

# Knowledge Creating in the Formation of Demands for Compensation Consideration Council (MP-TGR) In Gorontalo Regency

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## Abstract

Knowledge management in its application through a knowledge cycle. This knowledge cycle begins with the process of knowledge-creating. The purpose of this study is to find out and describe how the stage of knowledge creation or knowledge-creating in the formation of MP-TGR in Gorontalo Regency in the perspective of knowledge-creating according to Nonaka and Takeuchi (1995). This study uses a qualitative descriptive approach using primary and secondary data sources. From the results of research and analysis explains that the stage of knowledge-creating in the formation of MP-TGR with knowledge-creating proposed by Nonaka and Takeuchi has differences both in terms of stages and the role and function of each individual in the organization. But the most significant difference between the two is at the stage of knowledge formation.

Keywords: Knowledge-Creating; Knowledge Management; SECI Create Model

## Introduction

One strategy that needs to be carried out by an organization to continue to survive is to make changes. However, a change in the organization is ideally a change for the better in the form of innovation. The innovation also shows that organizations, especially government organizations have been running dynamically. One of supporting the implementation of innovation in the public sector is the application of knowledge management in government performance (Syed-Ikhsan & Rowland, 2004). One indicator in the success of knowledge management is the birth of innovation in organizations (Sangkala, 2007). Good knowledge management in organizations shows that the organization has the ability to manage the individual knowledge assets that it was because the knowledge in the organization comes from the individual itself. Knowledge management in its application through a knowledge cycle (Munir, 2011; Almah, 2013).

This knowledge cycle begins with the process of knowledge-creating. Knowledge creation does not just happen without good planning from the organization. Organizations must make themselves learning organizations that continue to learn (Senge, 2006; Marquardt, 2011). Organizations need to develop leadership, cultural, and technological characteristics that will support knowledge management efforts. In maximizing the creation of knowledge as explained one of them is related to how knowledge is

converted. Nonaka (1995), dynamic interaction between one form of knowledge and another is called conversion. And the biggest challenge of an organization in managing knowledge is how the organization is able to convert tacit knowledge and explicit knowledge.

In the conversion of knowledge management, there are 4 ways, namely: Socialization, Externalization, Combination, and Internalization. These four ways of conversion are referred to as the SECI (Socialization–Externalization–Combination–Internalization) or the SECI create knowledge model which shows that the more often the process of knowledge conversion occurs, the deeper the understanding.

Previous research related to knowledge-creating, Sabri (2005) focused on adapting structures to the culture of knowledge creation. Alberts Research (2007) Assesses multidisciplinary team models in organizations that create knowledge. Then the research of Capaldo & Petruzzelli (2014) focuses on the geographical and organizational proximity of partners and the innovative performance of alliances that create knowledge.

Furthermore, this study examines knowledge-creating on the establishment of the Compensation Claims Assembly (MP-TGR) in Gorontalo Regency, which stands on the basis of knowledge transfer. It is expected that MP-TGR will be able to resolve the problem of demands for regional financial compensation with good knowledge management. Therefore, on this basis, this research is important to do. Because many assumptions can be taken to describe these problems.

This study looks at the process of transfer and conversion of various forms of information and knowledge in the formation of the Gorontalo Regency Compensation Claims Judgment Council (MP-TGR). Specifically, this study aims to analyze how the process of knowledge-creating or the creation of knowledge in the process of forming the Compensation Claims Judgment Council (MP-TGR) in Gorontalo Regency from the perspective of knowledge-creating by Nonaka and Takeuchi. Considering that MP-TGR is an organization formed based on knowledge creation and continued with knowledge sharing, and with the knowledge-creating perspective put forward by Nonaka and Takeuchi it is expected to find a picture of the extent to which this model can be applied to public organizations.

## Methodology

This research uses a qualitative approach. While the level of research used is explanatory analysis, which analyzes the background, processes, and interactions that occur between individuals and groups in a program, in this MP-TGR case.

The location of this research is Gorontalo Regency Government, which includes the Finance Agency as the pilot project and MP-TGR program implementor, then other related SKPDs such as the Gorontalo Regency Inspectorate, Gorontalo Regency Inspectorate, and the Regional Personnel and Training Agency. In addition, so that the research can be judged to represent all activities related to the MP-TGR, the research location will be developed to include all Regional Apparatus Work Unit (SKPD) in the Gorontalo Regency government which are the object of findings from the MP-TGR program. Because the findings in the demands for compensation (TGR) cover all SKPD and Technical Implementation Unit (UPT) in Gorontalo Regency. The type of data used in this study consists of two types namely primary data and secondary data.

