Organizational Change Management in Creating an Organizational Culture and Knowledge Sharing that Innovate in Digital Technology

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Abstract

Organizational change management plays a strategic role in fostering an organizational culture and promoting knowledge sharing, which are crucial for driving innovation in the era of digital technology. This research aims to analyze how organizational change management can create a culture and knowledge-sharing environment that supports innovation in digital technology. The study employs a qualitative method using library research, which involves collecting data by examining and studying theories from various relevant literatures. There are four stages of library research in this study: preparing the necessary equipment, compiling a working bibliography, organizing time efficiently, and reading or recording research material. Data collection involves sourcing and synthesizing information from a range of references, including books, journals, and previous research. The gathered library materials are critically and thoroughly analyzed to support the research propositions and ideas. This article aims to explain the concept of organizational change management within the context of creating a work culture that encourages innovation. The research findings indicate that synchronizing elements of organizational culture with knowledge management practices is crucial. This synchronization advocates for a supportive organizational culture that motivates employees to ensure knowledge is created, stored, transferred, and applied effectively. Effective organizational change management is essential for fostering a work culture that supports innovation, which in turn can provide competitive advantages and enable organizations to adapt and grow amidst ongoing changes. The author emphasizes the need for further research in the field of organizational change management to enhance understanding and establish best practices for creating an innovative work culture.

Keywords

Organizational, Change Management, Organizational Culture, Knowledge, Sharing.

INTRODUCTION

Technological developments have caused a revolution in world civilization, especially in industry which is the driving force of the economy. In the history of industrial development, there have been at least four revolutions triggered by the discovery and widespread use of certain technologies [1]. The Industrial Era, or Industrial Revolution 1.0 (IR 1.0), began in 1784, characterized by the advent of steam engine technology as a source of mechanical energy. This means that human and animal power is no longer the main source of energy for industry. The second revolution was marked by the discovery and use of electrical technology in 1870 which made mass production possible in industry [2].

The third revolution occurred since 1969 which was marked by electronic technology. Implementation of automation in the production system, so that production continues automatically for 24 hours. Meanwhile, the fourth revolution was triggered by internet technology or digital technology. This enables industrial activities, such as the creation and production of goods and services essential for human needs, to occur in mass quantities continuously, without being restricted by time or geographic boundaries [3]. To further explore the impact of digital technology on business organizations, consider an illustration derived from

the core aspects of digitalization [4]. The development of digital technology facilitates the creation of networks and communication between people and objects (e.g., the Internet of Things and cloud computing). This is further enhanced by big data and artificial intelligence, which are digital technologies that serve as primary catalysts in the form of: (1) technological convergence, where multiple technologies collaborate and combine to produce new innovations; (2) exponential growth, characterized by system performance that doubles within the same time intervals, leading to significantly enhanced capabilities. This results in the emergence of new companies that can surpass the market capitalization of long-established companies within a short time; and (3) economies of scale in digitalization, where technology that was once expensive and uneconomical for industrial use becomes very affordable, allowing the production of goods or services with variable or marginal costs approaching zero [5].

These three triggers create business demands for companies with (1) unexpected competition; namely from different industries that turn out to be competitors for current and future businesses, (2) changes in consumer behavior; namely consumers who are increasingly connected to one another so that they influence each other in consuming and purchasing products. Consumers are increasingly careful in conducting reviews before making a purchase. Consumers

who have increasingly diverse desires and are not loyal are open to new product alternatives, (3) job design; namely so that the production process is distributed, is the result of collaboration between various suppliers, customers involved in the production process, and work is carried out remotely by workers from more diverse locations, time zones, ethnicities, skills and limitations [6].

Digital technology has made it possible for businesses to emerge that utilize digital technology. This phenomenon has attracted the attention of business practitioners and academics. Digital business or some also call it e-business is a new variant of traditional business that is strengthened and supported by information technology and telecommunications. Several experts define digital business or e-business in the following ways: 1) Digital business involves the use of information technology to facilitate the buying and selling of products, services, and information over public standard-based networks [7]. 2) Digital business encompasses the initiation, negotiation, and/or transactions between economic entities, conducted electronically via telecommunications networks [8]. 3) Digital business is an exchange mediated by technology between specific parties (whether individuals, organizations, or both), including internal and external organizational activities conducted electronically to facilitate transactions [9]. 4) Digital business refers to the use of electronic devices to conduct an organization's business activities both internally and externally [10]. 5) Digital business involves operating a business using networks or electronic media, which may include e-commerce as well as other technology-based activities that support the buying and selling process [11]. 6) Digital business essentially refers to the automation of business transactions using electronic communication networks, whether via the internet or other separate networks, from start to finish [12]. 7) Digital business is all information transactions that are electronically mediated whether carried out within the organization or with external stakeholders to support the entire business process [13]. Thus that digital business or e-business is a business in general where the processes and activities: (1) are carried out using digital communication media and networks; (2) both for transactions internal and external to the organization; (3) which includes part or all of the business process; and (4) to deliver products in the form of goods, services or information [14].

