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# RELATIONSHIPS BETWEEN REWARDS, KNOWLEDGE SHARING, AND CREATIVITY AND ITS EFFECT ON ORGANIZATIONAL PERFORMANCE

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## ABSTRACT

*This study aims to see the increased influence generated by rewards, knowledge sharing and creativity on organizational performance. Organizational performance, centers on the commitment of each representative within the company, to work in agreement with existing values in arrange to realize company objectives, In this study, creativity participates by mediating between existing variables. Another thing that may be considered as factor that determine organizational performance is knowledge sharing. Organizational performance contains a noteworthy impact on company advancement. This study uses quantitative approach, by using specific items that measure variables. The results of this study indicate that all variables measured, rewards, knowledge sharing and creativity (as mediation) affect organizational performance.*

**Key words:** rewards, knowledge, sharing, creativity, organizational, performance

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## 1. INTRODUCTION

In order to survive in business, there is an urgency for company to be competitive. Being able to compete with other company need efforts (Puryantini, Rofikotul, Shinta, Tjahjadi, 2018). Out of many efforts that may be done by company is to have a good performance in order to win the competition. Company performance or organizational performance is considered as the ability of an organization to meet market needs as well as the company's needs to be able to survive (Obeidat, Abdallah, Aqqad, Akhoershiedah, Maqableh, 2017). However, organizational performance can be expressed as the level of achievement of an organization in its efforts to achieve goals, and on the other hand it can be best measured with the form of financial and non-financial indicators (Hadziahmetovic & Dinc, 2017). Non-financial indicators of the company will includes knowledge resources that is owned by employees. Employees, plays an important role since, employees have knowledge that is a major factor in carrying out various tasks in the company, for example, the ability of problem-solving and creating new products (Imran, Ilyas, Aslam & Fatima, 2018).

On the other hand, organizational performance is different from individual performance which specifically targets an employee's personal performance. Organizational performance focuses on the contribution of every employee in the company to work in accordance with existing values in order to achieve company goals. Companies not only need to focus on developing their individual employees but also need to develop and encourage how each employee can maximize the potential that is in him to then work with others in the group so as to produce maximum output. Organizational performance is generally assessed by looking in effectiveness, efficiency, employee and customer satisfaction, innovation, product or service quality, and the ability to retain a unique and potential set of HR (Delaney & Huselid, 1996; Dyer & Reeves, 1995; Guest, 2001; Katou & Budhwar, 2007). This certainly can be achieved by involving employees who are the best resources in a company. Organizational performance has an important role to advance the company or organization. If performance increases, aligning company goals will need to be achieved, therefore companies must figure out on how to increase the enthusiasm within their employees to contribute in the company.

Knowledge is the main source for a company to be able to compete. Knowledge or knowledge possessed by company employees enables them to be able to create creative behaviors. Creativity is the formation of original behavior and meets certain quality standards (Eisenberger, Armeli, Pretz (1998). Through a good knowledge sharing process can also foster innovation by supporting other employees to think creatively, collaborate and make decisions efficiently (Lee, 2018).

Organizational performance always has a significant influence on company development. One result of the influence of organizational performance is an increase in the number and types of facilities and methods in measuring performance accurately and gradually building important research fields for both companies and academics (Jenatabadi, 2015). Research states that a company will be able to achieve success and success if the company can appreciate the creativity of an individual and maintain that creativity as the foundation of innovation (Lee, 2018).

Another factor that can be considered as cause to organizational performance is knowledge sharing. Knowledge sharing as one of the main activities in the management of

knowledge, has a very broad impact and is very beneficial for the company. Lee (2018) has examined that knowledge sharing has a positive relationship with cost reduction, efficiency, company and individual performance and teamwork (Lee, 2018). The company's efforts to create, grow, enhance and also maintain creativity can be done by providing rewards or incentives. Rewards or incentives that is competitive will influence how far employees would contribute to business improvement and also conducting creative performance (Erat & Gneezy, 2015). Other form of reward is promised reward, which is considered to have a major influence on creativity. The Industry Theory supports this statement, this theory states that if a person is promised a reward for a certain task, the feeling of completing another more difficult task will arise in the hope of obtaining an even greater reward (Eisenberger, Armeli & Pretz, 1998).