### **Results and Discussion**

The final goal or the final product of knowledge creation in the formation of MP-TGR is the regulation governing the implementation of MP-TGR in the Gorontalo Regency. This process is the goal of knowledge-creating in the formation of MP-TGR. It was explained that MP-TGR was formed on the mandate of Law Number 1 of 2004 concerning the State Treasury. This law also regulates how treasury demands and claims for compensation for regional governments. This is in Article 63 paragraph (1) explained that: Imposition of regional/state compensation to non-treasury employees is determined by the leadership of the institution/governor/regent/mayor. This regulation provides a mandate to regional governments to follow up on the settlement of claims for state/regional financial compensation for non-treasury public servants to form an Institution governed by regional regulations in resolving regional compensation claims against non-treasury civil servants. In this regulation, it is said that local governments (provincial/district/city) are required to form Regional Regulations/Regional Head Regulations to determine whether civil servants, not treasures have violated the law or are negligent or freed from TGR. This is the basic knowledge in the formation of MP-TGR.

The establishment of the MP-TGR was initiated through the idea of the Head of the Financial Board at that time held by Mr. Yusran Lapananda, it was decided to form a Compensation Claims Judgment Board (MP-TGR) which was then supported by Regent's Regulation number 54 of 2009 concerning Procedures for Claiming for Regional Damages against Civil Servants Not Treasurers. As an Officer in charge of regional financial management, Yusran Lapananda is very knowledgeable and understands how conditions are related to regional finances, including findings that are difficult to resolve and are increasing every month. Although not as a high-ranking official who holds the highest authority in decision making in Gorontalo Regency, Yusran Lapananda is very knowledgeable and knows how the regulations governing the resolution of findings of compensation for state/regional finances because they have a background in formal education in the field of law, so they can provide good and clear information and knowledge when delivering ideas to form MP-TGR. Nevertheless, Yusran Lapananda acts as the main source of information and knowledge about MP-TGR. On the basis of Yusran Lapananda's understanding as to the Head of the Financial Board in 2009 with the information, understanding, and knowledge possessed, the idea to form the MP-TGR was conveyed to the Regional Head who was then held by Mr. David Bobihoe. From the aspect of ease in the process of formation, MP-TGR is relatively very easy, because the level of Gorontalo Regency government needs for this institution is very large. As explained previously, all depart from the number of findings that are increasing every year and the process of completing the findings is not optimal. Thus, without the need for time and a long process, this MP-TGR was formed immediately. Of course, at this stage, the role of the Head of the Financial Board is very large as the initiator and source of ideas. Starting from preparing the concept and form of MP-TGR, gathering all relevant regulations, and how MP-TGR will carry out their duties.

As the process of knowledge-creating or knowledge-creating at MP-TGR is an effort by Gorontalo Regency Government in developing new knowledge. Although it is mandated by law, not all regions respond and form MP-TGR. However, Gorontalo Regency at that time was based on the need and response to new knowledge which was believed to be able to become a container of innovation

It can be elaborated on the stages carried out by MP-TGR Gorontalo Regency viewed from the aspect of knowledge-creating are; (1) Prepare Concept Stage, this stage is the initial step carried out by the initiator and as the main source of knowledge, namely the Head of the Financial Board. At this stage what is done is to prepare the concepts needed in the process of forming the MP-TGR. This concept will be conveyed to the Regional Head as a basis and reference in the formation of the MP-TGR; (2) Data collection and information stage, this stage includes data collection activities, then the data is processed into information and ultimately becomes new knowledge, both for individuals and organizations in the scope of Gorontalo Regency government. The data is in the form of regulations regarding regional financial management and other supporting information; (3) The phase of knowledge-creating or

