

The Competitive Advantages Of SMEs In Indonesia Based On Talent Development, Social Capital, Knowledge Management And Innovation

by Memed Sueb

Submission date: 29-Dec-2020 03:41PM (UTC+0700)

Submission ID: 1481840530

File name: 4_The_Competitive_advantages_of_SMEs...pdf (396.66K)

Word count: 6739

Character count: 38356

The Competitive Advantages Of SMEs In Indonesia Based On Talent Development, Social Capital, Knowledge Management And Innovation

Amir Machmud¹ · Memed Sueb²

¹Associate Professor, Faculty of Economics and Business Education, Universitas Pendidikan Indonesia, Bandung, Indonesia Jl Setiabudhi 229, 40154. E-mail: amir@upi.edu

²Associate Professor, Accounting Department of Faculty of Economics and Business, Universitas Padjadjaran, Bandung, Indonesia Jl Dipatiukur No 35, 40132. E-mail: memed.sueb@fe.unpad.ac.id

Abstract : This study aims to analyze the effect of talent development, social capital, knowledge management on the competitive strategies of SMEs in Indonesia mediated by Innovation. Data collection uses the purposive random sampling technique. Primary data that have been collected are analyzed using descriptive and inferential analysis techniques using structural equation modeling (SEM). The results of the study show that knowledge management, talent development and social capital have a significant effect on innovation and competitive advantage. This finding implies that to win competition in the era of the industrial revolution 4.0, an empowerment model is needed that can improve the innovation skills of SMEs through knowledge management, developing their talents and also starting to utilize social capital that has been largely ignored.

Keywords : Competition Strategy, Talent Development, Social Capital, Knowledge Management, Innovation, SMEs

I. INTRODUCTION

Small Medium Enterprises (hereinafter referred to as SMEs) have an important role in the national economy, this is seen in the structure of the Indonesian economy around 99.9 percent of business units in Indonesia are SMEs and absorb almost 97 percent of the total national workforce. The contribution of SMEs to Gross Domestic Product (GDP) currently reaches 61.41 percent. The number of SMEs has reached 60 million units and it is predicted that in 2017-2020 the number of SMEs units can penetrate 65 million units. [1], [2]. Even so, there are not a few MSMEs that are unable to compete in the global market, this is caused by the lack of creativity and innovation of the SMEs. This condition results in unsuccessful implementation of entrepreneurship, even though entrepreneurship is the result of discipline and a systematic process of applying creativity and innovation in meeting market needs and opportunities. The essence of entrepreneurship is the ability to create something new and different (create new and different) through creative thinking and innovative action [3].

In the era of hypercompetitive which is characterized by high customer dynamics and increasingly shorter product life cycle requires SMEs to carry out continuous innovativeness to create products that are truly new and unique. Products that are considered valuable are new and different products. To create corporate value that benefits customers, of course, demands management professionalism, information systems, proper corporate culture, and the use of

technology. Such conditions require companies to be able to explore and develop sources of competitive advantage in order to survive. Sources of competitive advantage can be found from management's ability to explore the competencies of the company's functional areas, namely marketing, product development and design and production competencies [4][5]. To achieve a successful strategy many factors must be considered including knowledge management, talent development, social capital and innovation [6]. [7], [8], [9], [10], [11], [12],[13],[14], [15], [16].

Knowledge management encourages innovative behavior, so that knowledge management in SMEs is also believed to have a positive impact on the ability to innovate the products produced, which will then have the potential to increase the competitiveness of their businesses [17] Knowledge Management has a positive effect on innovation [18], [19],[20].[21].

Innovation is defined as a breakthrough associated with new products. The term innovation is closely related to technology that serves to open company insight about a new product or improve the design and manufacturing of a product (service) that a company already has. In addition to relating to knowledge management, innovation is also related to talent development and social capital. Talent development is an important component that can affect product innovation [22], [23], [24], [25]. Social capital is social capital as relations are created and norms that shape the quality and quantity of social relations in society in a broad spectrum, namely as social glue (social glue) which maintains the unity of group members together [26], [27]. Social capital has a positive influence on innovation. [28], [29], [30].

² This study aims to analyze how innovation and competitive advantage in the perspective of knowledge management, talent development and social capital in small business entities. It is hoped that the findings of this research will enrich the science of management, especially the management of small businesses. Pragmatically it can also be an instrument of intervention for the government as a leading sector for empowerment in various regions. It is hoped that through the intervention of this model, it will later trigger the development of business performance, which can then contribute positively to the spin of the economy. The long-term goal is to enlarge the contribution of the business sector to the development of the community's economy, the format of which is to increase employment opportunities, the greater its contribution to the GRDP and at the same time increase local revenue (PAD). The findings of this research will be meaningful information and have implications for the construction of small business entity development models to be more competitive, which then has a multiplier effect on the relative completion of welfare issues.