Organizational Change Management plays a crucial role in sustaining and advancing organizations amidst market dynamics and intensifying competition. In the current era, characterized by rapid technological advancements, evolving customer demands, and shifts in the business environment, an organization's ability to adapt and innovate has become essential for its continued success. Creating a work culture that supports innovation is vital for ensuring the long-term success and sustainability of the organization. To achieve high performance, an institution must possess competitive advantages within its business environment [15].

Competitive advantage must be continuously enhanced throughout an institution's growth and development by fostering an organizational culture characterized by synergistic interactions. Competitiveness is achieved when companies possess creativity and innovation as fundamental attributes, leading to the creation of competitive advantage [16], particularly through interactive relationships within the institutional environment. Competitive advantage stems from internal elements of institutions, including values, behaviors, relationships, technology, structures, procedures, and goals, which collectively form the organizational culture. [17] indicated that the study of culture encompasses various levels: visible organizational structures and processes (artifacts), beliefs and values, and underlying assumptions. Competing value frameworks for assessing an organization's cultural profile can be identified as Clan (focused on internal maintenance with flexibility), Hierarchy (focused on internal maintenance with a need for stability and control), Adhocracy (focused on external positioning with a high degree of flexibility and individuality), and Market (focused on external maintenance with a need for stability and control). Thus, a synergistic culture within institutions plays a critical role in building and driving their future success [18].

A strong culture or shared values is achieved through superior performance. However, the extent to which culture can be a source of competitive advantage depends on how well an organization's culture aligns with its environmental conditions [19]. Managing culture for sustainable competitive advantage requires careful attention to the language and behavior within the company, as well as its values and beliefs. Thus, organizational culture comprises elements such as stories, symbols, strengths, organizational structure, and control systems [20].

Studies have shown that a company's dynamism relies on its underlying organizational culture. For example, a study by [21] found that a creative organizational culture positively impacts strategic flexibility. Another study analyzing barriers to business model innovation by [22] concluded that cognitive barriers within the organization often cause business model innovation failures. This highlights a gap between organizational culture and competitive advantage [23].

This study aims to bridge this gap by expanding the understanding of the importance of institutional culture, particularly focusing on institutional readiness in developing and adopting synergistic interaction practices to build and enhance competitive advantage in the education sector. The goal is that if an institution fosters a synergistic culture, it will improve and maintain competitive advantages over the long term [24].

The many factors and perspectives of organizational culture make change difficult to carry out because of the vulnerability of resistance to change. In information systems projects, managers often have to consider organizational culture in implementing it. This is because intervention in the success of the project is influenced by the interests and

culture of the organization and a lack of understanding of the implementation outcome. In dealing with change, the role of managers and employees in capturing and disseminating knowledge about the project and the changes that occur need to be managed well [25].

According to [26], organizational culture affects the level of cooperation among employees when implementing information systems during improvement processes. Organizational culture influences employees' willingness and behavior in knowledge sharing. Research by [27] demonstrates a positive relationship between organizational culture (specifically clan-type and hierarchy-type) and knowledge sharing, which significantly impacts the successful implementation of Software Process Improvement (SPI). Additionally, [28] explores the relationship between organizational culture and knowledge sharing, focusing on cultural development, group culture, hierarchical culture, and rational culture, and their effects on the success of ERP implementation, a type of information system [29].

These two studies also look at the role of managers in building trust in employees by sharing knowledge. According to previous research that has been conducted, disseminating or sharing knowledge within an organization really helps stakeholders during the process of implementing information systems in preventing the same mistakes, reducing dependence on employees who have critical knowledge in the organization, increasing the integrity of individual competencies (including knowledge, experience, and skills), and help in making decisions [30].