But some previous research considers that rewards can inhibit creativity. Condry (1997), stated that those who received rewards were seen working harder and doing more activities, but their activities were of lower quality, had more errors and were less creative. This is also supported by the existence of crowding-out hypothesis in the context of creativity, which states that although intrinsic motivation can increase creativity, extrinsic motivation can affect individuals and ultimately reduce the level of creativity. Therefore, external forms of reward such as bonuses (money) and also competition between employees can reduce level of creativity (Erat & Gneezy, 2015). With this gap, further research is needed to determine the effect of knowledge sharing and reward on organizational performance, with creativity as a mediator.

Therefore, this research questions, are: 1) how does the effect of reward on organizational performance through creativity?, 2) how does knowledge sharing influence organizational performance through creativity?, 3) How does the influence of creativity on organizational performance?, 4) Does reward directly influence organizational performance?, 5) Does knowledge sharing directly affect organizational performance?.

## **2. ORGANIZATIONAL PERFORMANCE**

Company performance is considered as an organization's ability to meet market needs as well as the company's needs to be able to survive (Obeidat, Abdallah, Aqqad, Akhoershiedah, Maqableh, 2017). Organizational performance can be expressed as the level of achievement of an organization in its efforts to achieve goals, and can be expressed in the form of financial and non-financial indicators (Hadziahmetovic & Dinc, 2017). Non-financial indicators of the company include knowledge resources owned by employees or knowledge. The employees have knowledge which is a major factor in carrying out various tasks in the company, for example is the ability of problem-solving and creating new products (Imran, Ilyas, Aslam & Fatima, 2018). Company performance is also a process used by company leaders to determine whether the work results of their employees are in line with their work and responsibilities (Nawab, Nazir, Zahid & Fawad, 2015).

Then, there are three multidimensional sources on company performance (Richard, Devinney, Yip, & Johnson, 2009): 1) The Stakeholders, where they have an important role in running a company. Each individual within stakeholder can have a different opinion and measurement for the sake of sustainability or even the company's performance. Each stakeholder's opinion must be well considered in order to be able to improve work dimensions such as employee conditions and work environment to achieve better work effectiveness. 2) Heterogeneity, that consist of resources, environment, and Strategic Choice. Each organization has different resources and different capabilities, how and where they use it. Companies usually use financial measurement points in measuring heterogeneity. This heterogeneity produces several pathways for performance that are influenced by various

factors. Different strategies can also be related to various dimensions of performance. The relationship between size and performance is also influenced by which measure the company uses internally and how this is incorporated into the company's incentive and control systems. 3) The measurement timeframe and the persistence of performance, can be seen in terms of time and persistence in its business. There is a theory that if we are persistent in a business and run for a long time, the business will definitely increase slowly and progress over time. By selecting companies based on the number of criteria in a given period, many researchers fail to explain the natural variability and rigidity in performance. As a result, researchers must be careful in interpreting performance differences. The performance results observed empirically can be explained in part by random events and the nature of the model used to capture performance over time.

Other factor that influences organizational performance is human resources. Human resources are one of the important factors that affect the company's performance where the ability and motivation of everyone who works in the company can affect the performance results. Companies can adopt various methods to improve the ability of employees, but the effectiveness of employee capabilities is limited if they do not have the motivation to work (Delaney & Huselid, 1996). Previous research in the journal "The Impact of Human Resource Management Practices on Perceptions of Organizational performances", (Delaney & Huselid, 1996) shows the results that activities such as selective placement of staff, training and incentive systems show positive results on organizational performance. However, a company's strategy cannot be a definite benchmark for assessing organizational performance.

