# The Effect of Knowledge Management on Employee Performance with Individual Innovation Capability as an Intervening Variable at PLN Nusantara Power UP Gresik

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***ABSTRAK***

*PLN Nusantara Power telah mengukuhkan kedudukannya sebagai subholding pembangkit listrik terbesar di Asia Tenggara. Untuk mencapai visi menjadi perusahaan energi berkelanjutan terdepan dan terpercaya, PLN Nusantara Power secara agresif melakukan inovasi di sektor Energi Baru dan Terbarukan (EBT). PLN Nusantara Power juga menyadari bahwa SDM adalah penentu utama pencapaian visi dan misi. Oleh karena itu, perusahaan memastikan memiliki SDM terbaik yang profesional, inovasi, kompeten, berintegritas, dan berdedikasi, sebagai dasar kuat untuk mencapai seluruh target perusahaan. Beberapa penelitian sebelumnya menunjukkan bahwa individual innovation capability dapat menjadi variabel yang menjembatani hubungan antara knowledge management dan (employee performance). Knowledge management yang baik akan meningkatkan kemampuan inovatif individu, yang pada akhirnya berdampak pada peningkatan kinerja. Namun dalam praktiknya, penerapan knowledge management di PLN Nusantara Power UP Gresik masih menghadapi sejumlah tantangan. Berdasarkan data pada tahun 2022, target dan realisasi pelaksanaan KM dan kinerja karyawan tidak tercapai dan masih terdapat gap minus. Penelitian ini bertujuan untuk mengetahui pengaruh knowledge management terhadap kinerja karyawan dengan individual innovation capability sebagai variabel intervening pada PLN Nusantara Power UP Gresik. Data diperoleh dengan melakukan survey terhadap 133 karyawan PLN NP UP Gresik dan dianalisis menggunakan metode SEM (Structural Equation Modelling) PLS. Penelitian ini menunjukkan adanya dampak signifikan knowledge management dan individual innovation capability terhadap kinerja karyawan, serta Individual innovation capability terbukti memediasi secara parsial pengaruh knowledge management terhadap kinerja karyawan*

***Kata Kunci:*** *Individual Innovation Capability, Kinerja Karyawan, Knowledge Management.*

***ABSTRACT***

*PLN Nusantara Power has strengthened its position as the largest power generation subholding in Southeast Asia. To achieve its vision of becoming a leading and trusted sustainable energy company, PLN Nusantara Power is aggressively pursuing innovation in the New and Renewable Energy (NRE) sector. PLN Nusantara Power also recognizes that human resources are the key determinant in achieving its vision and mission. Therefore, the company ensures it has the best human resources—professional, innovative, competent, with integrity and dedication—as a strong foundation to achieve all corporate targets. Some previous studies have shown that individual innovation capability can serve as a variable that bridges the relationship between knowledge management and employee performance. Good knowledge management will enhance an individual's innovative capabilities, which in turn leads to improved performance. However, the implementation of knowledge management at PLN Nusantara Power UP Gresik still faces several challenges. Based on data from 2022, the targets and realization of KM implementation and employee performance were not achieved and still showed a negative gap. This study aims to determine the effect of knowledge management on employee performance with individual innovation capability as an intervening variable at PLN Nusantara Power UP Gresik. Data were obtained using a survey of 133 employees of PLN NP UP Gresik and analyzed using the Structural Equation Modelling PLS method. This study shows that knowledge management and individual innovation capability have a significant impact on employee performance, and individual innovation capability partially mediates the effect of knowledge management on employee performance*

***Key words:*** *Individual Innovation Capability, Employee Performances, Knowledge Management.*

## INTRODUCTION

In a company , qualified employees is an important asset For develop as well as reach success in the future come in company. Employee performance within A company is important things For done , so that the company can evaluate and plan the goal to be achieved achieved so that occurrence improvement performance. Employee performance functions as tool measuring productivity somebody If compared to with colleague work at the same level. Measurement This based on relevant behavior and outcomes with work (Babin & Boles, 1998). Employee performance is draft multidimensional which is vital for success organization. Concept This covers three aspect main: performance task, performance adaptive, and performance contextual (Pradhan & Jena, 2017). Factors and management performance Lots elements that influence performance this, like knowledge management, technology information, empowerment, innovation, and culture organization (Tuffaha, 2020).

PLN Nusantara Power has confirm his position as subholding generator electricity the largest in Southeast Asia. For reach vision become company energy sustainable leading and trusted in the region This , PLN Nusantara Power in general aggressive do innovation in the New and Renewable Energy (EBT) sector . For success transition energy and efficiency, PLN Nusantara Power UP Gresik carries out effort with adaptation technology, substitution material burn, continues improvement, and patterns operation as well as pattern maintenance. PLN Nusantara Power UP Gersik also realizes that HR is determinant main achievement vision and mission. Therefore that, the company ensure have the best human resources who are professional, innovative, competent, have integrity and are dedicated, as base strong For reach all company targets. Employee performance is aspect important things that have an impact on achieving objective something company.

Impact from the Green Energy Transformation program towards PLN Nusantara Power UP Gresik employees are sued For do innovation in improvement performance employee performance. Some study previously show that individual innovation capability can become bridging variables connection between knowledge management and (employee performance). Good knowledge management will increase ability innovative individual, which ultimately impact on increasing performance (Darroch, 2005; Mishra & Pandey, 2019).