By sharing knowledge, employees gain a deeper understanding of the importance of implementing information systems to support the organization's vision and existence. Based on this explanation, this paper will address two research questions: (1) What research examines the relationship between organizational culture and knowledge sharing? (2) How does the relationship between organizational culture and knowledge sharing impact the successful implementation of information systems? To answer these questions, we will delve into the topic in greater detail and review papers that explore organizational culture in relation to knowledge sharing and its connection to the implementation of information systems.

REVIEW LITERATURE

Management

Management comes from English, namely "management," which comes from the verb "to manage," and can generally be interpreted as the process of managing or taking care of something. The definition of management has evolved to become more comprehensive. Lauren A. Aply, as quoted by Tanthowi, defines management as "the art of completing tasks through collaboration with other people [31]."

Organization

An organization is a social structure that coordinates a group of individuals to achieve specific goals. Organizational

change involves transitioning an organization from its current state to a desired future state. To enhance organizational effectiveness and efficiency, operational changes are necessary, as the organizational environment is constantly evolving. Therefore, organizations need to make changes to remain relevant and successful in the future. The growth of an organization or company cannot be achieved only by external changes, but also requires internal growth from its leaders. When all leadership units experience positive development, organizational or company growth will occur naturally [32].

Organizational Change Management

Organizational Change Management, or what is often referred to as Change Management, is a system modification process carried out to restructure activities that occur within an organization with the aim of increasing the effectiveness and efficiency of the organization. Change is an action that changes elements in an organizational or company system in a different way but still has the same goal [33].

In this context, change can be considered as a transformation involving minor adjustments in organizational activities, carried out based on mutual agreement to achieve organizational goals [34].

Work Culture

Organizational culture functions as a way to communicate to employees the behavior expected of them. When an organization member understands the organization's goals, the benefits they gain from the organization, and how the organization achieves those goals, this will motivate them to actively participate. According to [35], organizational culture is key in describing this. According to [36], organizational culture refers to a set of shared fundamental assumptions acquired by specific groups within an organization to tackle external challenges and foster internal cohesion. There are five crucial factors that shape work culture: employee accountability, innovation, and focus on outcomes, knowledge, and work systems. These factors directly shape the work culture within any company or organization. Research conducted by [37] similarly confirms these conclusions, highlighting the substantial influence of work culture on employee performance within an organization.

Innovation

Innovation encompasses a range of new elements such as ideas, concepts, practices, or objects that are conceived and embraced for adoption by an organization, group, or individual, as defined by [38]. However, innovation extends beyond tangible items to encompass actions or shifts in people's lifestyles, as articulated by another definition provided by [39]. Furthermore, innovation can also be seen as a mechanism that allows companies to adapt in a dynamic environment. This involves the development of innovative new ideas that can produce higher quality products to meet customer needs, as explained by [40]. The definition of innovation in the company context also includes R&D (Research and Development) activities, production, and

marketing efforts for the products resulting from the innovation. In the regulatory aspect of the law, innovation refers to research, development and engineering efforts carried out to apply new science and technology into new processes or products. The importance of innovation is that it must provide useful benefits to society, not just be something new without added value. Overall, innovation includes all forms of new information, thoughts, ideas, practices and values that were previously unknown to society, which can then be accepted and used to improve or create something new for increased performance or improvements [41].

Knowledge Sharing

Organizational culture shapes individuals' thought processes, directly influencing their behaviors. As stated in [42], it comprises the shared beliefs, values, and assumptions among members of an organization. Organizational culture serves as a foundation for guiding organizational change. Differences in organizational cultures lead to varied perceptions and interpretations of change within an organization, influencing how readily employees accept such changes [43].

Therefore, organizational culture is very important for the success of projects that can bring about change in the organization. So it is necessary to analyze organizational culture in the adoption of Information Systems, such as Cooper's research that when there is a conflict between IT and organizational culture, implementation will experience resistance in two ways, namely the system will be rejected or the system will be modified to suit the existing organizational culture [44].

Organizational culture has several dimensions according to [45] based on the Competing Values Framework (CVF), namely group culture, development culture, rational culture, hierarchical culture, balance culture. From these dimensions, there is a positive relationship in increasing organizational cultural values that can be carried out for organizational effectiveness. So by recognizing the types of organizations in adopting information systems, it will be easier to carry out suitable change strategies. Every organization has a culture which is a way for the organization to learn about environmental factors [46].