Measurement of company performance or performance measurement becomes one of the important things when discussing organizational performance. Performance Measurement is a process of changing the value of real performance into the form of numbers / symbols that can be communicated under certain conditions (Jenatabadi, 2015). In short, performance measurement is a way for the company to show the condition of the company's current performance and simultaneously can predict the condition of the company's performance in the future. Although, financially, organizational performance itself can be assessed through three specific areas of the company, including: (a) financial performance (profit, ROA and ROI), (b) product performance in the market (sales, shares), and (c) shareholder returns (total shareholders return) (Richard, Devinney, Yip, & Johnson, 2009).

### **3. KNOWLEDGE SHARING**

Knowledge is an idea, facts, abilities, and understanding that can affect individuals, teams and organizations (Lee, 2018). Knowledge management is very important for an individual to be able to use all his abilities at the organizational level. Knowledge management is a strategy to obtain the right abilities, at the right time, and also to the right people, and help individuals to share and use that information into one action to improve company performance (Girard & Girard, 2015). Knowledge management itself has an impact on company and individual performance.

Knowledge sharing as one of the main activities in the management of knowledge, has a very broad impact and is very beneficial for the company. Knowledge sharing is a process of exchanging knowledge between two or more individuals, where one individual communicates knowledge and one assimilates that knowledge (Paulin & Suneson, 2012). Knowledge sharing has been studied as having a positive relationship with cost reduction, efficiency, company and individual performance and teamwork (Lee, 2018). Through a process of good knowledge sharing can also foster innovation by supporting other employees to think creatively, collaborate and make decisions efficiently (Lee, 2018). Knowledge management and also knowledge sharing become the main things in creating, growing, improving and also

maintaining the creativity of their employees, and aim to bring new innovations that can improve company performance (Imran, Ilyas, Aslam & Fatima, 2016).

In terms of work-related knowledge, there are two types of knowledge that can be shared by someone, namely explicit knowledge and tacit knowledge. Both types of knowledge require different ways of communication and also require different efforts. Explicit knowledge is knowledge that can be identified, explained, documented, can be obtained and shared easily (Davidova, Kokina, Zarina, 2014). In general, explicit knowledge is formal and systematic knowledge, expressed through words and numbers, obtained through print media such as books to electronic media such as videos and pictures (Pangil, Nasurddin, 2013). The company's effort to make explicit knowledge sharing is usually done by sharing documents or providing training that provides knowledge in the form of information procedures and policies that explain the knowledge requirements that must be owned by employees to be able to operate within the company (Gonzalez, Martins, 2017). Explicit knowledge sharing can be done easily by companies, but it has a big impact because it can increase the ability of employees to complete their work more efficiently (Pangil, Nasurddin, 2013).

While tacit knowledge is knowledge that is based on individual experience, expressed by the behavior or the way someone does something, attitudes, views, motivations, and difficult to explain in words; Tacit knowledge also represents personal views, personal values and also personal intuition (Pangil, Nasurddin, 2013). Tacit knowledge is usually shared by demonstrating behavior and is obtained through the learning process of the experience; emphasizing understanding of how a person acquires knowledge, regardless of the knowledge to be obtained (Davidova, Kokina, Zarina, 2014). Tacit knowledge sharing is done through socialization to debate, requires direct interaction and also requires effort and strong determination from both parties (Pangil, Nasurddin, 2013). Tacit knowledge sharing is also important for the company because this will improve the quality of employee work and show how competent the employee is (Gonzalez, Martins, 2017).

Explicit knowledge and tacit knowledge are two important things that cannot be separated from each other. Explicit knowledge is considered as existing information, while tacit knowledge is considered as understanding and interpreting information (Davidova, Kokina, Zarina, 2014). Both of these are also needed simultaneously, because explicit knowledge cannot be applied in real terms by employees without tacit knowledge (Pangil, Nasurddin, 2013).