Planning and monitoring performance Employees at PT PLN Nusantara Power refer to the Regulations Directors Number: 0029.P/019/DIR/2023 concerning Regulation Operational System Employee Performance Management with use standard operational on SAP Success Factors Application module Performance Management and Goal Management (PMGM). Evaluation performance Employees (Performance Indicators) include 3 types evaluation namely: assessment employee performance targets, assessment hard competency and assessment soft competency. assessment hard competency is evaluation skills and knowledge employee. assessment soft competency is an assessment process to ability communication, work the same team, and adaptation. In terms of study This performance employees that we can attach is Evaluation Hard competency and assessment Soft competency. Based on evaluation hard competency in 2022 , there are 5 aspects assessment in semester 1 and 2 aspects assessment in semester 2 which is still own minus gap. Meanwhile, in the assessment soft competency there are 3 aspects assessment in semester 1 and 5 aspects assessment in semester 2 which is still own minus gap.

Employee performance will reach optimal results if supported knowledge that he has (Torabi et al ., 2016). Elements main in success knowledge management is knowledge sharing (Tobing, 2007). This due to through the process of sharing, the value of knowledge possessed company will increasing. Culture

knowledge sharing within organization in a way significant can increase competencies possessed by each individual. Practice knowledge sharing help employee develop competence new and create ability general competencies previously Not yet There is in self individual as well as sharpen competencies that have been there are (Trivellas et al ., 2015).

Knowledge management can give advantages in aspects individual employees, communities of practice, and their organizations itself. In the aspect individual employees, knowledge management can help individual For save time in make more decisions good and completion problem in his work. In addition, he can also build bond community in organization, helping individuals still up to date as well as provide challenges and opportunities for contribute. In the aspect communities of practice, knowledge management can develop ability professional, providing learning process teaching, facilities more Good in networking and collaborating. As for the aspects organization , knowledge management can help executing strategy, completing problem with fast, running practice best, improve knowledge in products and services, gathering ideas and improving chance in innovation (Dalkir , 2011).

However, in in practice, the implementation of KM in companies such as PLN Nusantara Power UP Gresik still face a number of challenges, such as culture share suboptimal knowledge, gaps between generation in use technology information, as well as the need improvement training that leads to improvement personal innovation. This potential hinder optimal contribution from knowledge management to improvement performance individual . Due to knowledge management No necessarily impact directly on performance without involving personal aspects, such as ability innovation individual (individual innovation capability). With Thus, it is important For do research that is not only see influence direct knowledge management to performance employees, but also pay attention to role mediation from individual innovation capability.

In Knowledge Management Implementation of PT PLN Nusantara Power that HCR - OCR business ecosystem knowledge is as component evaluation performance knowledge management consisting of from implementation knowledge sharing, Community of Practice (COP) and Knowledge Capturing with semester-1 target achievement implementation of KS, Internal CoP and KC 60% and semester-2 100% while the target for semester-1 achievement implementation of KS, External CoP 50% and semester-2 100.

Table 1. Targets and Realization Implementation of Knowledge Management at PLN Nusantara Power Gresik

| Period Year | Target | | | Realization | | | Realization: Target | | |
|---|---|---|---|---|---|---|---|---|---|
| | KS In & CoP [a] | KS [b] Ex [e] | Action carry on CoP [a] | KS In [d] & CoP | KS Ex | Action carry on CoP [a] | KS In & CoP | KS Ex | Action carry on CoP [a] |
| 2024 | 12 | 6 | 30% | 12 | 6 | 30% | 100% | 100% | 100% |
| 2023 | 12 | 6 | 30% | 12 | 6 | 30% | 100% | 100% | 100% |
| 2022 | 12 | 6 | 30% | 10 | 5 | 27% | 83% | 83% | 90% |
| 2021 | 12 | 6 | 30% | 12 | 6 | 30% | 100% | 100% | 100% |

Source : Internally processed data from PLN Nusantara Power UP Gresik

Based on table 1, the most dominant KM activities is Internal Knowledge Sharing (KS). KM implementation is based on target and realization data. implementation of KM at PLN Nusantara Power UP Gresik that realization 2024, 2023 and 2021 achieved with

good, whereas For realization 2022 no achieved .

On the results achievements seen that in knowledge management and performance employee Still there is a minus gap. Based on the description above, the author interested For do study regarding“ The Influence Knowledge Management On Employee Performance with Individual Innovation Capability As Intervening Variables at PLN Nusantara Power UP Gresik”. Research This expected can give contribution theoretical and practical for knowledge management strategy development and improvement performance employees in the environment dynamic and work - based technology such as PLN Nusantara Power UP Gresik.

**Model**

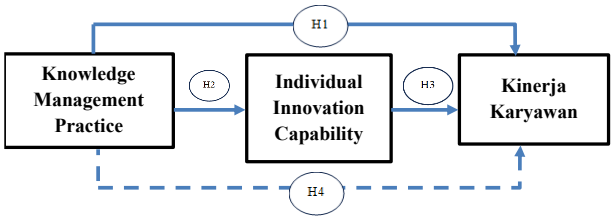


Figure 1: Analysis Model

Hypothesis

1. H1 : Knowledge management influential positive on Employee Performance .
2. H2 : Knowledge management influential positive to Individual Innovation Capability.
3. H3 : Individual Innovation Capability influential positive on Employee Performance .
4. H4 : Individual Innovation Capability mediate influence Knowledge management on Employee Performance .

