

IMPACT OF WORKFORCE ON THE INNOVATION CAPABILITY: KNOWLEDGE AS MEDIATED

Widyaputi Melinda

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Corresponding:

Departement of Management,
Islamic University Of Kediri,
East Java, Indonesian

Email:

[widyaputimelinda@uniska-
kediri.ac.id](mailto:widyaputimelinda@uniska-kediri.ac.id)

Abstract

The objective of this research is to explore the role of knowledge sharing in mediating the effect of workforce agility on individual innovation capability. This study adopts a quantitative approach, utilizing a proportional sample of 73 respondents. Data were collected through a survey method, and inferential statistical analysis was conducted using SEM-PLS. The findings indicate that workforce agility has a positive and significant effect on knowledge sharing. Furthermore, both workforce agility and knowledge sharing positively and significantly influence individual innovation capability. However, knowledge sharing does not mediate the relationship between workforce agility and individual innovation capability among village professional assistants in Kediri Regency.

Abstrak

Tujuan penelitian ini adalah untuk mengkaji peran knowledge sharing dalam memediasi pengaruh workforce agility terhadap kemampuan inovasi individu. Penelitian ini menggunakan pendekatan kuantitatif dengan sampel sebanyak 73 responden yang diambil secara proporsional. Pengumpulan data dilakukan melalui metode survei, dan analisis data menggunakan teknik statistik inferensial dengan SEM-PLS. Hasil penelitian menunjukkan bahwa workforce agility berpengaruh positif dan signifikan terhadap knowledge sharing. Selain itu, workforce agility dan knowledge sharing juga berpengaruh positif dan signifikan terhadap kemampuan inovasi individu. Namun, knowledge sharing tidak mampu memediasi hubungan antara workforce agility dan kemampuan inovasi individu pada tenaga pendamping profesional desa di Kabupaten Kediri.

INTRODUCTION

The transition from the Industrial Revolution 4.0 to 5.0 is characterized by rapid technological advancements and the ease of cross-border communication, marking significant progress for human civilization. However, this era also brings about intense competition among nations. The primary challenge in this age of openness is to build a competitive society. Every nation faces the task of fostering high competitiveness among its people. According to the Global Talent Competitiveness Index 2021, Indonesia ranked 122nd in human resource competitiveness. Encouragingly, this improved to 82nd place in 2022, with an overall score of 37.0 out of 133 countries (Evans et al., 2022:16-19).

One of the strategies undertaken by the Indonesian government to enhance human resource capacity is the intensified development of rural areas. In 2019, 3,536 villages were categorized as very underdeveloped. This number decreased by 30% to 2,466 villages in 2020. However, in 2021, the number surged to 4,985 villages, a 102% increase from 2020. By 2022, the figure decreased to 4,438 villages, reflecting an 11% reduction from the previous year. Recognizing the complexity of managing village development, the government has acknowledged the need for specialized skills and effective mentoring.

Professional village mentors play a pivotal role in this context. Their responsibilities extend beyond overseeing the implementation of projects or monitoring the use of village funds. Instead, they provide comprehensive assistance to villages (Meilina, 2021). Sandani et al. (2022) emphasize that mentoring differs fundamentally from coaching. In coaching, a hierarchical relationship exists between the coach and the coachee, with knowledge flowing in one direction. In contrast, mentoring is a collaborative relationship where mentors and mentees are equals.

In this evolving environment, workforce agility emerges as a critical capability, enabling employees to innovate and adapt their skills. Workforce agility fosters collaboration within and outside organizations, offering significant benefits (Breu et al., 2002). Studies indicate that workforce agility enhances self-efficacy and individual innovation (Molla & Peszynski, 2012). Furthermore, workforce agility is identified as a vital characteristic for employees in dynamic business environments (Abrishamkar et al., 2021) and contributes to organizational goals through its impact on individual innovation capability (Al-Faouri et al., 2014). However, some studies argue that workforce agility does not influence individual innovation capability (Ahammad et al., 2020; Mendoza-Silva, 2020; Zainurrafiqi & Amar, 2021). Similarly, other research suggests no significant relationship between workforce agility and knowledge sharing (Arisanto, 2017; Cho et al., 2018; Subramanian & Suresh, 2022).