#### **4. REWARD**

The company's efforts to create, grow, enhance and also maintain creativity can be done by providing rewards or incentives. Reward is the amount of financial and non-financial compensation or the amount of wages given to employees in return for work or service (Anku, Amewugah, Glover, 2018). The company's strategy in providing rewards / incentives greatly affects employees and their organizations. The reward system is a structured method for evaluating and compensating employees based on their performance (Holmes, Carvalho, Powers, 2010). The form of giving which is also referred to as incentive, can be in the form of bonus money to the provision of leave days. Reward system can improve company work morale, as well as increase the level of company productivity which has an impact on increasing revenue for the company (Alfandi & Alkawsaneh, 2014).

One other form of reward is promised reward, which is considered to have a major influence on creativity. Theory of industrious states that if a person is promised a reward for a certain task, the feeling of completing another more difficult task will arise in the hope of obtaining an even greater reward (Eisenberger, Armeli & Pretz, 1998). This means that if someone is promised a large reward, then the effort to do the task will increase.

Through research conducted by Yasmeen, Farooq and Asghar (2013), it was found that two types of rewards (extrinsic reward and intrinsic reward) have an influence on improving organizational performance. Extrinsic reward is a reward that has a tangible form, usually in the form of finances such as salaries, bonuses, benefits, to promotions; while intrinsic reward does not have a tangible form, usually in the form of positive values felt by employees because they get recognition, praise, giving more responsibility to obtain opportunities for learning and experience (Syahril, Nurbiyati, 2016). Empirical studies have shown that extrinsic rewards can improve individual creative performance and directly contribute to organizational performance; while intrinsic rewards will make employees feel satisfied and competent, have interest and are confident in carrying out tasks that aim to improve organizational performance (Kikoito, 2014).

## **5. CREATIVITY**

Creativity is the formation of original behavior and meets certain quality standards (Eisenberger, Armeli, Pretz (1998). Creativity consists of two main things, originality and effectiveness. Originality is considered as new, unique, unconventional and not found anywhere. Originality alone is not enough A product or service is considered creative if it has originality and effectiveness A product or service can be original but is not useful Effectiveness can have many forms and values Economically, a product or service is considered effective if it has a high selling value with costs By value, a product or service is considered effective if it has an impact on the market (Runco & Jaeger, 2012).

While Gerlovina (2011) explains that creativity is when someone creates something new, appropriate, generative and also influential. A new thing, which means it has never been seen, created, discovered or heard before. Appropriate means that the manufacture of goods or services has the right function to solve a problem. Many studies emphasize that individual creativity is based on many factors such as personal values, goals and expectations, social activities, relationships with superiors and coworkers, to the presence of opponents or creative individuals to encourage individual creativity to emerge (Hassan, Malik, Hasnain, Faiz, Abbas, 2013).

## **6. KNOWLEDGE SHARING VS CREATIVITY**

Research that has been done previously states that a company will be able to achieve success and success if the company can appreciate the creativity of an individual and maintain that creativity as the foundation of innovation (Lee, 20018). Practitioners and academic experts also state that continuous innovation is the most important competitive key to survival (Lee, 2018). Knowledge sharing has been studied as having a positive relationship with cost reduction, efficiency, company and individual performance and teamwork (Lee, 2018). Through a process of good knowledge sharing can also foster innovation by supporting other employees to think creatively, collaborate and make decisions efficiently (Lee, 2018). Knowledge management and also knowledge sharing become the main things in creating, growing, improving and also maintaining the creativity of their employees, and aim to bring new innovations that can improve company performance (Imran, Ilyas, Aslam & Fatima, 2016).

In the theory of creativity shows that the type of leadership can influence members to improve creativity skills. Transformational leadership types that pay attention to their members can make members motivated to think creatively about the work and opinions expressed. To be able to further enhance creativity and effective processes, the leader can implement knowledge sharing activities. By combining creativity and knowledge sharing, communication and promotion activities can run smoothly. The positive impact of knowledge

sharing on creativity is consistent that can lead to new ideas (Dong, Bartol, Zhang & Li, 2016).