II. LITERATURE REVIEWE

Competitive Advantage

Competitive advantage as a benefit strategy of companies that collaborate to compete more effectively in a market place [31], [32] states that there are two footholds in achieving competitive advantage, namely resource excellence and position superiority. it was emphasized that the competitive advantage of the company would ultimately affect the company's market performance as measured by customer growth. Competitive advantage is a staple of a company's performance in a competitive market. Competitive advantage basically grows from

the value or benefits created by the company for its buyers, which is more than the cost that must be incurred to create it. This value or benefit is available to the buyer, and the superior value comes from offering a lower price than the competitor's price for an equivalent benefit or offering a unique benefit that exceeds the price offered.

Competitive advantage as an organizational position that is unique to its competitors [33]. Competitive advantage can be obtained largely from resources and capital. Resources in question are the strengths and weaknesses of marketing performance, while capital is defined as the company's ability to manage resources that are owned to work together as a work team in one department. High and low marketing performance will affect the high and low competitive advantage of the company, competitive advantage can be achieved through cost advantages and customer value excellence [34]. Competitive advantage can be measured from Financial Performance and Market Performance [35]. Competitive advantage is determined by creativity and innovation that can satisfy customer desires better than competitors [36].

Knowledge Management

Knowledge management encourages innovative behavior, so that knowledge management in SMEs is also believed to have a positive impact on the ability to innovate the products produced, which will then have the potential to increase business competitiveness [37]. The concept of knowledge management becomes guidance on intangible management assets that are pillars of the company in creating value (from products / services / solutions) offered by the company to its customers [38], [39]. According to its type, the application of knowledge management can be divided into two, namely tacit knowledge and explicit knowledge [40], [41]. Tacit knowledge is personal, developed through experiences that are difficult to formulate and communicate [42]. Tacit knowledge is categorized as personal knowledge or in other words knowledge is obtained from individuals. The nature of knowledge brings together differences between knower and known, subject and object, or subjective and objective ingredients in experience [43]. The experience gained by each employee varies according to circumstances and conditions that cannot be predicted [37],[45]. Experience is the process of gaining knowledge or skills over a period of time through seeing and doing things rather than through studying. This means that the process of gaining knowledge or abilities during a certain period by seeing and doing things rather than by learning [45], [46].

Explicit knowledge is formal and systematic that is easy to communicate and share [47]. The application of explicit knowledge is easier because the knowledge obtained in the form of written or documented statements, so that each employee can study it independently [48], [44]. Explicit knowledge is a job procedure and technology. Job procedures are responsibilities or tasks that are formal or official orders or how to do things. Knowledge management is a complete form of explicit knowledge [37], [49],[50]. The basic implementation procedures are made to maintain the quality and results of work, where the tasks will be more easily done and guests will be familiar with the existing service system [51]. Technology is one of the main elements found in knowledge management, known as media that facilitates the spread of explicit knowledge. One of the most up-to-date technologies currently used by many companies for the process of knowledge dissemination is the intranet, which is based on the need to access knowledge and collaborate, communicate and share knowledge online. The internet or also called internal internet is one form of technology that is starting to be widely

applied. Intranets offer the opportunity to use advanced telecommunications that have been developed from the internet. [51], [52], [53],[54],[55].

Talent Development

Talent is an original ability or talent possessed by someone. Talents cannot be transferred from one person to another. The uniqueness of one's talent can be a valuable asset and an advantage that in a business perspective can contribute to the ability to innovate, which then will indirectly have an impact on competitive advantage [56]. Talent will only become an asset if it does not get a touch of management, therefore it is necessary to develop talent through various ways including business coaching, business sharing and knowledge transfer. Talent development efforts have a significant impact on a person's creative performer [57]. Talent development in a business actor turns out to have a large impact on the ability in terms of product innovation that it produces on creative business people in Pakistan [58]. Many companies conduct a recruitment of prospective workers by prioritizing the ownership of certain talents [59]. Based on some of the results of the research it appears that talent development has an influence on the ability to innovate, if done on SMEs.

Social Capital

Social capital can be defined as the ability of people to work together, in order to achieve shared goals, in various groups and organizations [60]. More comprehensively, [61] defines social capital as the ability of people to associate with one another and subsequently become a very important force not only for economic life but also for every other aspect of social existence.

[27] defines social capital as a set of informal values or norms that are shared between members of a group that allows for cooperation between them. Social capital as a series of processes of human relations supported by social networks, norms, and beliefs that enables efficient and effective coordination and cooperation for mutual benefit and virtue. Social capital generally examines the closeness of social relations that the community is involved in, especially in relation to patterns of social interaction or social relations between community members or groups in a social activity.

The typology of social capital, that is, how do the different patterns of interaction and their consequences between social capital in the form of bonding / exclusive or bridging or inclusive. Both have different implications for the results that can be achieved and the effects that can arise in the process of life and community development. Social capital as a set of values or norms embodied in behavior that can encourage the ability and capability to work together and coordinate which results in innovation [62]. Social capital is bound by trust, mutual understanding (mutual understanding), and shared values) that bind group members to behave positively and creatively [63]. Social capital management can encourage value creation [64].

