

Relationship Knowledge Management with Innovation : Rural Tourism Development At Pasir Angling Sunten Jaya Village West Java Indonesia

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Abstract

The development of a village into a tourist village is increasingly becoming a trend in the era of the COVID-19 pandemic. Especially village tourism related to nature tourism, agriculture, plantations, heritage sites and culture.

It can be said that from the market theory, the village is the supply side and tourists are the demand side. As the supply side, the village continues to grow with the construction of infrastructure, cultural development, and trainings

In the era of modern management, the role of knowledge management and innovation has encouraged villages in Indonesia to realize the village as a tourist village. Thus there will be a multiplier effect to increase the income of rural communities.

The research sample is a rural communities and local goverment officials Sunten Jaya village as many as 150. The methods used are correlation analysis and regression to find out the relationship between knowledge management with innovation to rural tourism development.

This paper will examine the relationship of knowledge management with innovation and its implications in the tourist village of Pasir Angling, Sunten Jaya Village, West Java, Indonesia.

Besides, this paper also discusses the role of the University in participating in developing tourist villages.

Keywords: *Tourism Village, knowledge management, innovation*

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Introduction

Villages have local potential and in general the village economy is based on agriculture. Rural communities are able to utilize natural resources to sustain their lives. There are still many resources that have not been optimally utilized such as sun, wind, water, plants, fish, livestock and others. This is due to limited knowledge and low levels of productivity so that people still have low incomes. The problem that exists in rural areas is that the community and village officials are still not optimal in planning development, especially village economic activities. Increasing village economic development by establishing cooperation between all components sourced from local resources optimally so

that the quality of life of the community increases, one of which is by developing village tourism by utilizing natural resources owned by the countryside.

In developing village tourism, a strategy based on knowledge management and innovation is needed. Tourism villages by developing well-managed and planned knowledge management and innovation will have uniqueness and local wisdom so that they can become tourism places that can provide benefits to rural communities. standard of living and welfare of the surrounding community.

Tourist attractions in Sunten Jaya Village, Cibodas District, Bandung Regency, West Java, are known as Pasir Angling tourist villages. Located at the foot of Mount Bukit Tunggul which has a panoramic view of beautiful natural beauty. Green trees and refreshing cool air attract tourists. The residents of Pasir Angling are still fond of their local culture which is local wisdom, Sundanese art, namely the *Kecapi*. This place provides a camping area for those who like camping and also a playground area for children. There is also a high waterfall that adds to the beauty of this tourist village. For visitors who are looking for warm food and drinks, there are also community stalls in the form of MSMEs.

The role of universities is very helpful in improving knowledge management and innovation and can develop those tourism villages.

Literature Review

Tourism Villages

A tourism village is a community or society consisting of residents of a limited area who can interact directly with each other under a management and have a concern, and awareness to play a role together according to their respective skills and abilities, empowering potential conducive to the growth and development of tourism in Indonesia. The tourism village places the community or society as the main subject or actor in tourism development, then uses it for the welfare of the community. In their social activities, self-help and community-based groups seek to improve understanding of tourism; accommodate the role and participation of the community in tourism development in the region; increase the value of tourism and empower it for the welfare of the community. And participation in the success of tourism development, the community or society seeks to increase the tourism potential or tourist attraction in the region. Furthermore, the community or society prepares itself as a good host for tourists when visiting. All activities carried out by the community in tourist villages have the aim of improving the economic welfare of the community by utilizing their assets and potential.

Knowledge Management

Knowledge management is information that is organized so that it can be applied to solve, Turban et al (2004) who said that knowledge is information that has been analyzed and organized so that it can be understood and used to solve problems and make decisions. To obtain optimal benefits from the knowledge possessed by human resources in an organization or company, knowledge management is needed (Natek, 2016).

Knowledge management according to Swan et al (2005) is any process or practice to create, acquire, raise, share and use knowledge wherever it is that is useful for improving

learning and performance in organizations or companies. Knowledge management is carried out by identifying the knowledge possessed by all human resources and utilizing it as a competitive advantage. There are eight knowledge management processes, namely:

- (1) The process of setting goals (knowledge goals), (2) the process of identifying knowledge, (3) the process of knowledge acquisition, (4) the process of developing knowledge, (5) the process of sharing and distributing knowledge, (6) the process of maintaining and storing knowledge (knowledge retention) and (8) the process of evaluating and measuring knowledge (knowledge assessment).

Then simplified by McElroy (2002) into three processes, namely the knowledge acquisition process, the knowledge sharing process and the knowledge utilization process (Sharokhi, Mobarakabadi, & Slambolchi, 2017).