## **7. REWARD VS CREATIVITY**

Reward given in the form of competitive incentive will have a big influence on business improvement and also creative performance (Erat & Gneezy, 2015). Giving rewards that aim to improve the efforts of employees, is closely related to the ways employees to do or complete their tasks and work. Various ways of completing tasks arise through the ability of each employee's divergent thinking. Divergent thinking is an important component in creative performance, including their ability to produce a variety of responses to complete work and answer questions. But some previous research considers that rewards can inhibit creativity. From the research conducted by Condry (1997), it was stated that those who received rewards were seen working harder and doing more activities, but their activities were of lower quality, had more errors and were less creative.

This is also supported by the existence of crowding-out hypothesis in the context of creativity, which states that although intrinsic motivation can increase creativity, extrinsic motivation can affect individuals and ultimately reduce the level of creativity. Therefore, external forms of reward such as bonuses (money) and also competition between employees can reduce the level of creativity (Erat & Gneezy, 2015). Creativity concerns the generation of behavior that meets quality or utility standards. Divergent thinking can produce a variety of responses to find solutions and increase creativity. Recent evidence shows that creativity can be enhanced by reward, controlling the effects of the information nature of experimental instructions and feedback. The promise of giving rewards clearly enhances creativity at this time, there is a positive explicit relationship between reward and creativity (Eisenberger & Arneli, 1998).

## **8. CREATIVITY VS ORGANIZATIONAL PERFORMANCE**

Several previous studies have shown that creativity has a positive and beneficial impact on the company's work (Siddiqi & Qureshi, 2016). The effect of individual creativity on the company is seen through an increase in work efficacy and individual job satisfaction. Research also shows that employee ability is an important factor in measuring company performance. Some studies have argued that creativity will increase if the company provides is equipped with various abilities. The higher the ability possessed by an individual, the individual is considered to be more creative.

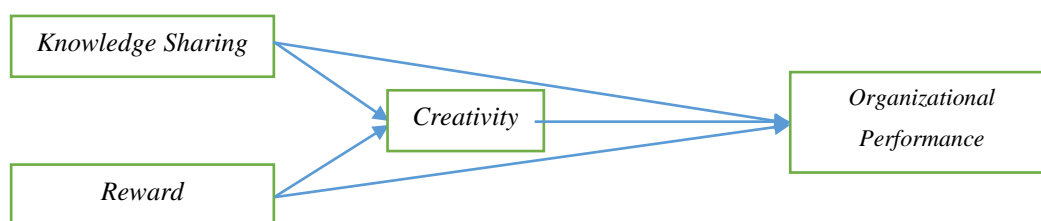
Individual creativity is also considered to be able to bring up ideas to new knowledge that has an impact on the company. Companies that maximize the improvement of individual abilities and creativity have the advantage of being able to use this creativity into an action that can support the performance and working conditions of employees and companies. A study also shows that creativity and knowledge are strongly related to increased productivity which reflects an increase in employee and company efficiency (Sulaiman, Hashim, Ibrahim, Hassan & Oluwatosin, 2015). Organizational performance always has a significant influence on company development. One result of the influence of organizational performance is an increase in the number and types of facilities and methods in measuring performance accurately and gradually building important research fields for both companies and academics (Jenatabadi, 2015). Research states that a company will be able to achieve success and success if the company can appreciate the creativity of an individual and maintain that creativity as the foundation of innovation (Lee, 2018).