## METHOD

Type of research used in studies This is study quantitative descriptive approach research used in studies This is approach correlational, namely the approach taken with method collect data for know extent of relationship and influence between variables. Based on approach said, research This aim For see There is whether or not connection as well as influence between variables knowledge management (X1), individual innovation capability (Z) with variables performance (Y). Population and Research Sample, Population is a group individuals who have the same characteristics, which become base in research data collection. The population used in the research This is 199 employees from the Engineering, Operations and Maintenance division at PT. PLN Nusantara Power UP Gresik. Due to the number of population too big, researcher will narrow down population research involving 199 employees active in PT. PLN Nusantara Power UP Gresik with use Slovin technique for count size samples used. Based on calculation, the sample that becomes respondents in study This customized become as many as 133 employees active from the Engineering, Operations, and Maintenance division at PT. PLN Nusantara Power UP Gresik.Analysis of the data used For know influence knowledge management towards performance employee with individual innovation capability as the intervening variable is SEM (Structural Equation Modeling) PLS method, namely method analysis statistics multivariate combining analysis regression with factor analysis

## RESULTS

Validity test instrument in study This done with program assistance SPSS version 26, Where testing done with see mark corrected item-total correlation (r count ) for each question item . In testing this , statement item declared valid if calculated r value significant and its value exceed r table value . Based on R table , r value of table For trial sample as many as 30 respondents ($\alpha$ = 5%) is 0.361, therefore in testing this, question item declared valid if r count significant and its value exceeding 0.361.

Table2. Validity Test Results

| Variables | Code | Sig | r Count | r Table | Information |
|---|---|---|---|---|---|
| *Knowledge Management* | KS1 | 0.000 | 0.749 | 0.361 | Valid |
| | KS2 | 0.000 | 0.843 | 0.361 | Valid |
| | KS3 | 0.000 | 0.803 | 0.361 | Valid |
| | KS4 | 0.000 | 0.843 | 0.361 | Valid |
| | CoP1 | 0.000 | 0.685 | 0.361 | Valid |
| | CoP2 | 0.000 | 0.799 | 0.361 | Valid |
| | CoP3 | 0.000 | 0.778 | 0.361 | Valid |
| | CoP4 | 0.000 | 0.870 | 0.361 | Valid |
| | CoP5 | 0.000 | 0.872 | 0.361 | Valid |
| | CoP6 | 0.000 | 0.848 | 0.361 | Valid |
| | CoP7 | 0.000 | 0.881 | 0.361 | Valid |
| | CoP8 | 0.000 | 0.661 | 0.361 | Valid |
| | CoP9 | 0.000 | 0.852 | 0.361 | Valid |
| | CoP10 | 0.000 | 0.880 | 0.361 | Valid |
| | CoP11 | 0.000 | 0.888 | 0.361 | Valid |
| | CoP12 | 0.000 | 0.717 | 0.361 | Valid |
| | CoP13 | 0.000 | 0.685 | 0.361 | Valid |
| | CoP14 | 0.000 | 0.674 | 0.361 | Valid |
| | KC1 | 0.000 | 0.709 | 0.361 | Valid |
| | KC2 | 0.000 | 0.786 | 0.361 | Valid |
| | KC3 | 0.000 | 0.824 | 0.361 | Valid |
| | KC4 | 0.000 | 0.848 | 0.361 | Valid |
| | KC5 | 0.000 | 0.828 | 0.361 | Valid |
| | CL1 | 0.000 | 0.778 | 0.361 | Valid |
| | CL2 | 0.000 | 0.664 | 0.361 | Valid |
| | CL3 | 0.000 | 0.719 | 0.361 | Valid |
| | AT1 | 0.000 | 0.637 | 0.361 | Valid |
| | AT2 | 0.000 | 0.787 | 0.361 | Valid |
| | AT3 | 0.000 | 0.483 | 0.361 | Valid |
| Employee performance | CFO1 | 0.000 | 0.910 | 0.361 | Valid |
| | CFO2 | 0.000 | 0.868 | 0.361 | Valid |
| | CFO3 | 0.000 | 0.705 | 0.361 | Valid |
| | CSO1 | 0.000 | 0.922 | 0.361 | Valid |
| | CSO2 | 0.000 | 0.814 | 0.361 | Valid |
| | CSO3 | 0.000 | 0.806 | 0.361 | Valid |
| | TW1 | 0.000 | 0.844 | 0.361 | Valid |
| | TW2 | 0.000 | 0.930 | 0.361 | Valid |
| | TW3 | 0.000 | 0.935 | 0.361 | Valid |
| | TKP1 | 0.000 | 0.929 | 0.361 | Valid |
| | TKP2 | 0.000 | 0.901 | 0.361 | Valid |
| | ME1 | 0.000 | 0.908 | 0.361 | Valid |
| | ME2 | 0.000 | 0.873 | 0.361 | Valid |
| | SOP1 | 0.000 | 0.894 | 0.361 | Valid |
| | SOP2 | 0.000 | 0.938 | 0.361 | Valid |
| | MM1 | 0.000 | 0.880 | 0.361 | Valid |

