2020). Strategi Pengelolaan Sdm Dalam Peningkatan Kinerja Perusahaan Berkelanjutan Di Era Industri 4.0. Jurnal Becoss (Business Economic, Communication, And Social 159-168. 2(1). Sciences). Https://Journal.Binus.Ac.Id/Index.Php/Becoss/Article/View/6252.
- Ulum, I. (2017). Intellectual Capital, Model Pengukuran, Framework Pengungkapan, Dan Kinerja Organisasi (Septian (Ed.); Ketiga). Umm Press.
- Yusliza, M. Y., Yong, J. Y., Tanveer, M. I., Ramayah, T., Noor Faezah, J., & Muhammad, Z. (2020). A Structural Model of The Impact of Green Intellectual Capital on Sustainable Performance. Journal of Production, 249. 119334. Https://Doi. Org/10.1016/J. Jclepro. 2019. 119334.
- Segoro, W. (2019). Human Capital Management Era 5.0 (1ST Ed.). Deepublish.
- Sedarmayanti, Komariah, A., Kurniady, D. A., & Zafar, T. Su. (2020). Membangun & Mengembangkan Human Capital Unggulan (Melalui

- Pendidikan, Kinerja & Produktifitas Kerja Di Era Industri 4.0) (Rachmi (Ed.); Pertama). Refika Aditama.
- Djali. (2020). Metodologi Penelitian Kuantitatif (B. S. Fatmawati (Ed.); Pertama). Bumi Aksara.
- A'Yuni, Q., & Muafi. (2020). Pengaruh Green Intellectual Capital Terhadap Keunggulan Kompetitif Dengan Pemediasi Green Human Resource Management. Jbti: Jurnal Bisnis: Teori Dan Implementasi, 11(2), 81-97.
- Agostini, L. (2017). Does Intellectual Capital Allow Improving Innovation Performance? A Quantitative Analysis in The Sme Context. Journa Of Intellectual Capital, 18(1), 1–5.
- Anggraini, F., Abdul-Hamid, M. A., & Azlina, M. K. A. (2018). The Role of Intellectual Capital on Public Universities Performance in Indonesia. Pertanika Journal of Social Sciences and Humanities, 26(4), 2453-2472
- [11] Astari, R. K., & Darsono. (2020). Pengaruh Intellectual Capital Terhadap Kinerja Perusahaan. Diponegoro Journal of Accounting, 9(2), 1-10. Https://Doi.Org/10.24912/Jm.V21i3.264.
- [12] Bacila, L.-M. (2019). Intellectual Capital Key Factor in Organization Development. Defense Resource Management, 10(1), 41-51.
- [13] Budiarta, K. (2015). The Role of Knowledge Management, Human Capital, And Innovative Strategy Toward the Higher Education Institution' S Performance in Indonesia. Information and Knowledge Management, 5(5), 14-20.
- [14] Chen, M., & Tsai, M. (2020). Increase Intellectual Capital Through Knowledge Management. International Journal of Organizational 13(1), Http://Ezproxy.Haifa.Ac.Il/Login?Url=Https://Search.Ebscohost.Com /Login.Aspx?Direct=True&Db=Bth&An=144310470&Site=Eds-Live&Scope=Site.
- [15] Dessler, G. (2015). Managemen Sumber Daya Manusia (M. Maskur (Ed.); Empat Bela). Salemba Empat.
- [16] Garcia-Perez, A., Ghio, A., Occhipinti, Z., & Verona, R. (2020). Knowledge Management and Intellectual Capital in Knowledge-Based Organisations: A Review and Theoretical Perspectives. Journal of Knowledge Management,24(7),1719-1754. Https://Doi.Org/10.1108/Jkm-12-2019-0703.
- [17] Helmiatin, H. (2015). Optimalisasi Peran Modal Intelektual Terhadap Karvawan. Etikonomi. 14(1),51-68. Kineria Https://Doi.Org/10.15408/Etk.V14i1.2263.
- [18] Kasmawati, Y. (2017). Human Capital Dan Kinerja Karyawan (Suatu Tinjauan Teoritis). Jabe (Journal of Applied Business and Economic), 3(4), 265. Https://Doi.Org/10.30998/Jabe. V3i4.1781.

- [19] Kasmawati, Y. (2017). Human Capital Dan Kinerja Karyawan (Suatu Tinjauan Teoritis). Jabe (Journal of Applied Business and Economic), 3(4), 265. Https://Doi.Org/10.30998/Jabe.V3i4.1781.
- [20] Li, Y., Song, Y., Wang, J., & Li, C. (2019). Intellectual Capital, Knowledge Sharing, And Innovation Performance: Evidence from The Chinese Construction Industry. Sustainability (Switzerland), 11(9). Https://Doi.Org/10.3390/Su11092713.
- [21] Malik, S. Y., Cao, Y., Mughal, Y. H., Kundi, G. M., Mughal, M. H., & Ramayah, T. (2020). Pathways Towards Sustainability in Organizations: Empirical Evidence on the Role of Green Human Resource Management Practices and Green Intellectual Capital. (Switzerland), 12(8), Https://Doi.Org/10.3390/Su12083228.
- Najib, H., & Nawangsari, L. C. (2021). Effect of Intellectual Capital on Organizational Sustainability with Employee Innovative Behavior as Intervening Variables in Pt. Jaya Maritime Services. European Journal of Business and Management Research, 6(1), 158-163. https://doi.org/10.24018/ejbmr.2021.6.1.714.
- [23] Ramanda, Y., & Muchtar, B. (2017). Pengaruh Humancapital, Relational Capital Dan Organizational Capital Terhadap Kinerja Pegawai (Studi Pada Badan Ketahanan Pangan Provinsi Sumatera Barat). 1-20.
- Ramli, A., Abdul, D., Poespowidjojo, L., Khairunnisak, & Shakir, A. (2014). Modal Manusia Dan Kaitannya Dengan Kinerja: Suatu Kajian Terhadap Gudang Manufaktur Berlisensi Di Semenanjung Malaysia. Jurnal Kajian Manajemen Bisnis, 3(2).
- [25] Riduwan. (2018). Skala Pengukuran Variabel-Variabel Penelitian (A. Hamidah (Ed.): Keduabelas). Alfabeta.
- [26] Santoso, S. I., Djaelani, Y., & Destryanti. (2017). Pengaruh Intellectual Capital Terhadap Pertumbuhan, Nilai Pasar, Produktivitas Dan Profitabilitas. Ilmiah Akutansi Peradaban, Iii(2), 1-24.
- [27] Sekaran, U. (2011). Research Methods for Business (R. Widyaningrum (Ed.); Keempat). Salemba Empat.
- Stoyanov, I. (2015). Human Capital and Knowledge Management in Innovative Organizations. Ksi Transactions on Knowledge Society, 7(4), 23-29
- [29] Tongsamsi, K., & Tongsamsi, I. (2017). Kasetsart Journal of Social Sciences Instrument Development for Assessing Knowledge Management of Quality Assurers in Rajabhat Universities, Kasetsart Journal of Social Sciences, 1-6. Https://Doi.Org/10.1016/J.Kjss.2016.03.005.