Process Management Practice Analysis on Organizational Performance Mediated by Knowledge Creation

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Abstract
Knowledge is an important resource that supports process management to produce efficient and effective products and services. The research objective is to examine the influence of process management on performance through the role of knowledge creation in the future of new normal. Survey method with saturated sample was used for data collection on 126 head of study programs at public and private universities in the city of Semarang. Partial Least Square-Structural Equation Modeling (PLS-SEM) approach was used to analyze the data. The results of the study found that process management has no direct effect on organizational performance and knowledge creation directly affects performance. Tests indirectly show that the knowledge creation shown to mediate the effect of process management on organizational performance. Implications of research for leaders as a consideration in the implementation of process management practices and knowledge creation in the new normal era of the organization. Suggestions for future research should use a longitudinal design, so that studies can be developed and explored more deeply and prepare other techniques or strategies as alternative solutions in data collection so that they are in accordance with the set targets.

Keywords:
knowledge creation; organizational performance; process management.

INTRODUCTION

Technological developments often revolutionize ways of life, work processes, and change the way products and services are produced and distributed. The invention of the steam engine was the beginning of industrialization with economic efficiency through large-scale production. Digital technology has again revolutionized work processes and services through data and information resources (Donald et al., 2015). Digital technology facilitates the codification and classification of resources, thus making resources easy to communicate, transfer to support service processes, production processes, decision making and collaboration (Basaglia et al., 2010). Data and information management changes the service process through face to face into online-based services. This happens in many sectors of life, such as: public services, health, manufacturing, agriculture. E-banking services, e-learning, virtual meetings, virtual concerts, online-based surveys come from data and information management, including the education sector. In the agricultural sector, plant growth can be controlled through scanning data to determine the water and nutrient needs of plants (Romle et al., 2015; Bulitia & Godrick, 2016). In the health sector, the discovery of digitalization equipment through scanning the health of the human body (such as: blood pressure, organ health), provides opportunities for the nature of services in the health sector, especially in the post-covid-19 era (Budd et al., 2020). In the higher education sector, the discovery of digitalization equipment through scanning the health of the human body (such as: blood pressure, organ health), provides opportunities for the nature of services in the health sector, especially in the post-covid-19 era (Budd et al., 2020). Production control in the manufacturing sector can not only be done at the production site, but can be done anywhere and anytime.

In the higher education sector, digital technology changes the nature of administrative service process management, educational and learning activities, research and collaboration activities into new ways of working and new habits (Jamil & Lodhi, 2015; Cannella & McFadyen, 2016). Digital technology increases the efficiency of administrative service processes through time, effort and cost efficiency (Brynjolfsson & McAfee, 2017). Digital technology increases knowledge production, meaning that digital technology makes explicit and tacit knowledge easier to document, transfer, share and combine. This facilitates increased production of new knowledge. Unique and valuable tacit knowledge is a valuable resource for improving the processes of education, research and community service, so that it can indirectly improve performance. Based on the Knowledge Based View (Nonaka & Von Krogh, 2009) unique and valuable knowledge resources are a source of competitive advantage. Data, information and knowledge management are useful for continuous process improvement that supports innovative activities in capturing change opportunities, managing ideas in solving problems, and honing the ability to adapt quickly to change (Choi et al., 2014). Various knowledge management creations such as knowledge creation processes, knowledge transfer processes and knowledge application processes are able to support the efforts of process management practices to generate performance. The process of creating knowledge for the company aims to generate new ideas or ideas that are used as a guide in achieving company goals.

This study discusses a process management-based performance improvement strategy in higher education services, especially at the study program level through the creation of knowledge in the new normal era (post-Covid-19). The importance of process management practices as a quality control tool in supporting organizational performance found that
the implementation of effective process management can affect performance (Sabella et al., 2014; Ahmad et al., 2016; Al-Damen, 2017). This is different from the findings (Wartini et al., 2021) which reveal that process management practices cannot improve performance if they are not supported by proper and proper management of knowledge resources. Several reasons, such as in determining indicators of the predictor variable Process management practice (PMP), different orientations or company goals achieved and different organizational characteristics as well as inappropriate and not optimal use of knowledge resources (Wartini et al., 2021).