Wigg (2005) in determining the various levels of the internationalization process of knowledge management. The range of levels of internalization are grouped into different modes such as lay (notice), beginner, competent, expert, master (Dalkir, 2005).

Wigg (2005) in his model of knowledge management framework developed by Nonaka is called knowledge conversion. This knowledge conversion model that encourages the creation of knowledge is socialization, externalization, internalization and combination. This conversion is based on the dichotomy between tacit and explicit knowledge (Dalkir, 2005).

Tacit knowledge refers to knowledge that cannot be easily expressed verbally and articulated, while explicit knowledge refers to knowledge that can be easily expressed verbally in a systematic formal language. Conversion is based on recognizing the difference between individual knowledge and collective knowledge, then the framework model This work was developed by Nonaka & Takeuchi (2000) (Nonaka & Takeuchi, 2000) into four modes of knowledge conversion (Natek, 2016).

Four models of knowledge conversion were identified tacit to tacit (socialization), tacit to explicit (externalization), explicit to explicit (combination) and explicit to tacit (internalization). After experiencing the internalization process, knowledge will enter the "spiral" metaphor of knowledge dilatation called the SECI model. Socialization is the process of creating knowledge by changing tacit knowledge from one entity (individual, group, or organization) to another entity. Combination is the process of creating new explicit knowledge from existing explicit knowledge. The conversion of tacit knowledge into explicit knowledge is called externalization. The conversion of explicit knowledge into tacit knowledge is called internalization. Organizational or corporate knowledge is created by the interaction between these four conversion processes and through the transfer of knowledge from individuals to groups to the organizational/company level.

Innovation is the idea of openness to new ideas as an aspect of corporate culture, innovation is an idea, idea, practice or object/object that is realized and accepted as something new by a person or group for adoption. (Robbins, 2005) defines innovation as a new idea that is applied to initiate or improve a product or process and service. Robbins (2005) defines innovation as the process of turning creative ideas into useful products or work methods. While Kasali (2010: 58) says that innovation is the ability to see things in

new ways and sometimes out of the box thinking. Thus, innovation is a new idea or idea for an improvement in a product or service. Innovation occurs because of training and learning with invention and commercialization. In other words, innovation is an organization that integrates technology, organization and market changes to continue to exist and develop.

Research by Lee and Tsai (2005); Eshlaghy and Maatofi (2011); (Suliyanto & Rahab, 2012); Pratono et al., (2013), suggest that innovation has an effect on company performance. Innovation can be measured by whether or not companies often introduce product innovation, process innovation, marketing innovation and management innovation (Serna, Martinez & Guzman, 2013). So innovation is an idea, an idea that is realized and accepted by a person or group for improvement in products, processes, marketing and management.

The indicators of innovation according to Serna, Martinez & Guzman (2013) are:

1) Product innovation: the introduction of a new product or service that has been introduced to consumers as a renewal of an existing product or has undergone a significant improvement in terms of the characteristics or intended use of the product.

2) Process innovation: the application of production or delivery methods that are completely new or have undergone significant improvements.

3) Marketing innovation: the application of new marketing methods or significant improvements in packaging or product design, product placement, product promotion and pricing with the aim of increasing sales, meeting consumer needs, opening new markets, placing the company's products in the market

4) Management/organizational innovation: application of new organizational methods to business practices, workplace organization, company external relations. (Serna, Martinez & Guzman, 2013) According to Barringer and Ireland (2013) innovation is the process of creating something new. In the business world, innovation as a discipline has not yet reached the expected stage of development in meeting certain urgent needs (Ma'atoofti & Tajeddini, 2013)

Innovation is always associated with some practices whose values are grounded, namely about making new tools, products or processes, giving birth to something new that allows humans to achieve something that was not able to be achieved before (De Bes and Kotler, 2001I) in accordance with the opinion of Tidd and Bessant (De Bes and Kotler, 2001I). 2009) innovation is not about the emergence of new or better products but about solving problems that must appear first (Bleeker, 2011), innovation is social and economic success due to the discovery of new ways or new combinations of old ways of transforming inputs. produce output in such a way that it succeeds in creating major changes or drastic changes in the relationship between use value and benefits (perceived by consumers or users) and monetary value or price (Fontana, 2011), according to Fischer (2013) innovation does not only mean novelty or something. new goods and/or services or a new production system or way of marketing is not something new (Avdelidou-Fischer, 2013).

The innovation process is driven by the need to understand how things work to grow revenue, reduce costs or increase productivity, to solve customer problems, maintain healthy and safe lives. (Locatelli & Reigner, 2007) there are five core values of innovation namely questioning, risk taking, openness, patience and trust. The dimension of innovation is

product innovation or changes in everything (products/services), process innovation is changes in the ways in which it is created and delivered, positional innovation is the changes that underlie the mental model that describes what the company does (Tidd and Bessant, 2009; Bleeker, 2011).