| | | | | | |
|---|---|---|---|---|---|
| | MM2 | 0.000 | 0.948 | 0.361 | Valid |
| *Individual Innovation Capability* | EP1 | 0.000 | 0.798 | 0.361 | Valid |
| | EP2 | 0.000 | 0.859 | 0.361 | Valid |
| | EP3 | 0.000 | 0.909 | 0.361 | Valid |
| | EP4 | 0.000 | 0.897 | 0.361 | Valid |
| | CI1 | 0.000 | 0.911 | 0.361 | Valid |
| | CI2 | 0.000 | 0.883 | 0.361 | Valid |
| | CI3 | 0.000 | 0.917 | 0.361 | Valid |
| | PI1 | 0.000 | 0.873 | 0.361 | Valid |
| | PI2 | 0.000 | 0.878 | 0.361 | Valid |
| | PI3 | 0.000 | 0.919 | 0.361 | Valid |
| | PI4 | 0.000 | 0.923 | 0.361 | Valid |
| | PI5 | 0.000 | 0.921 | 0.361 | Valid |
| | II1 | 0.000 | 0.913 | 0.361 | Valid |
| | II2 | 0.000 | 0.917 | 0.361 | Valid |
| | II3 | 0.000 | 0.961 | 0.361 | Valid |
| | II4 | 0.000 | 0.752 | 0.361 | Valid |
| | II5 | 0.000 | 0.739 | 0.361 | Valid |

Data source processed (2025)

Validity test are in Table 2 show that all items in the variable Knowledge Management , Employee Performance , and Individual Innovation Capability own calculated r value more big from r table of 0.361. This indicates that each indicator is able to measure the intended construct accurately and consistently. All items also had a significance value of 0.000, thus meeting the statistical validity criteria. Thus, all indicators in the three research variables were declared valid and suitable for use in further analysis.

Test reliability Which used is test reliability Cronbach's Alpha where the instrument is declared reliable if the Cronbach's alpha value is > 0.7 (Ghozali, 2018). Test results reliability each instrument can seen in the table following :

Table 3. Reliability Test Results

| Variables | Number of Items Valid | *Cronbach's Alpha* | *Cut Value* | Reliability |
|---|---|---|---|---|
| *Knowledge Management* | 23 | 0.977 | 0.7 | Reliable |
| Performance Employee | 23 | 0.981 | 0.7 | Reliable |
| *Individual Innovative Capability (IIC)* | 17 | 0.984 | 0.7 | Reliable |

Data source processed (2025)

The reliability test in Table 3 show that all over variables research, namely Knowledge Management , Employee Performance , and Individual Innovation Capability, own mark Cronbach's Alpha Far in on mark cut off of 0.7. Each variable get values of 0.977; 0.981; and 0.984, which indicate level Very high internal consistency in each question item. This means that the instrument used is able to provide stable and reliable measurement results. Thus, all variables in study This stated reliable And worthy used For further analysis.

Characteristics Respondents, Study This involving 153 respondents , all of whom employees of PT. PLN Nusantara Power UP Gresik. Based on results data collection in research, the following This is description characteristics field respondents.

Table 4. Description of Respondent Characteristics

| Characteristics | Category | Frequency | Percentage (%) |
|---|---|---|---|
| Field | *Engineering* | 16 | 10.4 |
| | Operation | 80 | 52.2 |
| | Maintenance | 57 | 37.2 |
| Total | | 153 | |

Source : processed data (2025)

Composition This describe that study dominated by employees who play a role direct in the process of operation and maintenance generators , two fields that are indeed own role important in performance UP Gresik operations. so that relevant with analysis about knowledge, capabilities innovative, and performance employee.

Analysis SEM-PLS in study This executed use approach disjoint two-stage because all over variables study modeled as higher-order constructs (HOC) formed by several lower-order constructs (LOC) with indicator compound .

1. Testing Outer Model LOC
   The outer model test show that all over indicators on each construct own mark loading factor Which fulfil criteria validity convergent, and mark Average Variance Extracted (AVE), Cronbach's Alpha, and Composite Reliability which are all is above the minimum required limit. This finding indicates that all indicators are able to represent the measured constructs accurately and consistently. By fulfilling the validity and reliability aspects at the lower-order construct (LOC) level, all constructs are declared suitable for use and the process of calculating the latent variable (LV) score can be continued as a basis for testing the structural model at the inner model stage in the SEM-PLS analysis.
2. Testing Outer HOC Model
   After done calculation latent variable (LV) score on each lower-order construct (LOC), stage furthermore is testing outer model on higher-order constructs (HOC). Testing outer model HOC is focused on evaluation strength contribution of each dimension to construct main based on LV score value that has been validated at the LOC stage . Figure 2 is form the following SEM PLS HOC model results estimate the algorithm.