Knowledge is a very important resource, not only as an information or data tool but also as an asset and a central center in supporting the control of process management practices that lead to performance achievement. However, the role of intermediary knowledge creation that can support the influence of process management on organizational performance is still a major research gap in the era of the new post-global pandemic. The global COVID-19 pandemic that occurred in December 2019 became an important driver for increasing the use of digital technology for service process management in the higher education sector (Wartini et al., 2021). The global pandemic is forcing anyone to change old habits in the management of higher education service processes. Digital technology and the global pandemic are not only changing old habits, but also values, knowledge and skills, infrastructure and technology (Wartini et al., 2021). The elements of quantity and quality of scientific works or scientific publications and the number of collaborations with stakeholders of industrial companies are important points in evaluating organizational performance, while the achievement of these points is considered not optimal and has always been in the spotlight of the achievement of the Ministry of Education’s targets as an assessing body and evaluating the performance of its main institutions at the study program level, so that Most study programs and universities compete to achieve performance targets through scientific publications both on a national and international scale.

This study aims to examine the concept of knowledge creation as a mediator of the influence between the implementation of process management practices on organizational performance and the research results are expected to answer the literature gap both theoretically and practically through the role of knowledge creation as a mediator to support and improve the relationship between process management and organizational performance, especially in the education sector.

**Hypothesis Development**

**Effect of Process Management on Organizational Performance**

The practice of quality management through process management has evolved from the era of quality control through supervision and statistical quality control, towards a systems approach, strategy and knowledge management (Salajeghe et al., 2014). System-based, process management is one of the components in total quality management practices (besides leadership, strategic management, human resource focus and customer focus) that affect performance (Fernández-López et al., 2018) measured in terms of scientific production. Design/methodology/approach: Drawing on the resource-based view (RBV).

Achievement of performance does not match the expected target when there is negligence in the implementation of process management such as the absence...
of a clear and firm control system for every operational activity so that in the research of Shan et al. (2013) found that process management does not have an impact on the expected performance if it is not supported by proper procedures and supervision.

Process management includes process control and continuous improvement (Baird et al., 2011). Process management reduces process variation (Al-Qahtani et al., 2015; Al-Mulhim, 2017), improves output quality as well as minimizes reducing costs, thereby increasing performance (Al-Qahtani et al., 2015; Arijitsatien & Raatham, 2017). Statistical process control is the approach most often used to measure and evaluate the management of production and service processes such as in companies (Al-Qahtani et al., 2015). The results of previous studies found different findings such as the research conducted by Shan et al. (2013) and Nguyen & Ninh (2017) revealing that process management as one of the principles of quality management has no effect on performance. In contrast to several other research results, it was found that process management practices are one of the factors in quality management that affect performance (Sabella et al., 2014; Ahmad et al., 2016; Al Damen, 2017; Nguyen & Ninh, 2017). These results are in line with Deming’s concept of the concept of quality management that the implementation of effective quality management processes in the company will be followed by effective performance. The alignment of the Deming’s concept with the results of previous research leads to superior efforts from the implementation of process management practices to produce performance that is in line with company expectations. Based on the results of these studies that support the concept of quality, the hypotheses developed in this study are:

H1: Process management practices affect organizational performance.

Effect of Process Management on Knowledge Creation

Process management practices according to Salajeghe et al. (2014) are about how companies manage various company resources through applicable process procedures in order to produce outputs of both products and services. Resources such as inputs consist of physical resources (manpower, material, capital), non-physical resources (knowledge and skills). In the digital era, various resources for production and service processes can be codified, classified, managed through administrative processes so that they are easy to communicate, transfer, apply and configure (Kumar et al., 2018). Data and information perceived by information users (managers, staff and other stakeholders) produce knowledge as quality control, decision making, innovation, governance, and support collaboration. Therefore, process management practices can support the success of the knowledge creation process.

Data and information in process management are important enablers of knowledge management (Shan et al., 2013; Ooi, 2014; Al-Ali et al., 2017; Minh & Duc Loc, 2020). Knowledge creation is an effort to build company assets that are very important in the midst of environmental changes, namely in making decisions, changing customer needs, changing quality management needs, problem solving, product development and innovation. Knowledge creation itself is a system within the organization in an iterative cycle that makes it easier for tacit knowledge to be expressed, combined, socialized and internalized within the organization.