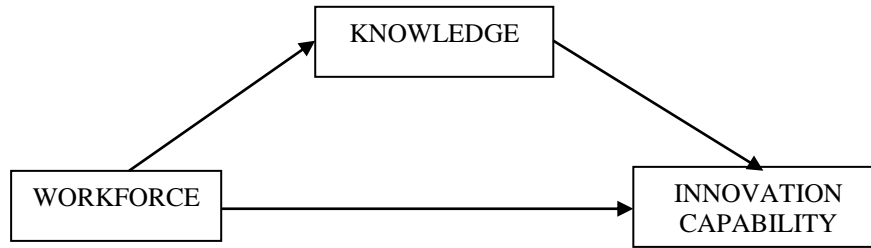
The performance of professional village mentors is also linked to their capacity for innovation, which can be enhanced through knowledge sharing. Knowledge sharing involves exchanging knowledge, experiences, and information among individuals, teams, or organizations (Kasari & Taheri, 2020). It is essential for leveraging collective expertise to achieve shared goals and improve performance (Afsar et al., 2019). Knowledge sharing has become a voluntary and innovative process where individuals or organizations share knowledge to foster mutual understanding and development (Pratama et al., 2021; Sudibjo & Prameswari, 2021). Research shows that knowledge sharing positively influences employees' innovative work behavior (Ahmad & Karim, 2019) and has a rational effect on their innovation capabilities (Wang et al., 2018). Other studies indicate that knowledge sharing directly impacts individual innovation capabilities and improves innovation performance (Kokanuch & Tuntrabundit, 2017; Rezgui et al., 2011; Scaliza et al., 2022).

Based on the research phenomena and identified gaps, this study aims to achieve the following objectives:

1. Analyze the influence of workforce agility on the innovation capability of professional mentors in Kediri Regency.
2. Examine the effect of workforce agility on the knowledge sharing of professional mentors in Kediri Regency.
3. Assess the impact of knowledge sharing on the innovation capability of professional mentors in Kediri Regency.



4. Investigate the mediating role of knowledge sharing in the relationship between workforce agility and the innovation capability of professional mentors in Kediri Regency.



Source : Data processed, 2024
 Picture 1. Framework Research

RESEARCH METHOD

This research will be conducted using a quantitative approach through a structured survey. The respondents are professional support staff in various sectors in Kediri Regency. The sample is selected using a proportional sampling method, resulting in a sample size of 73 respondents, determined using a sample size calculator. Data collection will be carried out by distributing questionnaires specifically designed to measure the variables of knowledge sharing, workforce agility, and individual innovation capability. Data analysis will employ inferential statistical methods to test the proposed hypotheses using SEM-PLS version 3. The model specification steps include creating a path diagram, evaluating the outer model through convergent validity analysis, discriminant validity, and composite reliability. Subsequently, inner model analysis will be conducted to examine the R-squared values and validate the research hypotheses.

RESULT AND DISCUSSION

Deskriptive of Respondent

In this sub-chapter, the research results will be explained based on the descriptive statistical analysis of the characteristics of the respondents who constitute the study sample, as follows:

Table 1. Description of Respondents' Characteristics

Gender	Frequency	Percentage
Male	47	64%
Female	26	34%
Age	Frequency	Percentage
21 years - 30 years	27	36,9%
31 years - 40 years	43	58,9%
41 years - 50 years	3	4,2%
Education	Frequency	Percentage
High School	51	69,8%
Diploma	7	9,5%
Bachelor's degree	12	16,5%
Master's Degree	3	4,2%
Work Experience	Frequency	Percentage
<3 years	9	12,3%
>3 - 6 years	12	16,4%
> 6 -8 years	19	26,0%
> 8 years	33	45,3%

Source : Data Processed, 2024

The characteristics of the respondents can be summarized as follows: male respondents total 47 individuals, accounting for 64%, while female respondents total 26 individuals, or 34%. This analysis highlights a



male predominance in the role of professional village support staff. Regarding age, 27 respondents (36.9%) are aged 21–30 years, 43 respondents (58.9%) are aged 31–40 years, and 3 respondents (4.2%) are aged 41–50 years. The age group of 31–40 years is the most represented, reflecting a mid-career phase where individuals typically achieve career stability and progression. In terms of educational background, 51 respondents (69.8%) hold a high school diploma, 7 respondents (9.5%) hold a diploma (D3), 12 respondents (16.5%) hold a bachelor's degree (S1), and 3 respondents (4.2%) hold a master's degree (S2). The prevalence of high school graduates may indicate recruitment practices or the educational qualifications required for the role of village support staff. Regarding work experience, 29 respondents (12.3%) have less than 3 years of experience, 12 respondents (16.4%) have 3 to 6 years of experience, 19 respondents (26%) have 6 to 8 years of experience, and 33 respondents (45.3%) have more than 8 years of experience. While many respondents have fewer than 5 years of experience, the largest proportion of respondents, with more than 8 years of experience, indicates a high level of stability and expertise among professional village support staff

Table 2. Path Coefficients

Variable	Original Sampel (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistic	P Values	Decision
WA → ICC	0,316	0,314	0,160	1,972	0,049	Accepted
WA → KS	0,604	0,604	0,151	3,992	0,000	Accepted
KS → ICC	0,763	0,762	0,069	11,012	0,000	Accepted
WA → KS → ICC	0,241	0,239	0,126	1,906	0,057	Rejected

Source : Data By Processed, 2024

The results of hypothesis testing in this study reveal the following findings: First, workforce agility is shown to have a positive and significant effect on knowledge sharing, with a path coefficient of 0.604, a p-value of 0.000, and a T-statistic of 3.992 (> 1.96). These results confirm that workforce agility influences knowledge sharing among village professional assistants, supporting the acceptance of the first hypothesis (H1). Second, workforce agility also has a positive and significant effect on individual innovation capability, with a path coefficient of 0.316, a p-value of 0.049, and a T-statistic of 1.972 (> 1.96). This finding supports the second hypothesis (H2), indicating that workforce agility contributes to the individual innovation capability of village professional assistants.