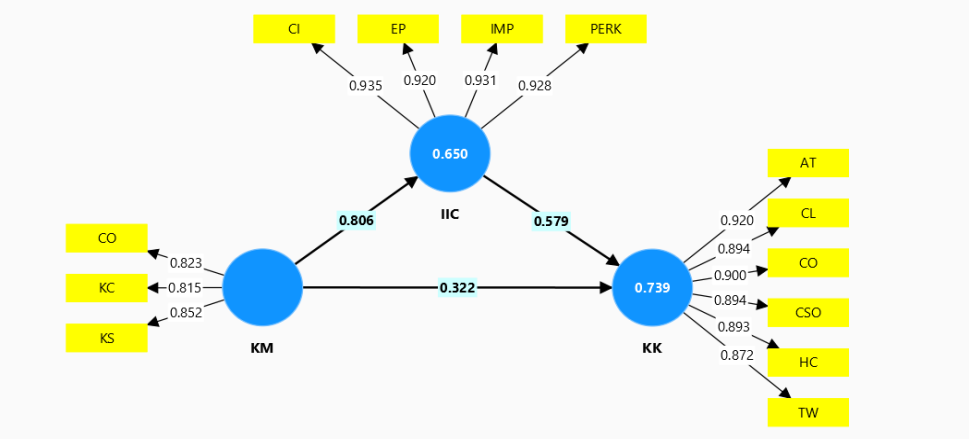


Figure 2: Model

Estimation Results Outer Model – HOC, After the Higher Order Construct (HOC) model was successful estimated use mark latent variable (LV) score, analysis furthermore focused on testing the quality of the HOC measurement model which includes validity testing convergent, validity discriminant, And reliability construct .

Table 3. Results of the Convergent Validity Test of the HOC Model

| No | Construct | Indicator (LV Score) | Loading Factor | AVE | Validity Convergent |
|---|---|---|---|---|---|
| 1 | *Individual Innovation Capability* (IIC) | CI | 0.935 | 0.862 | Valid |
| | | EP | 0.920 | | Valid |
| | | IMP | 0.931 | | Valid |
| | | PERK | 0.928 | | Valid |
| 2 | Performance Employee (KK) | AT | 0.920 | 0.802 | Valid |
| | | CL | 0.894 | | Valid |
| | | CO | 0.900 | | Valid |
| | | CSO | 0.894 | | Valid |
| | | HC | 0.893 | | Valid |
| | | TW | 0.872 | | Valid |
| 3 | *Knowledge Management* (KM) | CO | 0.823 | 0.689 | Valid |
| | | KC | 0.815 | | Valid |
| | | KS | 0.852 | | Valid |

Validity test results convergent as shown in the table testing outer model HOC show that all over construct study has fulfil criteria validity convergent . This is indicated by the value loading factor every indicators that are above the minimum required limit as well as mark Average Variance Extracted (AVE) on each construct that has been beyond eligibility threshold . Conditions the indicates that indicators used capable represent latent constructs in Good And consistent , so that construct Higher Order Construct (HOC) in the SEM-PLS model it is stated to be valid convergent and feasible For used in analysis structural at the stage testing inner model.

Table 4 Results of the Discriminant Validity Test of the HOC Model

| | *Construct / Indicator* | *IIC* | *KK* | *KM* |
|---|---|---|---|---|
| *HTML* | IIC | | | |
| | KK | 0.881 | | |
| | KM | 0.888 | 0.827 | |
| *Fornell–Larcker* | IIC | 0.929 | | |
| | KK | 0.838 | 0.896 | |
| | KM | 0.806 | 0.788 | 0.830 |
| *Cross Loadings* | AT | 0.749 | 0.920 | 0.727 |
| | CI | 0.935 | 0.784 | 0.695 |
| | CL | 0.704 | 0.894 | 0.677 |
| | CO | 0.778 | 0.900 | 0.823 |
| | CSO | 0.781 | 0.894 | 0.655 |
| | EP | 0.920 | 0.741 | 0.744 |

| | | | |
|---|---|---|---|
| HC | 0.785 | 0.893 | 0.720 |
| IMP | 0.931 | 0.809 | 0.726 |
| KC | 0.531 | 0.458 | 0.815 |
| KS | 0.626 | 0.453 | 0.852 |
| PERK | 0.928 | 0.778 | 0.825 |
| TW | 0.697 | 0.872 | 0.617 |

Validity test results discriminant in research This evaluated use three approach , namely criteria Fornell–Larcker, Heterotrait – Monotrait Ratio (HTMT), and cross loadings . Based on criteria Fornell–Larcker , value root square AVE on every construct latent more tall compared to with correlation between construct others, which shows that each construct own level adequate uniqueness in explain the indicators . In addition , the results HTMT testing shows that all over mark ratio between construct be under the required threshold , so that can concluded that No there is problem overlapping overlap construct in a way conceptual .

Findings the reinforced by the results of the cross loading test which shows that every indicator own mark loading highest on construct Which measured compared to with other constructs . Consistency results from third testing the indicates that each construct in the model has difference empirical Which clear And capable measure draft Which different in a way right . With thus , it can concluded that validity discriminant on model study This has fulfilled , so that construct latent Which used worthy For continued at the stage analysis structural ( inner model).

3. Testing Inner Model

   After testing outer model HOC stated finished And all over construct confirmed fulfil criteria validity as well as reliability , analysis continued on to testing inner model that begins with evaluation Goodness of Fit ( GoF ) for evaluate structural model capabilities in explain connection between latent constructs in as a whole , as well as equipped with testing multicollinearity use mark Variance Inflation Factor (VIF) to ensure No There is correlation tall between variables potential predictors bother stability estimate coefficient track .