Value-oriented process management that helps in the process, increases the productivity of each employee and improves the quality of the company (Ooi, 2014). Process management seeks to implement
process capabilities, ensuring consistent results and that customer needs and expectations are met. Quality and structure are assumed to be things the organization can handle and control. Due to perception one can assume that the company adopts a process management approach at the same time and applies a structural approach to support knowledge creation (Wambugu, 2014).

Tests of these two concepts have been carried out by previous researchers explaining that process management as a quality element in the process of creating knowledge into valuable knowledge for organizations has proven to be influential (Asif et al., 2013; Salajaghe et al., 2014; Zwain et al., 2014). On the other hand, research reveals that process management as part of quality has no effect on knowledge creation (Shan et al., 2013). However, the concept of Nonaka & Takeuchi (2009) also supports the results of previous research that the knowledge creation process will provide useful value if the process management is carried out according to applicable rules and does not violate organizational ethics. Based on the description of the study and the findings of the previous research, the hypotheses that can be developed are:

H2: Process management practices influence the knowledge creation process.

Effect of Knowledge Creation on Organizational Performance

Companies or organizations are encouraged to proactively manage knowledge in a performance-enabled model thus requiring various indicators of the effective knowledge creation process. Many organizations use knowledge management, but not all of them are able to implement its management successfully, meaning that they do not benefit from the results of the management. Implementation of knowledge management such as the process of creating knowledge, sharing knowledge and applying knowledge is a strategic process and needs to get clear directions with careful and sustainable determination of organizational performance targets (Akhan et al., 2014).

Previous research has shown that knowledge creation plays a central role in the success or failure of an organization (Mehralian et al., 2018)). An organization that implements a knowledge creation process able to effectively link knowledge in new and unique ways to produce products as well as services that are innovative and new and can create value for customers (Nonaka & Von Krogh, 2009; Andreeva & Ikhilchik, 2011). Other factors such as climate-learning contribute to the knowledge creation process which, in turn, can help organizations to achieve greater competitiveness, effectiveness and performan-
This proves empirically how effective the application of the knowledge creation process is affect performance (Grimsdottir & Edvardsson, 2018). In the study revealed that the company that took the part in the process of creating knowledge generates performance more good that is good financial, operational, and social than companies that tend to ignore. Therefore, it can be concluded that studies that support the idea of knowledge creation can contribute positively to long-term performance (Barua, 2018).

Organizational performance is increasingly dependent on and increasingly requires knowledge resources as material to consider the process/how to gain knowledge, integrate, integrate, share and innovate in knowledge creation so that it becomes a reference for controlling and evaluating each individual activity and organizational group so that knowledge management practices contribute positively on organizational performance (Mehralian et al., 2018). Among the tools developed to measure organizational performance are not only a useful control mechanism for knowledge workers but also provide an important mechanism for establishing a link between the strategic goals of the organization and the work being done (Mehralian et al., 2018; Sri et al., 2020).

Many organizations raise knowledge study but not all of them were able to implement it successfully and benefit from it as in the research of Mehralian et al. (2018) found that the implementation of the knowledge creation process does not support performance if the implementation of knowledge creation is not guided by careful targeting and continuous review. Al-Qahtani et al. (2015) revealed that knowledge creation is an important activity to improve company performance. This expression is in line with the proposed conceptual research to be carried out with various considerations and implementations, knowledge creation in organizations bring about significant changes in performance (Andreeva & Ikhilchik, 2011; Aliyu et al., 2015; Wartini et al., 2021).

The results of testing the creation of knowledge on performance show inconsistencies where some studies find that knowledge creation affect organizational performance (Nakamori, 2011; Harris & Corresponding, 2017; Arijitsatien & Ractham, 2017). In contrast, another study found that knowledge creation had no effect on organizational performance (Ahavan et al., 2014; Mehralian et al., 2018). The results of the knowledge creation test organizational performance support the view of Nonaka & Takeuchi (2009) that strategy in knowledge management is the process of creating, transferring, sharing, assimilating and applying knowledge into knowledge that is of value to the organization and supports the research of Wartini et al. (2021) that every stage of the knowledge creation process such as SECI organizational performance results in organizational performance. By looking at the strong influence of knowledge creation on performance in several previous research results and support the concept of Nonaka, the hypotheses of this research are:

H3: Knowledge creation has a positive effect on organizational performance.