The acquisition of social capital requires habituation of the moral norms of a community and in its context while simultaneously adopting virtues such as loyalty, honesty, and dependability. Social capital is based more on general social virtues. The dimension of social capital grows in a society which contains values and norms and patterns of social interaction in regulating the daily lives of its members. In short, the dimension of social capital is a picture of internal attachment that colors the collective structure and provides cohesiveness and shared benefits from the process of social dynamics that occur in society. Dimensions of social capital describe

everything that makes a community allied to achieve a common goal on the basis of togetherness, and in it is bound by values and norms that grow and obey.

Innovation

Conventionally the terminology of innovation is defined as a breakthrough related to new products. Innovation is a broader concept that addresses the application of new ideas, products or processes [65]. Innovation as a corporate mechanism to adapt in a dynamic environment, therefore companies are required to be able to create new thoughts, new ideas and offer innovative products and service improvements that satisfy customers [66]. The term innovation is closely related to technology that serves to open company insight about a new product or improve the design and manufacturing of a product (service) that a company already has.

[67] proposed two concepts of innovation, namely: (1) Innovation and (2) Capacity for innovation. Innovation is the mind about openness to new ideas as an aspect of company culture, while the capacity to innovate is the company's ability to use or apply new ideas, processes or products successfully. Innovation can also be translated as the culture of a company. This innovation can be seen from how the attitude of a company towards the existence of an innovation. The existence of similar products from competitors that have a similar appearance is a driving factor for product innovation, usually these competing products appear without experiencing significant changes and even tend to be static.

This situation can be beneficial, because competition arising from the emergence of competing products can be overcome by product innovation. Product innovation is something that can be seen from the functional progress of the product that can bring the product one step ahead compared to competing products. If the product has an advantage that is seen as added value for consumers. several ways that can be taken to produce innovative products are by developing new product attributes, developing various levels of quality and developing product models and sizes (Seidler, and Hartmann (2008)

III. MATERIALS AND METHODS

In this study, there are exogenous and endogenous variables. Exogenous variables consist of knowledge management, talent development and social capital as exogenous variables, while endogenous variables consist of product innovation and competitive advantage. Knowledge Management is a knowledge management that is measured by three dimensions which include personal knowledge, job procedures, and technology. Talent Development is the management and development of talent through business coaching, business sharing and knowledge transfer. Social Capital is any relationship that occurs and is bound by trust, mutual understanding, and shared values that bind group members to make the possibility of joint action can be carried out efficiently and effectively. Product Innovation is a company's mechanism to adapt in a dynamic environment, therefore companies are required to be able to create new thoughts, new ideas and offer innovative products and service improvements that satisfy customers. Competitive advantage is a level of organizational position that is unique to its competitors and usually can be obtained largely from resources and capital.

The design of this study uses a quantitative approach with exploratory survey study methods. Data collection was carried out through a questionnaire distributed to SMEs in West Java with

a population of ... Sampling technique using slovin obtained a sample size of 200. Data that has been collected to interpret and analyze data is used factor analysis in the Structural Equation Model (SEM) and Regression Weight in SEM which is used for confirmatory researching how much the relationship between variables. Structural Equation Model (SEM) analysis technique. The SEM model in this study is shown in Figure 1.

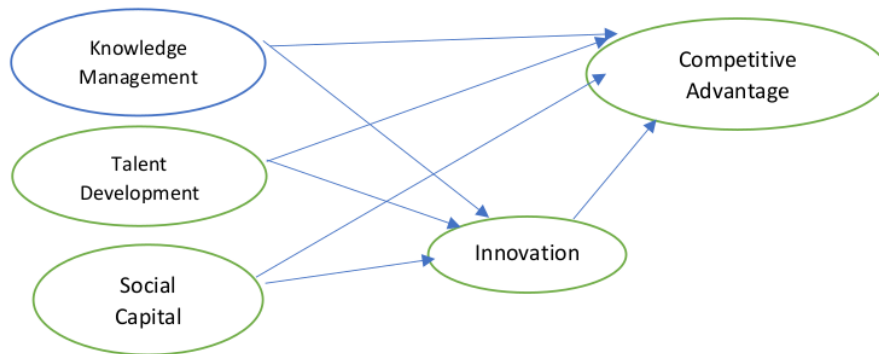


Figure 1. Framework of The Competitive Advantages Of SMEs In Indonesia Based On Talent Development, Social Capital, Knowledge Mangement And Innovation

The hypothesis proposed in this study:

- H1: There is a significant influence of knowledge management on SME innovation
- H2: There is a significant influence of talent development on SME innovation
- H3: There is a significant influence of social capital on SME innovation
- H4: There is a direct influence between knowledge management on the competitive advantage of SMEs
- H5: There is a direct influence between talent development on the competitive advantage of SMEs
- H6: There is a direct influence between social capital on SMEs' competitive advantage
- H7: There is an influence of innovation on the competitive advantage of SMEs