Table 5 *Goodness of Fit Model*

| Aspect Evaluation | Indicator | Construct / Relationship | Mark | Criteria / Description |
|---|---|---|---|---|
| Coefficient Determinatio n ($R^2$) | R-square | IIC | 0.650 | Strong |
| | | KK | 0.739 | Strong |
| | Adjusted R-square | IIC | 0.648 | Strong |
| | | KK | 0.735 | Strong |
| Effect Size ($f^2$) | $F^2$ | KM → IIC | 1,859 | Very large |
| | | IIC → KK | 0.449 | Big |
| | | KM → KK | 0.138 | Small- medium |
| Predictive Relevance ( $^{Q2}$) | $Q^2$ | IIC | 0.554 | Relevant in a way predictive |
| | | KK | 0.584 | Relevant in a way predictive |
| | | KM | 0,000 | Not predictive |
| Fit Model | SRMR | *Saturated* Model | 0.056 | Fulfil criteria (≤0.10) |

| | | | | |
|---|---|---|---|---|
| | | *Estimated* Model | 0.056 | Fulfil criteria |
| PLS Predict | PLS *Loss* | IIC | 0.454 | More small from IA |
| | | KK | 0.518 | More small from IA |
| | | IIC & KK | 1,012 | Comparison model |
| | IA Loss *Average Loss Difference* | IIC | -0.557 | PLS model is better |
| | | KK | -0.494 | PLS model is better |
| | | Overall | -0.519 | PLS model is better |
| | t-value | Overall | 8,194 | Significant |
| | p-value | Overall | 0,000 | Significant |

Results testing goodness of fit ( GoF ) show that model SEM-PLS built own good and decent quality For used in testing hypothesis . Mark R-square on construct Individual Innovation Capability (IIC) and Performance Leadership (KK) are in the category strong, which indicates that variables exogenous in the capable model explain proportion large variance in endogenous variables. In addition, the value of effect size ($f^2$) shows that influence Knowledge Management against IIC is classified as very large , while the influence of IIC on KK is in the category large. The positive $Q^2$ value in the IIC and KK constructs also confirms that the model has ability good predictive , so that capable predict endogenous constructs adequate .

More continue, results evaluation model fit and predictive relevance the more strengthen model feasibility. The SRMR value for both the saturated model and estimated model is at in limit Which can accepted , show model fit in a way overall . Results PLS Predict show that mark PLS loss more low compared to IA loss good at the level construct and in a way overall, with difference significant losses. Findings This indicates that model PLS own ability prediction Which more Good compared to the comparison model , so that in a way overall can concluded that model structural has fulfil criteria GoF And can to be continued on vanalisis connection causal intervariable. Figure 3 is results estimate inner the model .

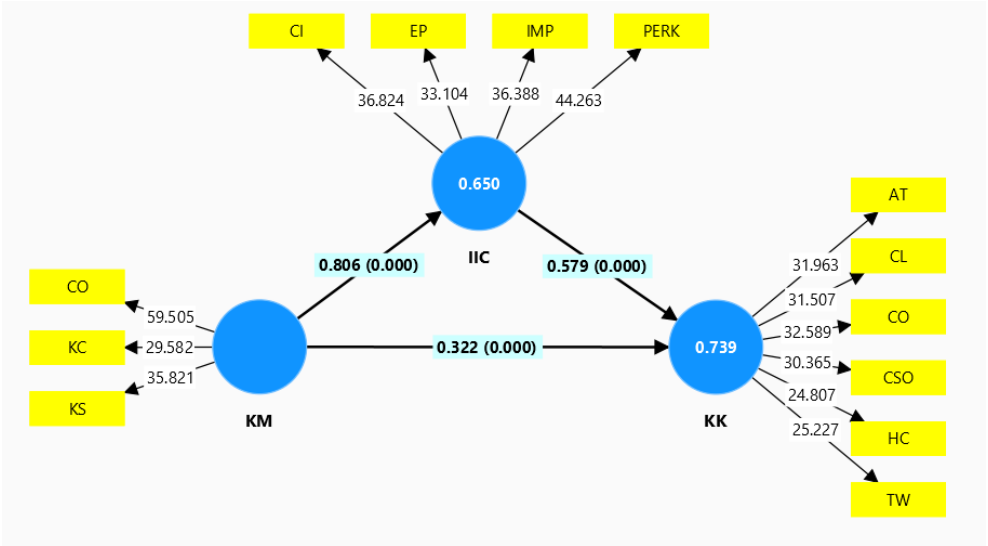


Figure 3. Inner Estimates

Results Inner Estimate Model (Bootstrapping 5000 sub samples), After the model is stated fulfil criteria goodness of fit, stage furthermore is do testing multicollinearity issue through mark Variance Inflation Factor (VIF). Testing This aim For ensure that No happen high correlation

between variables independent in a structural model that can bother stability estimate coefficient track.