Another factor considered to influence organizational performance is knowledge sharing. Knowledge sharing as one of the main activities in the management of knowledge, has a very

broad impact and is very beneficial for the company. Lee has examined that knowledge sharing has a positive relationship with cost reduction, efficiency, company and individual performance and teamwork (Lee, 2018). The company's efforts to create, grow, enhance and also maintain creativity can be done by providing rewards or incentives. Reward or incentive given in the form of competitive incentive will have a big influence on business improvement and also creative performance (Erat & Gneezy, 2015). One other form of reward is promised reward, which is considered to have a major influence on creativity. Industriousness Theory supports this statement. This theory states that if a person is promised a reward for a certain task, the feeling of completing another more difficult task will arise in the hope of obtaining an even greater reward (Eisenberger, Armeli & Pretz, 1998). But some previous research considers that rewards can inhibit creativity. From the research conducted by Condry (1997), it was stated that those who received rewards were seen working harder and doing more activities, but their activities were of lower quality, had more errors and were less creative. To quote Robert Frost's words, "never write poetry to try to pay bills" (Eisenberger, Armeli & Pretz, 1998). This is also supported by the existence of crowding-out hypothesis in the context of creativity, which states that although intrinsic motivation can increase creativity, extrinsic motivation can affect individuals and ultimately reduce the level of creativity. Therefore, external forms of reward such as bonuses (money) and also competition between employees can reduce the level of creativity (Erat & Gneezy, 2015).

Various studies that have been conducted previously using research subjects that have a variety of work backgrounds. The research subjects chosen in the previous studies certainly have a work culture that is not the same as Indonesia, especially in the capital city of Jakarta. To provide a research gap in this study, the study was conducted by taking research subjects who have positions as employees or staff working in DKI Jakarta. With this gap, further research is needed to determine the effect of knowledge sharing and reward on organizational performance, with creativity as a mediator.

### Research Model, is as follow



The hypotheses in this study are:

H1: Knowledge Sharing affects Organizational Performance.

H2: Reward affects Organizational Performance.

H3: Creativity affects Organizational Performance.

H4: Knowledge Sharing and Reward affects Creativity.

H5: Knowledge Sharing and Reward affect Organizational Performance through Creativity.

The approach used in this study is quantitative research approach. Quantitative research approach is an approach that tests theory by knowing the relationships between variables. Existing variables are measured using certain instruments so as to produce numbers that can be analysed by statistical procedures. In this study, the variables used are knowledge sharing, reward, creativity and also organizational performance. All of these variables will be measured to determine the relationship between variables using a questionnaire instrument.



The research aims exploratory, namely to find out the relationship between variables that were not known before. The study also aims to be descriptive, namely to provide an explanation of the various research results found based on existing conditions and events, also in accordance with the data analysis conducted.

This research aims to determine the relationship between knowledge sharing and reward on organizational performance through creativity. Also aims to explain the results of the relationship between the variables that exist after analysis and interpretation. The strategy used in this research is survey research, with this strategy, research will produce figures that describe various forms of behaviour, trends and opinions of the selected population. Data that will be carried out will produce a variety of numbers that describe various forms of behaviour such as knowledge sharing and creativity, as well as various forms of trends such as reward and organizational performance. This research is a cross-sectional study, which is only done once in a certain period of time. All data is collected before being analysed and interpreted.

The results of the analysis and interpretation of the data will only describe the conditions and situations that exist in that time period. The study was conducted at a company of all employees who served as staff and was only done once for all employees selected as research samples. In this study, there are two independent variables, one moderator variable and one dependent variable. The independent variable in this research is knowledge sharing and also reward. The moderator variable in this study is creativity. The dependent variable in this study is organizational performance.

Knowledge sharing is a process of exchanging knowledge between two or more individuals, where one individual communicates knowledge and one assimilates that knowledge. This variable is measured through various indicators by looking at the intensity and frequency of employees in exchanging knowledge. Examples of questions and indicators to measure knowledge sharing include: fellow colleagues in the company share knowledge in doing work. Measurements were made using a questionnaire instrument with a Likert scale: 1 (strongly disagree) to 5 (strongly agree).

Reward is the amount of financial and non-financial compensation or the amount of wages given to employees in return for their work or services. This variable is measured by looking at the amount and comparison of wages with work and services. Examples of questions and indicators to measure rewards include: the greater the salary, the more optimal the performance issued. Measurements were made using a questionnaire instrument with a Likert scale: 1 (strongly disagree) to 5 (strongly agree).