IV. RESULTS AND DISCUSSION

Based on the results of the descriptive analysis of all research variables, it turns out that the mean answers of all respondents about innovation (8,20), competitive advantage (8.65), knowledge management (8.40), talent development (7.90) and social capital (7,75). These results indicate that the respondent gave a positive response to knowledge management, talent development, social capital and innovation and competitive advantage is very important in the perspective of small and medium businesses in West Java, Indonesia. This is quite reasonable because of its relationship with Moreover, the expression was conveyed by SMEs who perform well, because the market is national, so to trigger innovation, it should optimize management management variables, talent development and social capital, because in empirical facts, the third descriptive research variables that can trigger innovation towards small businesses that have a competitive advantage.

Table 1 Description of Research Variable

No	Research Variable	Mean
----	-------------------	------

1.	Competitive Advantage	8.65
2.	Innovation	8.20
3.	Knowledge Management	8.40
4.	Talent Development	7.90
5.	Social Capital	7.75

Based on inferential analysis, the findings of the full structural equation model in this study are as shown in Figure 2. Based on the path diagram of the results of SEM analysis data in Figure 2 shows that there is a positive influence of exogenous variables (knowledge management, talent development and social capital on endogenous variables) and competitive advantage) on SMEs in West Java, this is shown in the positive coefficient of each arrow that leads to endogenous variables (innovation and competitive advantage). All these endogenous variables also directly influence the competitive advantage. the magnitude of the arrow coefficient from an endogenous variable to an exogenous positive value, innovation also has a direct effect on competitive advantage.

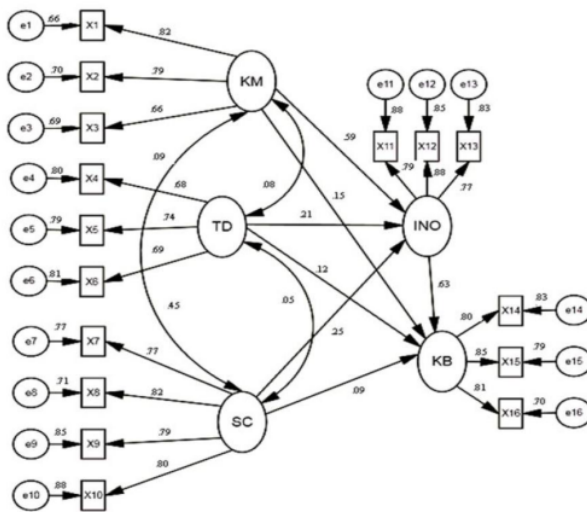


Figure 2 . Path Diagram Knowledge Management, Talent Development, Social Capital, Innovation and Competitive Advantage of SMEs in Indonesia

Based on the path diagram of the results of SEM analysis data in Figure 2, it was revealed that there was a positive influence of exogenous variables (knowledge management, talent development and social capital on endogenous variables (innovation and competitive advantage) in SMEs in West Java, Indonesia. there are each arrow that leads to endogenous variables (innovation and competitive advantage.) In addition, there is also a positive influence between knowledge management and social capital on innovation and competitive advantage, also there is a positive relationship between social capital with knowledge management and talent. development.

Next, the structural equation model (SEM) feasibility testing index is presented, as shown in Table 2.

Table 2 Feasibility Testing Index

Goodness of Fit Index	Cut-off Value	Analysis results	Model Evaluation
X2-Chi-square	P=5%, Chi-square 68.6732	59.046	Good
Significance Probability	≥ 0.05	0.104	Good
RMSEA		0.043	Good
GFI		0.985	Good
AGFI		0.959	Good
CMIN/DF		1.196	Good
TLI		0.972	Good
CFI		0.989	Good

Based on Table 2 it appears that the test of the model shows that this model is fit to the data used in the study as seen from the probability level of 0.104 which matches the requirements (> 0.05). The level of significance for the Chi-Square model of 59,046, RMSEA, GFI, Cmin / df index, TLI, and CFI were within the expected value range, even though AGFI was received marginally. The results of the Confirmatory Factor Analysis for the exogenous construct used to test the unidimensionality of the dimensions that make up the latent variables above indicate that the value of the model results is in accordance with the Goodness of fit criteria, so that the model can be accepted. The significance level of 0.104 indicates that the hypothesis that there is no difference between the sample covariance matrix and the estimated population covariance matrix cannot be rejected and therefore this exogenous construct is acceptable.

The strengths or weaknesses of the dimensions to form the latent factors can be analyzed using the t test of regression weights as presented in Table 3. by looking at the loading factors of each of these dimensions. The Critical Ratio (CR) in table 3 is identical to the t-count in the regression analysis. A CR greater than 2.00 indicates that the variables mentioned above are significantly the dimensions of the latent factor formed. Meanwhile, Hair (1995) states that the condition of a variable which is a dimension of the latent variable is if it has a loading factor of more than 0.40.