Table 6. *Multicollinearity Issue*

| Connection Inter- Construction | VIF value |
|---|---|
| IIC → KK | 2,859 |
| KM → IIC | 1,000 |
| KM → KK | 2,859 |

Based on table said , all mark The Variance Inflation Factor (VIF) is below the critical limit of 5, which indicates that No there is problem multicollinearity between construct exogenous in the structural model. The highest VIF value as big as 2,859 Still is at in range Which can accepted , temporary mark VIF as big as 1,000 show No existence correlation between predictor. With thus, it can concluded that inner model has fulfil assumptions free multicollinearity, so that estimate coefficient track nature stable and results testing hypothesis can interpreted in a way reliable .

After results testing goodness of fit show that model own level good fit and multicollinearity test ensure No existence problem correlation tall between construct predictor, then can concluded that model structural Which built has fulfil criteria eligibility analysis. Therefore that , this SEM-PLS model assessed worthy For continued at the stage testing influence between variables , so that estimate coefficient generated path can made into reference in testing hypothesis and withdrawal conclusion in a way empirical

Table 7 .Testing Influence Direct

| | *Original sample* (O) | *Sample mean* (M) | *Standard deviation* (STDEV) | T *statistics* | P *values* |
|---|---|---|---|---|---|
| IIC -> KK | 0.579 | 0.575 | 0.075 | 7,671 | 0.000 |
| KM -> IIC | 0.806 | 0.807 | 0.025 | 32,230 | 0.000 |
| KM -> KK | 0.322 | 0.326 | 0.071 | 4,514 | 0.000 |

Influence test results direct Individual Innovation Capability on Employee Performance show significant p - value and high t - statistic, with coefficient track worth positive. Findings This indicates that ability individual in explore, create, introduce , and implement new ideas in a way real contribute to improvement performance employees, good in effectiveness Work and achievement of organizational targets.

Next, the results testing Knowledge Management to Individual Innovation Capability show influence positive And very significant, marked by value coefficient big track and the t- statistic is far beyond mark critical. Matter This confirm that practice management knowledge Which effective like knowledge sharing, community of practice, and knowledge capturing capable push development capability innovative individual in organization. Furthermore, the direct effect of Knowledge Management on employee performance was also proven significant with a positive path coefficient. This finding indicates that knowledge management not only plays an indirect role by increasing individual innovation capabilities, but also directly strengthens employee performance by improving information access, decision-making quality, and work efficiency.

Table 8. Indirect Effect Test (Mediation Effect Test) Determination Coefficient

| | *Original sample* (O) | *Sample mean* (M) | *Standard deviation* (STDEV) | T- *statistics* | P- *values* |
|---|---|---|---|---|---|
| KM -> IIC -> KK | 0.467 | 0.463 | 0.060 | 7,798 | 0.000 |

Test results influence No direct Knowledge Management to performance employee through Individual Innovation Capability show significant p - value and high t - statistic , with coefficient track worth positive. Findings This indicates that Individual Innovation Capability play a role as mechanism important bridging influence Knowledge Management to improvement performance employee, in where practice management good knowledge capable push ability innovative individuals who ultimately impact on performance. More continue , because influence direct Knowledge Management on Employee Performance is also proven significant then role Individual Innovation Capability in connection the categorized as mediation partial . Matter This show that Knowledge Management can increase performance employee Good in a way direct and in a way No direct through strengthening ability innovative individual, so that development system management knowledge need accompanied with effort systematic For grow capability innovation employee.

Table 9. Summary of Test Results Hypothesis

| No | Hypothesis | Test Track | Path Coefficient | t-statistic | p-value | Decision |
|---|---|---|---|---|---|---|
| H1 | *Knowledge management* influential positive to performance employee | KM → KK | 0.322 | 4,514 | 0,000 | Accepted |
| H2 | *Knowledge management* influential positive towards Individual Innovation Capability | KM → IIC | | | | |
| H3 | *Individual Innovation Capability* influential positive to performance employee | IIC → KK | | | | |
| H4 | *Individual Innovation Capability* mediate influence *knowledge management* to performance employee | KM → IIC → KK | | | | |

## Discussion

1. Influence Knowledge Management to Performance Employee

   Research result this show existence impact significant knowledge management to performance employees. Improvement Knowledge Management proven can increase performance employees, as well as a decrease Knowledge Management will impact on the decline performance employee. Knowledge management proven as factor Which in a way significant influence performance employee. Contribution knowledge management to performance employee significant, so that efforts improvement performance employee For employees of PT. PLN Nusantara Power UP Gresik can started from improvement knowledge management.

   Implementation knowledge management Which effective own implications important for improvement performance employee in PT PLN Archipelago Power UP Gresik. Management need ensure that the process of creation, storage, and updating knowledge technical and operational managed in a way systematic. Matter This can done through compilation easy digital knowledge base accessible, provision module knowledge about operation generator, maintenance assets, and system electricity. With good access to information and experience senior work, employees can increase competence they in a way more fast, so that quality performance operational the company also experienced improvement. In addition, strengthening culture share knowledge between employee become an important strategy For maximize benefit knowledge management . Management can initiate regular discussion forums, knowledge sharing sessions, and mentoring mechanism between employee experienced and new employees. Initiative like Best Practice Sharing in the field operation and maintenance can help employee identify solution more work efficient, reducing potential error operational, and improve reliability system generator. With Thus, the process of sharing knowledge No only increase individual abilities, but also encourage collaboration more teams effective.