Third, knowledge sharing positively and significantly impacts individual innovation capability, with a path coefficient of 0.763, a p-value of 0.000, and a T-statistic of 11.012 (> 1.96). These results confirm the third hypothesis (H3), showing that knowledge sharing enhances individual innovation capability. Finally, the fourth hypothesis (H4) posited that knowledge sharing mediates the relationship between workforce agility and individual innovation capability. However, the indirect effect of workforce agility on individual innovation capability through knowledge sharing has a path coefficient of 0.241, a p-value of 0.057 (> 0.05), and a T-statistic of 1.906 (< 1.96). Since knowledge sharing does not significantly mediate this relationship, the fourth hypothesis is rejected. This indicates that while workforce agility directly impacts individual innovation capability, knowledge sharing does not serve as a mediator in this context.

DISCUSSION

The findings of this research reveal that workforce agility significantly impacts knowledge sharing among professional assistants in rural Kediri Regency. This highlights that the success of knowledge-sharing practices is closely tied to the adaptability and readiness of these assistants to embrace change. Workforce agility emerges as a crucial asset in addressing challenges, enabling professional assistants to effectively acquire, store, and share knowledge. This adaptability not only benefits individuals but fosters a collaborative and open working environment where knowledge exchange becomes a strategic asset, enriching collective competencies. Consequently, organizational policies and local governments should prioritize enhancing workforce agility as an integral component of

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knowledge management strategies. These findings align with previous studies by Balog (2020), Dühring and Zerfass (2021), Heilmann et al. (2020), and others, which emphasize the role of workforce agility in knowledge sharing. However, contrasting results, such as those by Arisanto (2017) and Subramanian and Suresh (2022), suggest no significant relationship between workforce agility and knowledge sharing.

Furthermore, workforce agility positively and significantly influences the individual innovation capabilities of professional assistants in rural Kediri. This adaptability enables the workforce to navigate environmental changes and task demands, fostering a work culture that supports the development of innovative ideas. Professional assistants with high workforce agility are better equipped to generate creative solutions, overcome innovation barriers, and seize new opportunities. These findings corroborate studies by Abell and Oxbrow (2006), Fadhil and Shaheed (2023), and others, which highlight workforce agility as a key factor in enhancing innovation and overall employee performance.

The research also underscores the significant role of knowledge sharing in improving the individual innovation capabilities of professional assistants. The exchange of knowledge provides access to fresh insights and experiences, stimulating creative thinking and fostering innovative solutions. Building a culture that promotes collaboration, open communication, and strong networks is vital to strengthening these practices. Policy development, targeted training, and communication platforms are essential to facilitate effective knowledge exchange. These findings are supported by studies that affirm the positive impact of knowledge sharing on innovation and human resource performance, such as those by Akbari and Ghaffari (2017) and Inkinen (2016). However, contrasting research by Kokanuch and Tuntrabundit (2017) and others suggests limited or no impact of knowledge sharing on performance improvement.

Lastly, the study indicates that knowledge sharing does not mediate the relationship between workforce agility and individual innovation capabilities among professional assistants in Kediri Regency. While workforce agility directly enhances innovation, the inability of knowledge sharing to mediate this relationship suggests potential barriers, such as inadequate incentives, infrastructure, or unsupportive organizational cultures. Addressing these barriers requires a deeper exploration of contextual factors like organizational culture, management support, and trust. These findings are consistent with studies by Allameh et al. (2014) and Zahra et al. (2019), which also report limited mediating effects of knowledge sharing. Conversely, other research by Haider et al. (2022) and Pekkala and van Zoonen (2022) highlights the mediating potential of knowledge sharing in specific contexts.

CONCLUSION

This study, which investigates the role of knowledge sharing as a mediator between workforce agility and individual innovation capability among Village Professional Assistants in Kediri Regency, concludes that workforce agility has a positive and significant effect on knowledge sharing within this group. Furthermore, both workforce agility and knowledge sharing positively and significantly enhance the individual innovation capabilities of these assistants. However, knowledge sharing does not mediate the relationship between workforce agility and individual innovation capability in this context. The findings of this research provide a foundation for future studies in different regions or settings, aiming to boost individual innovation capabilities by cultivating a work environment that supports creative ideas. This may involve encouraging experimentation, facilitating collaboration, and recognizing and rewarding individual innovations.

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