Knowledge Creation Mediates the Effect of Process Management on Organizational Performance

Based on the concept of Knowledge Based View (KBV) according to Nonaka & Von Krogh (2009), knowledge resources are important resources. The development of digital technology makes it easier for resources, production processes and services to be codified and classified in the form of data and information. These data and information are useful for communicating with stakeholders to support research funding and community service (Ramírez et al., 2011). The data and information are interpreted and analyzed by users into pro-
ducts in the form of new knowledge that is useful to support organizational performance. Based on KBV (Nonaka & Von Krogh, 2009), tacit knowledge products that are unique, valuable, not easy to imitate and not easily replaced are a source of competitive advantage. Data, information, general knowledge, open innovation, general technology are often valuable in the digital era, but are also owned by other organizations so they are not a source of competitive advantage. Knowledge, ideas, creativity that are unique and valuable are sources of competitive advantage. In the digital era, creative workers, analysts, decision makers, researchers, educators, who utilize and manage data and information are important resources for competitive advantage (Wartini et al., 2021). Organizations manage valuable tacit knowledge to be integrated (through sharing, socialization and externalization) within the organization, combined with existing tacit knowledge. Furthermore, knowledge is valuable and used for continuous improvement of process management performance.

Several previous studies have shown the superiority of the knowledge creation variable as a mediating relationship with other predictor variables that lead to performance (Shu et al., 2012; Mehmood & Hussain, 2017; Taneo et al., 2020). By looking at the advantages of creating this mediation as a mediation, the hypothesis in this study is:

H4: Knowledge creation mediates the influence of process management on organizational performance.

METHOD

The population of this research is all Study Programs that are accredited A in Public Universities and Private Universities whose institutions are accredited A in Semarang City. This study uses a probability sampling technique with a census sample in which all members of the population are sampled. Data collection was carried out during the Covid 19 Pandemic in mid-2020 so that data collection was carried out via online, the data collected for use and processing in this study were 126 Head of Study Programs. The process management practice variable is measured by five indicators, namely clarity in providing work instructions, relatively stable work scheduling, monitoring and evaluation of work and automated work processes (Nguyen & Ninh, 2017). Knowledge creation (KC) is measured by 8 item indicators from SECI (socialization, externalization, combination, and internalization) (Nonaka & Von Krogh, 2009; Mehralian et al., 2015). The independent variable organizational performance (OP) is measured by three indicators consisting of: productivity & research, employee commitment and cooperation organization (Jamil & Lodhi, 2015). Measurement of indicators using a Likert scale with a numerical value of 1 to 5 where (1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree). Based on the relationship between the t variables, the research model can be seen in Figure 2.
RESULT AND DISCUSSION

Based on the results of the descriptive analysis of the answers from 126 respondents to each research variable, it can be explained that the process management variable shows the lowest value (3.90%) on the automatic work process indicator, this result shows that most of the process management practices are well implemented. Knowledge creation shows the lowest value (3.97%) on the socialization indicator, meaning that employees’ willingness to share knowledge and experiences has not emerged on their own awareness. Likewise, organizational performance shows the lowest score (3.89%) on the indicator of adaptability in accepting criticism, suggestions and input, not all lecturers & employees are ready to accept. Measurement of indicators related to predictor variables tested with the PLS Smart program is shown from the outer loading value as in Table 1. that all indicator items are > 0.70 meaning that all indicators used in this study are declared to meet convergent validity.

Table 1. Outer Loading Value

<table>
<thead>
<tr>
<th></th>
<th>KC</th>
<th>P</th>
<th>PM</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>0.805</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X2</td>
<td>0.707</td>
<td></td>
<td></td>
</tr>
<tr>
<td>x3</td>
<td>0.775</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X4</td>
<td>0.793</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X5</td>
<td>0.824</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y1</td>
<td>0.778</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y2</td>
<td>0.838</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y3</td>
<td>0.789</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y4</td>
<td>0.850</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y5</td>
<td>0.839</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y6</td>
<td>0.814</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y7</td>
<td>0.789</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y8</td>
<td>0.788</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y9</td>
<td>0.840</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The convergent validity test is indicated by the AVE value as shown in Table 2.

Table 2. AVE Test

<table>
<thead>
<tr>
<th>Construct</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KC</td>
<td>0.931</td>
<td>0.629</td>
</tr>
<tr>
<td>OP</td>
<td>0.953</td>
<td>0.672</td>
</tr>
<tr>
<td>PM</td>
<td>0.887</td>
<td>0.611</td>
</tr>
</tbody>
</table>

Based on the results of the average variance extracted (AVE) test, it shows that all variable AVE calculated values are > 0.6, meaning that all instruments are declared to meet convergent validity.