2. Influence Individual Knowledge Management to Individual Innovation Capability

   Research result, This show existence impact significant knowledge management to individual innovation capability. Increased knowledge management proven can increase individual innovation capability, as well as a decline knowledge management will impact on the decline individual innovation capability. knowledge management proven as factors that are significant influence individual innovation capability . Contribution knowledge management to individual innovation capability significant , so that efforts improvement individual innovation capability For Employees of PT. PLN Nusantara Power UP Gresik can started from improvement knowledge management. Improvement implementation knowledge management becomes step strategic for management of PT PLN Nusantara Power UP Gresik in strengthen ability innovative employees . For that, the company need provide system management structured and easy knowledge accessible, such as digital knowledge repository, center documentation techniques, as well as guide operational standard Which updated in a way periodically. Access to knowledge Which complete And relevant will push employee For produce solution new in face problem operational, improving process efficiency, and reduce risk error technical. In addition to strengthening system, organization need push culture share knowledge as foundation formation innovation. This is can realized through program knowledge sharing sessions, innovation talks, and discussion forums cross department that encourages exchange of ideas and experiences field.

Activities like share best practices in operation of generating units , maintenance strategies assets, or utilization digital technology will trigger birth idea new that can increase reliability generator electricity. With Thus, the relationship between employee become more collaborative, and innovation processes can happen in a way more natural and sustainable.

3. Influence Individual Innovation Capability to Employee performance

   Results show existence impact significant innovation capability to performance employee. Improvement innovation capability proven can increase performance employee, thus Also decline innovation capability will impact on decline performance employee. innovation capability proven as factors that are significant influence performance employees. Contribution innovation capability to performance employee significant, so that efforts improvement performance employee For Employee PT. PLN Archipelago Power UP Gresik can started from improvement innovation capability. Results study show that ability innovative own influence significant to performance employee. The study by Tico et al. (2023) explains that behavior innovative employee covering exploration of ideas, generation of ideas, submission of ideas, and implementation idea impact directly on the increase performance individual. The results of the study by Liman et al. (2024) also showed that system supportive awards behavior innovative capable strengthen influence said. This is confirm that motivation intrinsic and extrinsic play role important in increase performance through activity innovation.

   Improvement Innovation Capability of employees be one of step strategic for management of PT PLN Nusantara Power UP Gresik for strengthen performance operational company. Management need provide room for employee For think creative as well as give chance For develop and try out new ideas related to with reliability generator , efficiency energy, And maintenance equipment. Facilities like innovation corner, system proposal improvements (suggestion system), as well as pilot project can trigger emergence ideas potential innovation increase quality operational power generation units. In addition, the company need strengthen competence employee through supportive training ability innovation. Training related technology latest generator, digitalization process Work, analysis problem technical, as well as method problem-solving will expand insight and capacity employee in produce innovation. Development program like innovation workshop, design thinking training, and collaboration cross departments can also enrich perspective employee in find solution new effective. With increasing capacity innovative, employees will more capable give contribution to improvement performance operational and efficiency work.

4. Influence Knowledge Management To Performance Employee Through Individual Innovation Capability

   Research result This show existence impact significant knowledge management towards performance employee through individual innovation capability. Improvement knowledge management proven can increase performance employee through individual innovation capability, as well as decline knowledge management will impact on the decline performance employee through individual innovation capability. Knowledge management proven as factors that are significant influence performance employee through individual innovation capability. Contribution knowledge management to performance employee through individual innovation capability significant, so that efforts improvement performance employee through individual innovation capability For Employees of PT. PLN Nusantara Power UP

Gresik can started from improvement knowledge management. Implementation knowledge management in a way optimal become step strategic for management of PT PLN Nusantara Power UP Gresik for increase ability innovative at a time performance employee. Companies need to ensure that the management process knowledge like SOP documentation, storage best practice operation generator, as well as access to system knowledge digital done in a way structured And easy accessible. With availability accurate and relevant knowledge, employees will capable understand problem technical in a way more in depth , developing new ideas, and apply innovation small and big in activity Work everyday in the end increase performance operational company. In addition to providing source knowledge, management need push creation environment Work Which facilitate development individual innovation capability. This can done through sharing programs routine knowledge , knowledge sharing forum, mentoring technical between seniors and juniors, as well as collaboration cross- work unit For expand perspective employee in solve problem operational generator. With strengthen culture share knowledge, every employee get chance For Study from experience colleague work, so that ability innovative they develop in a way sustainable. When the ability innovative increase, contribution employee in increase quality, reliability and efficiency of work processes are also increasing big.

## CONCLUSSION

Knowledge management has a significant and positive influence on employee performance and individual innovation capability. Test results show that effective knowledge management can improve the quality of task execution and the achievement of employee and employee work targets. Which being in a work environment with a good knowledge management system tends to have higher innovation capabilities. Individual innovation capability has a significant and positive impact on employee performance. Employees who possess the ability to explore, create, introduce, and implement ideas demonstrate superior performance. Individual innovation capability has been shown to partially mediate the influence of knowledge management on employee performance. These results indicate that knowledge management No only impact straight to performance, but Also Work through improvement ability individual innovation.

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