Greg Richards and Julie Wilson state that innovation is the introduction of new inventions or spreading the meaning of the new invention into general use in society (Richards and Wilson, 2007: 6). Meanwhile, Hamel (2000:419-421) said that the innovation strategy is not only the task of top management, but everyone can help build innovative strategies. Innovation is the same as completely new business concepts and is an investment. Innovation village development cannot be separated from the use of science and technology as stated by Tatang (2005:17) that innovative, inclusive and sustainable village development efforts are carried out with mastery and utilization of science, technology and innovation with the innovation system as its vehicle.

According to Mahroum (2007:6): rural innovation is defined as the introduction of something new (a novel change) to economic or social life in rural areas, which adds new economic or social value to rural life, that rural innovation is defined as the introduction of something new (new changes) for economic and social life in rural areas, which add new economic or social values to rural life. Innovation village refers to a condition in which the village carries out renewal. That is, villages that are able to utilize village resources in new ways. To develop an innovation village, it is important for the government to identify potential, especially the unique character of a village that allows it to be developed into an innovation village, where the development of an innovation village should be in accordance with the existing potential. What is very important in developing an innovation village is the commitment of all stakeholders.

Background and Hypothesis

Background

Knowledge Management and Innovation

Organizational innovation, which requires the development of new products or services as well as new administrative systems, is emerging as an important source of sustainable competitive advantage (Damanpour, 1991; Hurley and Hult, 1998). The innovation process involves the acquisition, dissemination, and use of new and existing knowledge (Damanpour, 1991; Moorman and Miner, 1998). Organizational innovation is closely related to its ability to utilize its knowledge resources (Subramaniam and Youndt, 2005). Knowledge management is an approach that more actively utilizes knowledge and expertise to create value and increase organizational effectiveness (Gold et al., 2001; Ruggles, 1998; Scarbrough, 2003). Companies that exhibit greater levels of knowledge management capacity experience a learning effect that can increase their ability to reduce redundancy, respond quickly to change, and develop creative ideas and innovation (Scarbrough, 2003; Gold et al., 2001). Effective knowledge management facilitates the communication and exchange of knowledge required in the innovation process, and further enhances innovation performance through the development of new insights and capabilities (Madhavan and Grover, 1998; Nonaka and Takeuchi, 1995; Von Krogh, 1998). Therefore,

knowledge management capacity plays an important role in supporting and encouraging innovation. Since managing knowledge in the innovation process is complex, this study focuses on the mechanisms organizations use to acquire, share, and apply new or improved knowledge.

Newly acquired knowledge interacting with existing knowledge can modify an organization's stock of knowledge (Nonaka and Takeuchi, 1995; Gold et al., 2001) and increase the breadth and depth of knowledge available to the firm, thereby increasing the potential for new innovative outcomes (Galunic and Rodan, 2001). 1998; Li and Calantone, 1998; Yli-Renko et al., 2001). The knowledge-based view shows that knowledge acquisition activities will increase the company's ability to efficiently perform its role (Grant, 1996). Firms with good ability to acquire external and internal knowledge will reduce uncertainty and achieve more administrative and technological distinctiveness (Li and Calantone, 1998; Sarin and McDermott, 2003; Yli-Renko et al., 2001). Thus, this study argues that knowledge acquisition has a positive relationship with innovation performance.

Previous research has shown that knowledge sharing can lead to increased corporate innovation (eg Kogut and Zander, 1992; Henderson and Cockburn, 1994; Szulanski, 1996; Tsai and Ghoshal, 1998; Dyer and Nobeoka, 2000; Tsai, 2001). In particular, scholars have argued previously that knowledge sharing implies new combinations of previously existing knowledge separately, which may result in improved processes or new products (Schumpeter, 1912/1934; Kogut and Zander, 1992; Tsai and Ghoshal, 1998).). Since knowledge exists in different individuals and at different levels of the organization, organizational members need to share it in order to build new routines and mental models (Galunic and Rodan, 1998; Nonaka and Takeuchi, 1995). Also, when individuals are willing to share and exchange knowledge, they can generate collective learning and synergistic benefits from the process of exchanging knowledge and resources (Nonaka and Takeuchi, 1995; Nonaka and Konno, 1998). Innovation arises when organizational members share their expertise and turn it into an explicit form of product or service (Von Krogh, 1998; Nonaka and Konno, 1998). Therefore, companies that are able to effectively share knowledge among members tend to be more innovative.