Table 3 Parameter Estimation of Regression Weights

Regression Weights		Estimate	SE	CR	P
Knowledge Management	Innovation	0.203	0.226	2.896	0.001
Talent Development	Innovation	0.270	0.156	2.734	0.003
Social Capital	Innovation	0.353	0.159	2.224	0.026
Knowledge Management	Competitive Advantage	0.233	0.221	2.744	0.015
Talent Development	Competitive Advantage	0.263	0.149	2.590	0.005
Social Capital	Competitive Advantage	0.337	0.163	2.401	0.019
Innovation	Competitive Advantage	0.358	0.114	3.134	0.002

Based on Table 3 above, it can be seen that the Critical Ratio (CR) for each dimension meets the requirements of > 2.00. Thus it can be concluded that the variables mentioned above are significantly the dimensions of the latent variables formed. Hypothesis testing is used to test some of the research hypotheses proposed previously. Hypothesis testing is done by analyzing

the CR value and P value on the results by the Regressionion Weights Full Model data, compared with the required statistical limits, ie values above 2.00 for CR values and below 0.05 for P values. these, the research hypothesis will be discussed in stages in accordance with the proposed hypothesis. The results of hypothesis testing are shown in Table 4.

Table 4 Summary of Hypothesis Test Results

Hypothesis	CR and P		Test Results
H ₁	CR = 2.896	P = 0.001	Accepted
H ₂	CR = 2.734	P = 0.003	Accepted
H ₃	CR = 2.224	P = 0.026	Accepted
H ₄	CR = 2.744	P = 0.015	Accepted
H ₅	CR = 2.590	P = 0.005	Accepted
H ₆	CR = 2.401	P = 0.019	Accepted
H ₇	CR = 3.134	P = 0.002	Accepted

Hypothesis 1: Knowledge management has a significant effect on innovation. From table 3 revealed, the relationship between knowledge management and innovation is shown by a CR of 2.896 greater than 2.00 with a p value of 0.001 which means <0.05. Thus H1 in this study can be accepted. This can be explained that the better the knowledge management that is carried out there is a tendency for innovation to be better. This finding is in line with previous researchers who stated that knowledge management influences innovation [18],[19], [20], [21].

Hypothesis 2: Talent development has a positive effect on innovation. The better the implementation of talent development is carried out, the better the innovation is indicated by a CR of 2.734 greater than 2.00 with a p value of 0.003 which means <0.05. Thus H2 in this study can be accepted. This finding is in line with previous research which states that there is a positive influence between talent development and innovation [22], [23], [24], [25].

Hypothesis 3: The better social capital is carried out, the higher the innovation achieved. From table 3 it can be seen that social capital towards innovation is shown by a CR of 2,224 that meets the requirements of > 2.00 and a p value of 0.026 that meets the requirements of <0.05. Thus H3 in this study can be accepted. This finding is in line with previous research which states the influence of social capital on product innovation [28], [29], [30].

Hypothesis 4: the better knowledge management, the higher the competitive advantage of SMEs. This is evident from the CR value of 2,744 and the P value of 0.015. Meaning, H4 in this study was accepted. This finding is in line with the results of previous studies that invalidate the relationship between knowledge management and competitive advantage [9],[68],[69].

Hypothesis 5: The better talent development, the higher the competitive advantage of SMEs. This is evident from the CR value of 2,590 greater than 2.00. Meaning, H5 in this study was accepted. This finding is in line with the results of previous studies that invalidate the relationship between talent development and competitive advantage [10].

Hypothesis 6: the better utilization of social capital, the higher the competitive advantage of SMEs. This is supported by a CR value of 2.401 and a P value of 0.019 which is smaller than 0.05. That is, H6 in this study was accepted. This finding is in line with the results of previous studies which invalidate the influence of social capital on competitive advantage [9], [11], [12].

Hypothesis 7: The better the innovation, the higher the competitive advantage. From table 3 it can be seen that the effect of innovation on competitive advantage is shown by a CR of 3,134 that meets the requirements of > 2.00 and a p value of 0.002 that meets the requirements of <0.05 . With the sake of increasingly H7 also accepted. This finding is in line with the results of previous studies which invalidate the influence of innovation on competitive advantage [70], [71], [72], [73].

Based on the decision of the above hypothesis, overall the results of the hypothesis test that has been hypothesized in this study, all are accepted. From the discussion of research results and search hypothesis testing, then the final model design of SME development based on knowledge management, talent development and social capital to increase innovation and competitive advantage, can be constructed as the structural model picture has been illustrated in Figure 1.

V. CONCLUSION

Based on descriptive analysis, both knowledge management, talent development and social capital are components that are quite important in triggering innovation and competitive advantage. Also, from the results of inferential analysis it can be concluded that knowledge management, talent development and social capital have a significant effect on innovation as well as on competitive advantage. This finding implies that in order to create a competitive advantage, SMEs must be able to improve knowledge management, Talent Development, social capital and innovation. One effort that can be done so that this is achieved is to construct an empowerment model that can improve the skills of innovation of SMEs through knowledge management, development of their talents and also begin to utilize social capital that has been largely ignored.