The results show that each indicator > 0.05 means that the indicator meets convergent validity. Meanwhile, for the discriminant validity test, it can be seen in the Fornell-Larcker value (in Table 3) which shows that the AVE value > the other construct correlation value means that all indicators of this study are declared to meet discriminant validity.

Table 3. Fornell value – Larcker Criteria

<table>
<thead>
<tr>
<th></th>
<th>HR</th>
<th>KC</th>
<th>OP</th>
<th>PM</th>
</tr>
</thead>
<tbody>
<tr>
<td>KC</td>
<td>0.643</td>
<td>0.793</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP</td>
<td>0.537</td>
<td>0.732</td>
<td>0.820</td>
<td></td>
</tr>
<tr>
<td>PM</td>
<td>0.529</td>
<td>0.597</td>
<td>0.420</td>
<td>0.782</td>
</tr>
</tbody>
</table>

Source: processed primary data (2021)
Testing the reliability of the indicators seen the value of Cronbach's Alpha and Composite reliability > 0.70 (in Table 4). These results indicate that the research instrument is stated to be consistent (reliable).

**Hypothesis Testing**

Hypothesis testing (H1, H2, H3) can be directly seen in the path coefficient value (Table 5).

Based on Table 5, it can be explained that for testing the first hypothesis, the significance value of process management is 0.079 > 0.05, this result shows that hypothesis one (H1) which states that process management has a positive effect on organizational performance is not accepted. While the second hypothesis obtained a significance value of process management of 0.001 < 0.05, this result shows the second hypothesis (H2) which states that process management has a positive effect on knowledge creation is accepted, as well as knowledge creation obtained a significant value of 0.038 < 0.05, these results indicate that the third hypothesis (H3) which states that knowledge creation has a positive effect on performance is accepted.

Hypothesis testing indirectly or mediation can be seen in Table 6, which explains that the obtained significant value is 0.042 < 0.05. This result indicates that the fourth hypothesis (H4) which states that knowledge creation can mediate the effect of process management practices on organizational performance is accepted.

Based on hypothesis testing found that hypothesis one which states that process management has a positive effect on organizational performance is not ac-

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach’s Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>KC</td>
<td>0.915</td>
<td>0.919</td>
<td>0.931</td>
<td>0.629</td>
</tr>
<tr>
<td>OP</td>
<td>0.946</td>
<td>0.947</td>
<td>0.953</td>
<td>0.672</td>
</tr>
<tr>
<td>PM</td>
<td>0.846</td>
<td>0.868</td>
<td>0.887</td>
<td>0.611</td>
</tr>
</tbody>
</table>

Table 4. AVE value. Cronbach's Alpha and Composite Reliability

<table>
<thead>
<tr>
<th>Construct</th>
<th>Original samples (0)</th>
<th>T-Statistics (O/STDEV)</th>
<th>P-Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM → OP</td>
<td>0.029</td>
<td>1,413</td>
<td>0.079</td>
<td>not significant</td>
</tr>
<tr>
<td>PM → KC</td>
<td>0.192</td>
<td>3,276</td>
<td>0.001</td>
<td>significant</td>
</tr>
<tr>
<td>KC → OP</td>
<td>0.151</td>
<td>1,780</td>
<td>0.038</td>
<td>significant</td>
</tr>
</tbody>
</table>

Table 5. Value of Path Coefficients (Direct Effect)

<table>
<thead>
<tr>
<th>Construct</th>
<th>Original Samples (0)</th>
<th>T-Statistics (O/STDEV)</th>
<th>P-Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM → KC → OP</td>
<td>0.087</td>
<td>1,736</td>
<td>0.042</td>
<td>significant</td>
</tr>
</tbody>
</table>

Table 6. Path Coefficient Value (Indirect Effects)
cepted. The rejection of this hypothesis is caused by the implementation of process management practices in the study program that has not shown a contribution to performance, where awareness of the work process automatically is still not fully carried out regularly and routinely, evaluation of the work of lecturers and employees is carried out by the study program leader if there is field control or work raids from the leadership center or if there are complaints from internal or external customers, thus the achievement of performance is not optimal. Leaders at the study program level rarely provide solutions to the difficulties felt by lecturers/employees regarding the tasks carried out, the involvement of lecturers/employees to take part in training has not been optimally realized while the training strongly supports the competence and abilities of lecturers/employees to be more developed. The results of this study are in line with previous research which revealed that process management as one of the principles of quality management has no effect on performance, this gap is due to differences in organizational goal orientation and differences in setting indicators from process management practices (Shan et al., 2013; Nguyen & Ninh, 2017).