Creativity is the formation of original behaviour and meets certain quality standards. This variable is measured by looking at the individual's creative abilities of employees, through their originality and effectiveness. Examples of questions and indicators to measure creativity include: I try to be more creative in doing work. Measurements were made using a questionnaire instrument with a Likert scale: 1 (strongly disagree) to 5 (strongly agree).

Organizational performance can be expressed as the level of achievement of an organization in its efforts to achieve goals, and can be expressed in the form of financial and non-financial indicators. This variable is measured through the company's financial and non-financial capabilities through employee views. Examples of questions and indicators to measure organizational performance include: return on assets (ROA%) in our company far above the industry average. Measurements were made using a questionnaire instrument with a Likert scale: 1 (strongly disagree) to 5 (strongly agree). The relevant target population for this study are all employees at PT. CS2 POLA SEHAT (Parents Group) who has a position as a staff. Research is not limited by various backgrounds and dimensions such as age, religion, ethnicity, race, education, gender, length of work and economic status. The parameters to be investigated are employee behaviour regarding knowledge sharing, employee behaviour

towards reward, employee behaviour regarding creativity and also the employee's view of organizational performance.

The sampling method used in this study is the probability sampling method, namely convenience sampling technique, where all employees have the same opportunity to represent the company and be the subject of research. The number of samples to be taken is as many as 120 research subjects from all staff employees at PT. CS2 POLA SEHAT. The number of samples that have been collected and will be used in research is 100 respondents. All of this data will be used for testing in research.

The general description of the subjects in this study can be seen by sex and age. These figures will be explained one by one further by the researcher and can be seen on the appendix page. Data obtained shows that male subjects numbered 58 people with a percentage of 58% and female subjects totalled 42 students with a percentage of 42%. The following are subject data tables by gender. Data obtained by researcher's shows that subjects have a minimum age of 16 years and a maximum age of 53 years. The highest frequency is found in subjects aged 23 years is 19 respondents with a percentage of 19%.

**Table 1**

Variable(s)	Cronbach Alpha
Knowledge sharing	0,872
Rewards	0,778
Creativity	0,846
Organizational Performance	0,821

The reliability test on the creativity variable has a Cronbach alpha coefficient passed more than 0,2, therefore no item removal is carried out. This is also happen in factor analysis, whereas no variable has less than 0,7.

**Table 2**

Variable(s)	KMO MSA
Knowledge sharing	0,821
Rewards	0,684
Creativity	0,834
Organizational Performance	0,767

Hypothesis testing is done by multiple linear regression analysis using the SPSS program. Regression analysis test was conducted to answer hypotheses including H1: Knowledge Sharing affects Organizational Performance, H2: Reward affects Organizational Performance, H3: Creativity influences Organizational Performance, H4: Knowledge Sharing and Reward affects Creativity and H5: Knowledge Sharing and Reward affect Organizational Performance through Creativity.

$$I : OP = \alpha + \beta (KS) + \beta (RW) \rightarrow \text{model for H1 and H2}$$

$R^2$  value is 0.453 which means that 45.3% of organizational performance variables can be explained by knowledge sharing and reward variables, while the rest is explained by other variables not explained in this study. The ANOVA table shows that this linear regression research model is significant ( $0,000 < 0.05$ ). The Coefficients table shows the effect of each variable. Through the regression test results, knowledge sharing and reward variables were

found to have a significant effect ( $<0.05$ ) on organizational performance. Here are the results of the equation formed:

$$OP = 1.546 + 0.179 (KS) + 0.449 (RW).$$

$$II : OP = \alpha + \beta (CR) \rightarrow \text{model for H3}$$

$R^2$  value is 0.182 which means that 18.2% of organizational performance variables can be explained by creativity variables, while the rest is explained by other variables not explained in this study. The ANOVA table shows that this linear regression research model is significant ( $0,000 < 0.05$ ). The Coefficients table shows the effect of each variable. Through the regression test results, the creativity variable was found to have a significant effect ( $<0.05$ ) on organizational performance. Here are the results of the equation formed:

$$OP = 2.509 + 0.380 (CR)$$

$$III : CR = \alpha + \beta (KS) + \beta (RW) \rightarrow \text{model for H4}$$

$R^2$  is at 0.199 which means that 19.9% of the creativity variable can be explained by the knowledge sharing and reward variables, while the rest is explained by other variables not explained in this study. The ANOVA table shows that this linear regression research model is significant ( $0,000 < 0.05$ ). The Coefficients table shows the effect of each variable. Through the regression test results, knowledge sharing and reward variables were found to have a significant effect ( $<0.05$ ) on creativity. Here are the results of the equation formed:

$$CR = 2.004 + 0.152 (KS) + 0.317 (RW)$$

$$IV : OP = \alpha + \beta (KS * RW) + \beta (CR) \rightarrow \text{model for H5}$$

$R^2$  is at 0.456 which means that 45.6% of organizational performance variables can be explained by the knowledge sharing and reward variables through creativity, while the rest are explained by other variables not explained in this study. The ANOVA table shows that this linear regression research model is significant ( $0,000 < 0.05$ ). The Coefficients table shows the effect of each variable. Through the regression test results, knowledge sharing and reward variables through creativity were found to have a significant effect ( $<0.05$ ) on organizational performance. Here are the results of the equation formed:

$$OP = 2.314 + 0.147 (KS * RW) + 0.143 (CR).$$

## 9. CONCLUSIONS AND IMPLICATIONS

Based on the results of the research conducted, the conclusions obtained for answers to the questions in this study are:

Knowledge Sharing has a positive and significant effect on organizational performance at PT. CS2 POLA SEHAT. Knowledge sharing as a non-financial factor of organizational performance is important for employees in carrying out various tasks in the company, for example is the ability and skills of employees in completing their tasks in the company that are interrelated with one another.

Reward has a positive effect on organizational performance at PT. CS2 POLA SEHAT. Reward given in a competitive form triggers employees to do more than usual, and this directly impacts employee performance and company performance.

Creativity influences positively and significantly on organizational performance at PT. CS2 POLA SEHAT. Individual creativity is considered to be able to bring up ideas to new knowledge that has an impact on the company. Companies that maximize the improvement of individual abilities and creativity have the advantage of being able to use this creativity into an action that can support the performance and working conditions of employees and companies.

Reward and Knowledge Sharing have a positive effect on creativity at PT. CS2 POLA SEHAT. This shows that the higher the reward and knowledge sharing in the employee environment, it can affect the creativity of employees in doing their jobs.

Creativity is a mediating variable on the effect of reward and knowledge sharing on organizational performance at PT. CS2 POLA SEHAT. In the theory of creativity shows that the type of leadership can influence members to improve creativity skills. Transformational leadership types that pay attention to their members can make members motivated to think creatively about the work and opinions expressed. To be able to further enhance creativity and effective processes, the leader can implement knowledge sharing activities. By combining creativity and knowledge sharing, communication and promotion activities can run smoothly. The positive impact of knowledge sharing on creativity is consistent that can lead to new ideas. By combining creativity and knowledge sharing, communication and work activities can run smoothly. The positive impact of knowledge sharing on creativity will consistently emerge, namely employees will be able to generate new ideas.

Based on the results of research that has been done, there are several things that can be done by the management of PT. CS2 POLA SEHAT:

- Company management is expected to provide an opportunity for each employee to get a salary increase and position in accordance with their performance as an act of appreciation for employees.
- Company management is expected to hold regular training for employees more often related to improving quality and performance in completing work such as problem solving and decision making training, team work, and others. The company is also expected to send its employees to attend seminars that are outside the company to add information and knowledge of employees.
- Company management is expected to be able to apply values to all leaders to be able to accompany each subordinate and provide information and knowledge that is even and clear to his subordinates.

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