REFERENCES

1. Herlinawati, E., Ahman, E., & Machmud, A. (2019). The Effect of Entrepreneurial Orientation on SMEs Business Performance in Indonesia. *Journal of Entrepreneurship Education*.
2. Herlinawat, E., Machmud, A., (2020). The effect of innovation on increasing business performance of SMEs in Indonesia *WSEAS TRANSACTIONS on BUSINESS and ECONOMICS, Volume 17, 2020*
3. Machmud, A., Murtadlo, Y (2020) Characteristics of Islamic entrepreneurship and the business success of SMEs in Indonesia. *Journal of Entrepreneurship Education*.
4. Porter, M. E. (1996). Competitive advantage, agglomeration economies, and regional policy. *International regional science review*, 19(1-2), 85-90.
5. Sanchez, R., & Heene, A. (1997). Reinventing strategic management: New theory and practice for competence-based competition. *European Management Journal*, 15(3), 303-317.
6. Koh, S. C. L., Saad, S. M., Maguire, S., & Magrys, A. (2007). The adoption of e-business and knowledge management in SMEs. *Benchmarking: An International Journal*. Koh, SCL, Saad, SM, Maguire, S., & Magrys, A. (2007).
7. Lee, V. H., Foo, A. T. L., Leong, L. Y., & Ooi, K. B. (2016). Can competitive advantage be achieved through knowledge management? A case study on SMEs. *Expert Systems with Applications*, 65, 136-151.
8. Alegre, J., Sengupta, K., & Lapiedra, R. (2013). Knowledge management and innovation performance in a high-tech SMEs industry. *International Small Business Journal*, 31(4), 454-470.

9. Daud, S., & Yusoff, W. F. W. (2010). Knowledge management and firm performance in SMEs: The role of social capital as a mediating variable. *Asian Academy of Management Journal*, 15(2).
10. Alma, M. A., Al-Shalabi, F. S., & Aljamal, W. H. (2013). Talent management and competitive advantage: The moderating effect of knowledge integration. *International Journal of Computer Applications*, 66(11).
11. Sabatini, F. (2008). Does social capital improve labour productivity in small and medium enterprises?. *International Journal of Management and Decision Making*, 9(5), 454-480.
12. Cooke, P., Clifton, N., & Oleaga, M. (2005). Social capital, firm embeddedness and regional development. *Regional Studies*, 39(8), 1065-1077.
13. Bagchi-Sen, S. (2001). Product innovation and competitive advantage in an area of industrial decline: the Niagara region of Canada. *Technovation*, 21(1), 45-54.
14. Hinterhuber, A., & Liozu, S. M. (2015). Pricing ROI, pricing capabilities and firm performance. *Journal of Revenue and Pricing Management*, 14(3), 211-228.
15. Chen, J. S., & Tsou, H. T. (2012). Performance effects of IT capability, service process innovation, and the mediating role of customer service. *Journal of Engineering and Technology Management*, 29(1), 71-94.
16. Mitchell, D. W., & Coles, C. B. (2003). Building better business models. *Leader to Leader*, 2003(29), 12-17.
17. Dalkir, K. (2005). Knowledge Management in Theory and Practice, Elsevier. Burlington MA, USA, 19-20.
18. Coombs, R., & Hull, R. (1998). 'Knowledge management practices' and path-dependency in innovation. *Research policy*, 27(3), 239-256.
19. Carneiro, A. (2000). How does knowledge management influence innovation and competitiveness? *Journal of knowledge management*
20. Du Plessis, M. (2007). The role of knowledge management in innovation. *Journal of knowledge management*.
21. Seidler-de Alwis, R., & Hartmann, E. (2008). The use of tacit knowledge within innovative companies: knowledge management in innovative enterprises. *Journal of knowledge Management*.
22. Lewin, A. Y., Massini, S., & Peeters, C. (2009). Why are companies offshoring innovation? The emerging global race for talent. *Journal of International Business Studies*, 40(6), 901-925.
23. Rao, H., & Drazin, R. (2002). Overcoming resource constraints on product innovation by recruiting talent from rivals: A study of the mutual fund industry, 1986-1994. *Academy of management Journal*, 45(3), 491-507.
24. Hu, TS (2008) Interaction among high-tech talent and its impact on innovation performance: A comparison of Taiwanese science parks at different stages of development *European Planning Studies*, 16 (2) , 163-187
25. Qian, H., Xu, G., Yan, J., Lam, T. L., Xu, Y., & Xu, K. (2010, October). Energy management for four-wheel independent driving vehicle. In *2010 IEEE/RSJ international conference on intelligent robots and systems* (pp. 5532-5537). IEEE. Qian, H. (2010)
26. McFadyen, M. A., & Cannella Jr, A. A. (2004). Social capital and knowledge creation: Diminishing returns of the number and strength of exchange relationships. *Academy of management Journal*, 47(5), 735-746.
27. Fukuyama, F. (2006). *The end of history and the last man*. Simon and Schuster.
28. Padmaja, R., Bantilan, M. C. S., Parthasarathy, D., & Gandhi, B. V. J. (2006). Gender and social capital mediated technology adoption. *International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)*, (12), 1-52.