Testing the second hypothesis which states that process management has an effect on knowledge creation has been proven to be accepted. Acceptance of this hypothesis can be explained that leaders carry out process management practices in an effort to get as much information as possible from lecturers/employees for improvement and progress of study programs by providing opportunities for lecturers/employees through interaction (communication), motivating so that there is mutual transfer of ideas/ideas, inviting and stimulate lecturers to want to produce new ideas, interaction (communication) is carried out not only in formal forums but in an informal atmosphere, for example during break time gathering to discuss in a relaxed atmosphere so that lecturers feel comfortable because they feel there is no pressure. However, the awareness to share knowledge and experience from lecturers is still not fully implemented so that the study program leaders always try to motivate so that awareness of sharing knowledge or experience can continue to grow in every employee, especially lecturers. This finding is in line with the results of previous studies which revealed that effective process management can influence the knowledge creation process (Asif et al., 2013; Salajaghe et al., 2014; Zwain et al., 2014).

Testing The knowledge creation on performance proved to be accepted. These results indicate that the knowledge creation process in study programs supports the achievement of goals and performance by implementation stages SECI stand on draft Nonaka & Takeuchi (2009) that accuracy using a knowledge creation process approach with SECI (socialization, externalization, combination, internalization) makes a valuable contribution to the company’s performance. The stages of socialization carried out by the study program show that there is a sharing of opinions related to ideas and experiences on one’s expertise, willingness to learn from one another with variations in learning methods. The application of the socialization stage can provide satisfaction for the audience, which then the audience can develop into valuable new knowledge and lead to improved performance, both individual performance and organizational group performance (Barua, 2018). The externalization stage is carried out by providing ideas/ideas based on personal knowledge and experience and the willingness to provide concrete (real) examples of the outcomes of their experiences. Likewise with the stages of knowledge combination carried out by universities such as building
interaction/communication with leaders, employees and students and actively combining various information (knowledge) so as to create ideas/ideas. At the stage of internalization of knowledge carried out with knowledge conveyed formally and informally, knowledge is also designed in the form of documents, reports. Overall, it shows that the knowledge creation process with the SECI approach has an effect on organizational performance. The results of this study indicate alignment with the theory of Nonaka & Takeuchi (2009) which explains that the process of creating effective knowledge (SECI-based) makes a valuable contribution to organizational performance. On the other hand, the results of this study strengthen the role of knowledge creation as a predictor variable as well as answer the gap from the knowledge creation test - performance is concluded that there is a strong influence between knowledge creation and performance. These results support the results of previous studies that the knowledge creation process affects company performance (Nakamori, 2011; Arijitsatien & Racham, 2017; Haris & Corresponding, 2017).

The superiority of knowledge creation apart from being a predictor variable also acts as a mediating variable. Based on the results of mediation testing, it is proven that knowledge creation can mediate the effect of process management practices on organizational performance. The results of this study support previous research which confirms the superiority of the role of knowledge creation as a mediating variable (Shu et al., 2012; Mehmood & Hussain, 2017; Taneo et al., 2020)

CONCLUSION AND RECOMMENDATION

The results of the study found that process management had no direct effect on organizational performance, meaning that the study program's efforts to implement process management practices were not followed by increased performance. On the other hand, the implementation of process management practices carried out by the study program can support the knowledge creation process. However, knowledge creation can effectively mediate the influence of process management practices on organizational performance.

The implications of the research results are expected to be considered by the study program leaders by seeking to improve organizational performance based on process management practices through creative and innovative knowledge creation support to create new ideas and actively socialize these ideas so that organizational performance goals can be achieved effectively and efficiently.

The use of cross-sectional design is a limitation of the study so that future research can design with a longitudinal method. So, the study will be explored more deeply, in addition to abnormal conditions where the Covid-19 pandemic has hit globally as a result the data collected is not on target. It is hoped that further researchers will prepare strategies or other techniques as an alternative to anticipate abnormal conditions so that the data collected can meet the specified target.

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