knowledge-creating, this stage is more about creating concepts. Apart from knowledge-creating, this process was also beforehand. At this stage, the dominance of the source of knowledge is Mr. Yusran Lapananda as the initiator and creator in the formation of MP-TGR. So, most of the knowledge comes from one person or tacit knowledge. Although this stage did not go through a trial, MP-TGR conducted an action learning system. Namely how the people involved in doing learning and work activities simultaneously. The learning process for MP-TGR is directly at the time of finding a case; (4) Keep knowledge stage or knowledge storage, this process is the selection phase of information and knowledge shared. As the initiator and main source of knowledge, Yusran Lapananda did not share all the knowledge he had but kept it for the benefit of MP-TGR members when it was formed. Because not all the knowledge he has is useful in making the decision to form the MP-TGR; (5) The stage of knowledge transfer or knowledge distribution, this stage is very large, especially at the stage of forming the MP-TGR. That is in the process of how Mr. Yusran Lapananda transferred all the knowledge he had to convince all parties, especially Regent David Bobihoe and other officials to be able to influence the decision taken to form the MP-TGR. Knowledge transfer also plays the most role in comparative study activities. This knowledge transfer process continues in all MP-TGR activities; (6) The decision-making stage, as the main source of knowledge in the formation of MP-TGR, Yusran Lapananda is able to transfer knowledge well so that the Regional Head and other related parties understand how important the MP-TGR is for the resolution of regional financial problems, especially finding findings loss and ultimately affect the decision of the Regional Head. Apart from the needs of the organization that Gorontalo Regency needs MP-TGR in completing findings, information, and knowledge conveyed by Mr. Yusran Lapanda, Gorontalo Regency finally decided to form MP-TGR.

While in knowledge-creating an organization, there is an ideal stage proposed by Nonaka and Takeuchi (1995), namely; (1) Sharing tacit knowledge: the process of knowledge-creating in organizations must begin with tacit knowledge, which is related to socialization, because the best and untapped knowledge exists in individuals and must be strengthened internally within the organization; (2) Creating concept: in this phase is the process of how tacit knowledge that has been previously shared is converted to explicit knowledge and in a new concept then shared; (3) Justifying concept: this stage is justification from the previous stage, where the organization has the right to accept or reject the knowledge received previously, and whether the knowledge is feasible to apply; (4) Building an archetype: in this phase, the organization makes a basic pattern of knowledge that becomes the organization's needs. Knowledge that has been received will be changed and adjusted to the needs of the organization or modified according to the needs of the organization into innovation so that it becomes new knowledge; (5) Cross leveling knowledge: the last phase is to expand knowledge by sharing it with other divisions within the organization or stakeholders to get input from outside parties which need to be maintained or vice versa.

Still related to the process of knowledge transfer in MP-TGR, this process is demonstrated in benchmark activities or comparative studies from regions throughout Indonesia to find out how the process and application of MP-TGR in Gorontalo Regency. However, the most important thing in the knowledge transfer process at MP-TGR is the main source of knowledge at MP-TGR. In the initial part of this discussion, it was explained who was most involved in the process of knowledge transfer or as the main source of knowledge in MP-TGR. Yusran Lapananda as the initiator as well as the originator of the formation of this MP-TGR, has mobilized all of its tacit knowledge regarding MP-TGR to all parties who are entitled to obtain information and knowledge so that this MP-TGR can run and become a role model in settling compensation claims. And until now MP-TGR Gorontalo Regency is still a locus of benchmarks or comparative studies for other regions.

Since 2011 MP-TGR has begun to receive requests for comparative studies by local governments. Most of these regions understand MPTGR as mandated by the Law on regional financial management. However, these regions are constrained by how to implement them at the regional level, how the proceedings are held and especially how the regulations govern them. In this case, Gorontalo Regency

Government through MP-TGR has succeeded in becoming a destination area to learn about MP-TGR. Recorded from 2011 to 2018 MP-TGR Gorontalo Regency has received 100 comparative study visits from various regions in Indonesia, both institutionally and individually.

### Conclusion

The process of forming the MP-TGR is the stage where there is an exchange and creation of knowledge. Then ontology knowledge management is explained that knowledge in organizations is produced by the knowledge possessed by individuals. Because the organization cannot create its own knowledge. The process of knowledge creation in MP-TGR is not in line with what is conveyed by several theories put forward by experts, including Nonaka and Takeuchi (1995). What is important to note by the Gorontalo Regency Regional Leaders is how the policies and management applied to the Gorontalo Regency government are always oriented towards empowering ASN by considering and optimizing the tacit knowledge possessed by each individual. Because every individual has the potential (tacit knowledge) as long as they get the opportunity to develop their knowledge. Because a strong organization is an organization that is able to manage the tacit knowledge that its members have.

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