From a knowledge-based view, the value of individual and organizational knowledge lies primarily in its application because of the stickiness and tacitness of knowledge (Grant, 1996; Spender, 1996). New product development and innovation requires the application and combination of specialized knowledge inputs from various fields (Yli-Renko et al., 2001). Deeper application of knowledge enables companies to continually translate their organizational expertise into embodied products (Weisberg, 2006; Sarin and McDermott, 2003). By applying knowledge effectively, individuals may make fewer mistakes or increase their efficiency and reduce redundancy (Grant, 1996; Gold et al., 2001). Organizations can then ultimately accelerate the development of new products and create more innovative production processing technologies and administrative systems (Sarin and McDermott, 2003).

Hypothesis

Knowledge management is positively related to innovation.

Method

Data collection and sample

This study uses a questionnaire survey approach to collect data to test the validity of the model and research hypotheses. The variables in the questionnaire include background information, strategic human resource practices, knowledge management, and innovation. All independent and dependent variables require a seven-point response with a Likert scale ranging from “strongly disagree” to “strongly agree”. The sample of this research is creative industry companies in Indonesia. This study uses a simple random sampling method to select 150 people and local government officials in Sunten Jaya Village, Bandung Regency, West Java

Analysis and results

Validity and Reliability of research instrument test

The results of the validity and reliability tests of the research variables are as follows in table 4.1 and table 4.2

Table 4.1
Validity Test Result

Variables	Coefficient Correlatin	Significamce	Cut Of Value	Information
X Knowledge Management	0.819	0.000	0.05	Valid
Y Innovation	0,827	0.000	0.05	Valid

Source : Data Primer 2020

Table. 4.2
Reliability Test Result

Variable	Reliability statistics Cronbach's alpha	Information
X Knowledge Management	0,836	Reliable
Y Innovation	0,829	Reliable

Source: Data Primer 2020

4.2.2. Data Analysis

Description of the analysis using index value, the scale used 1 to 5 research results can be seen in the following table:

Table 4.3
Knowledge Management Variables based on respondent's choice

Variable Indicator	1	2	3	4	5	Index
Externalization	13.7	11.5	22.0	15.4	24.7	52.4
Combination	6.6	13.7	24.2	18.1	21.4	55.5

Socialization	14.8	13.2	16.5	18.1	13.8	54.3
Internalization	14.8	13.2	16.5	18.1	13.8	54.1
Average						54.1

Source: Data Primer 2020

Table 4.4

Innovation Variables based on respondent's choice

Variable Indicators	1	2	3	4	5	Index
Product Innovation	14.8	23.6	16.5	14.3	11.5	49.8
Process Innovation	10.4	17.6	14.3	19.8	18.1	55.3
Marketing Innovation	20.8	16.5	12.6	13.7	12.6	52.1
Management Innovation	14.8	13.2	16.5	18.1	13.8	52.1
Average						52,3

Source: Sumber Data Primer 2020

4.3 . Hypothesis Analysis

The results of the analysis of hypothesis testing are as follows:

Table 4.5

Hypothesis Analysis Results

Variable	Estimation	t.Stat	Significance
Knowledge-Innovation Management	0.299	3,968	< 0.05

Source : Data Primer 2020

Hypothesis test

H : Knowledge management has a positive and significant relationship with innovation

The estimated parameter for testing the relationship between knowledge management and innovation shows a CR value of 3.968 with a probability of 0.000. Because the probability value <0.05, it can be concluded that the knowledge management variable has a positive and significant relationship with innovation. The results of the study prove. The results of the study prove the tested hypothesis.

Knowledge management affects innovation, for innovation shows that Tourism Villages will get better innovation when Villages develop their knowledge management well in externalization, socialization, combination and internalization. Knowledge management has a significant influence on innovation both process innovation, product innovation, innovation marketing and management innovation.

Discussion and Conclusion

These findings highlight the important role of knowledge management in the innovation process. Improved implementation of better knowledge management can stimulate creative and innovative thinking which in turn can result in better innovation.

This finding confirms several opinions, including the knowledge-based view, that the value of individual and organizational knowledge lies mainly in its application because of the stickiness and tacitness of knowledge (Grant, 1996; Spender, 1996). New product development and innovation requires the application and combination of specialized knowledge inputs from various fields (Yli-Renko et al., 2001).

The implication is that by increasing the implementation of knowledge management through externalization, socialization, combination and internalization, it can increase innovation both process innovation, product innovation, marketing innovation and management innovation in developing the tourist village of Pasir Angling, Sunten Jaya Village, Bandung Regency, West Java, Indonesia, to become a superior tourist village.

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