29. Zheng, W. (2010) A social capital perspective of innovation from individuals to nations: where is empirical literature directing us? *International Journal of Management Reviews*, 12 (2), 151-183.
30. Akçomak, I. S., & ter Weel, B. (2009). The Impact of Social Capital on Crime. *CPB Discussion Papers*.
31. Al-Alak, B. A., & Tarabieh, S. A. (2011). Gaining competitive advantage and organizational performance through customer orientation, innovation differentiation and market differentiation. *International Journal of Economics and Management Sciences*, 1(5), 80-91.
32. Hamel, G., & Green, B. (2007). *The Future of Management* Harvard Business School Publishing.
33. Ren, L., Zeng, D., & Krabbendam, K. (2010). Technological innovation progress in Central China: a survey to 42 firms. *Journal of knowledge-based innovation in China*.
34. Basheer, A., & Saeed, A. (2011). Gaining Competitive Advantage and Organizational performance through customer orientation, innovation differentiation and market differentiation. *International Journal of Economics and Management Sciences*, 1(5), 80-91.
35. Homburg, C., Fürst, A., & Pflesser, C. Marcus Theel, and Sebastian Hohenberg (2016), "Marketing Excellence—Theory Development and Evidence from a Qualitative Field Study," working paper, Chair of Business-to-Business Marketing, Sales & Pricing, University of Mannheim.).
36. Zhang, Y., Li, H., Li, Y., & Zhou, L. A. (2010). FDI spillovers in an emerging market: the role of foreign firms' country origin diversity and domestic firms' absorptive capacity. *Strategic Management Journal*, 31(9), 969-989.
37. Galbraith, K. (2017). *Knowledge management in theory and practice*. MIT press.
38. Montequín, V. R., Fernández, F. O., Cabal, V. A., & Gutierrez, N. R. (2006). An integrated framework for intellectual capital measurement and knowledge management implementation in small and medium-sized enterprises. *Journal of Information Science*, 32(6), 525-538
39. Ahmed, P. K., Lim, K. K., & Loh, A. Y. (2002). *Learning through knowledge management*. Routledge.
40. Chih-Chien, W. (2004). The influence of ethical and self-interest concerns on knowledge sharing intentions among managers: An empirical study. *International Journal of Management*, 21(3), 370.
41. Hau, Y. S., Kim, B., Lee, H., & Kim, Y. G. (2013). The effects of individual motivations and social capital on employees' tacit and explicit knowledge sharing intentions. *International Journal of Information Management*, 33(2), 356-366.
42. Pathirage, C. P., Amaratunga, D. G., & Haigh, R. P. (2007). Tacit knowledge and organisational performance: construction industry perspective. *Journal of knowledge management*.
43. Bahm, A. J. (1995). *Epistemology: theory of knowledge*. World Books.
44. Nonaka, I., & Takeuchi, H. (1995). *The knowledge-creating company: How Japanese companies create the dynamics of innovation*. Oxford university press.
45. Pisano, G. P. (1994). Knowledge, integration, and the locus of learning: An empirical analysis of process development. *Strategic management journal*, 15(S1), 85-100.
46. Inkpen, A. C. (1996). Creating knowledge through collaboration. *California management review*, 39(1), 123-140.
47. Carrillo, F. J., Metaxiotis, K., Yigitcanlar, T., Evers, H. D., Gerke, S., & Menkhoff, T. (2010). Knowledge clusters and knowledge hubs: designing epistemic landscapes for development. *Journal of knowledge management*.
48. Novak, J. D. (2010). *Learning, creating, and using knowledge: Concept maps as facilitative tools in schools and corporations*. Routledge
49. Holsapple, C. W., & Joshi, K. D. (2001). Organizational knowledge resources. *Decision support systems*, 31(1), 39-54.

50. Pan, S. L., & Scarbrough, H. (1999). Knowledge management in practice: An exploratory case study. *Technology Analysis & Strategic Management*, 11(3), 359-374.
51. Alter, S. (2010). Viewing systems as services: a fresh approach in the IS field. *Communications the association for information systems*, 26(1), 11.
52. Marwick, A. D. (2001). Knowledge management technology. *IBM systems journal*, 40(4), 814-830.
53. Bryant, C. A., McCormack Brown, K. R., McDermott, R. J., Forthofer, M. S., Bumpus, E. C., Calkins, S. A., & Zapata, L. B. (2007). Community-based prevention marketing: organizing a community for health behavior intervention. *Health Promotion Practice*, 8(2), 154-163.
54. Abdullah, R., Selamat, M. H., Sahibudin, S., & Alias, R. A. (2005). A framework for knowledge management system implementation in collaborative environment for higher learning institution. *Journal of Knowledge Management Practice*, 6(1), 1-8.
55. Leidner, D. E., & Kayworth, T. (2006). A review of culture in information systems research: toward a theory of information technology culture conflict. *MIS quarterly*, 30(2), 357-399.
56. Theodorus, G. 2010. *Talent Development Through Business Mentoring, The Student Edition*, Mc Millan Ltd
57. Schooley, B. L., & Horan, T. A. (2007). Towards end-to-end government performance management: Case study of interorganizational information integration in emergency medical services (EMS). *Government Information Quarterly*, 24(4), 755-784.
58. Humayoun, M. A., Waseem, T., Jawa, A. A., Hashmi, M. S., & Akram, J. (2010). Multiple dengue serotypes and high frequency of dengue hemorrhagic fever at two tertiary care hospitals in Lahore during the 2008 dengue virus outbreak in Punjab, Pakistan. *International Journal of Infectious Diseases*, 14, e54-e59
59. Shavinina, L. V. (2013). The fundamentals of innovation education. In *The Routledge International Handbook of Innovation Education* (pp. 59-81). Routledge.
60. Coleman, S., & Cardoso Sampaio, R. (2017). Sustaining a democratic innovation: a study of three e-participatory budgets in Belo Horizonte. *Information, Communication & Society*, 20(5), 754-769.
61. Burt, R. S. (2005). *Brokerage and closure: An introduction to social capital*. Oxford university press.
62. Ramdani, B., Lorenzo, O., & Kawalek, P. (2009). Information systems innovations adoption and diffusion among SMEs: Current status and future prospects. *International Journal of E-Adoption (IJEA)*, 1(1), 33-45.
63. Prusak, L., & Cohen, D. (2001). How to invest in social capital. *Harvard business review*, 79(6), 86-97.
64. Dolfsma, W., Van der Eijk, R., & Jolink, A. (2009). On a source of social capital: Gift exchange. *Journal of Business Ethics*, 89(3), 315-329.
65. Birkinshaw, J. M., & Mol, M. J. (2006). How management innovation happens. *MIT Sloan management review*, 47(4), 81-88.
66. Hoecht, A., & Trott, P. (2006). Innovation risks of strategic outsourcing. *Technovation*, 26(5-6) 672-681.
67. Haleebadi, H. J. (2008). *Innovation Management: Technology Strategies for Sustainable Vehicle Development*. Masterthesis. Royal Institute of Technology (KTH), Stockholm. School of Industrial Engineering and Management. Online verfügbar unter https://www.kth.se/polopoly_fs/1.107109.
68. Koh, S. C. L., Saad, S. M., Maguire, S., & Magrys, A. (2007). The adoption of e-business and knowledge management in SMEs. *Benchmarking: An International Journal*.
69. Lee, V. H., Foo, A. T. L., Leong, L. Y., & Ooi, K. B. (2016). Can competitive advantage be achieved through knowledge management? A case study on SMEs. *Expert Systems with Applications*, 65, 136-151.

70. Bagchi-Sen, S. (2001). Product innovation and competitive advantage in an area of industrial decline: the Niagara region of Canada. *Technovation*, 21(1), 45-54.
71. Hinterhuber, A., & Liozu, S. M. (2014). Is innovation in pricing your next source of competitive advantage?. *Business Horizons*, 57(3), 413-423
72. Chen, J. S., & Tsou, H. T. (2007). Information technology adoption for service innovation practices and competitive advantage: The case of financial firms. *Information research: an international electronic journal*, 12(3), n3
73. Mitchell, D., & Coles, C. (2003). The ultimate competitive advantage of continuing business model innovation. *Journal of Business Strategy*.

The Competitive Advantages Of SMEs In Indonesia Based On Talent Development, Social Capital, Knowledge Management And Innovation

ORIGINALITY REPORT

16%

SIMILARITY INDEX

13%

INTERNET SOURCES

6%

PUBLICATIONS

9%

STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to Udayana University Student Paper	6%
2	repository.widyamataram.ac.id Internet Source	4%
3	textarchive.ru Internet Source	3%
4	Submitted to Universiti Teknologi MARA Student Paper	3%

Exclude quotes Off

Exclude matches < 3%

Exclude bibliography Off

The Competitive Advantages Of SMEs In Indonesia Based On Talent Development, Social Capital, Knowledge Management And Innovation

GRADEMARK REPORT

FINAL GRADE

/0

GENERAL COMMENTS

Instructor

PAGE 1

PAGE 2

PAGE 3

PAGE 4

PAGE 5

PAGE 6

PAGE 7

PAGE 8

PAGE 9

PAGE 10

PAGE 11

PAGE 12

PAGE 13

PAGE 14