An inherent organizational culture is based on the way things are viewed, assumptions that have been formed together, opinions and so on. Thus, organizational culture will influence behavior and acceptance of changes that will be made. For system developers and managers, organizational culture is the first step that must be defined and analyzed so that organizational goals can be realized and minimize the risk of rejection from the culture that has long existed in the organization [47].

Knowledge Management and Sharing

The knowledge held by an organization is a critical asset that requires effective management to achieve organizational goals efficiently, sustain the organization's existence, and enhance competitiveness. According to [48] that knowledge is individual perception, ability and experience, all of which depend on what experiences provide meaning and meaning [7]. One important aspect of knowledge is the relationship between personal and social context. The relationship between individual perceptions of knowledge at the organizational level (knowledge process) has stages starting from creating or creating knowledge using existing knowledge, transferring knowledge, and sharing knowledge, and storing, codifying this knowledge so that it can be utilized [48].

A critical and challenging phase in the knowledge process involves transforming tacit knowledge into explicit knowledge. Tacit knowledge is rooted in experience, intuition, and personal capabilities, making it difficult to articulate. In contrast, explicit knowledge is systematically documented and easily transferable or shareable, typically comprising theoretical knowledge. Sharing knowledge in information system projects is a necessity for successful information system implementation. The difficulty of detecting tacit knowledge is because humans themselves are the key to knowledge. In organizations, both tacit and explicit knowledge management is needed. Tacit management can be carried out by sharing knowledge such as training or supporting documents. Human resources who have tacit knowledge need to be made explicit because whenever the person leaves the organization, the organization does not lose its knowledge (it can carry out its business processes as usual). Therefore, to aid in converting tacit knowledge into explicit knowledge and to streamline the organizational knowledge process, knowledge management relies on the SECI model, which includes Socialization, Externalization, Combination, and Internalization processes:
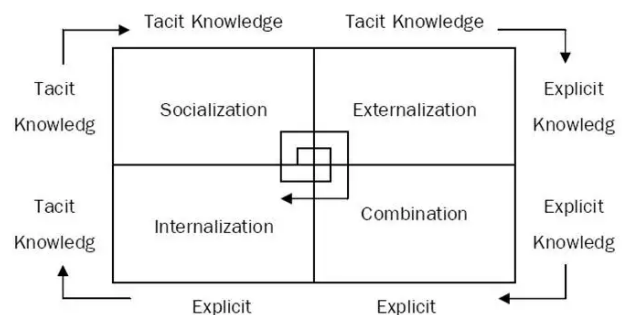
Figure 1. SECI Model in Knowledge Management

The SECI model represents a knowledge spiral that forms the foundation for creating and transferring knowledge theory. This model distinguishes between two types of knowledge—tacit and explicit—and outlines a process for knowledge creation through social interaction that facilitates the conversion between these two types. The SECI model is widely utilized in knowledge management and consists of four stages:

1. Socialization: This involves the transfer of tacit knowledge from one individual to another through shared activities and direct experiences.
2. Externalization: This stage focuses on converting tacit knowledge into explicit knowledge. Here, tacit

knowledge is articulated and transformed into formats that can be easily comprehended by others.

3. Combination: In this stage, explicit knowledge is organized into more systematic forms through the integration, addition, and categorization of accumulated knowledge.
4. Internalization: This stage concerns the transformation of explicit knowledge back into tacit knowledge. For instance, individuals learn through practical experience ("learning by doing"), gradually internalizing and applying new knowledge.

The SECI model is instrumental in organizations for effective knowledge management, guiding the processes of knowledge creation, sharing, and utilization. It emphasizes that knowledge is primarily created by individuals; organizations themselves cannot generate knowledge independently of their people. Instead, organizations serve as environments that foster creativity and facilitate knowledge generation. The formation of organizational knowledge involves expanding upon individual knowledge within the organization and integrating it into the broader knowledge network [49]. By applying the SECI model, organizations can enhance and streamline their knowledge exchange processes.

Socialization is the phase where tacit knowledge is transferred between individuals, often occurring informally within organizational settings. For instance, interactions between customers and suppliers exemplify socialization, emphasizing factors like empathy. Externalization involves converting tacit knowledge into explicit knowledge through articulation and sharing. Combination refers to organizing individual explicit knowledge into a cohesive and systematic collection. Internalization, known as "learning by doing," is the process of transforming explicit knowledge back into tacit knowledge.

Organizational Culture and Knowledge Sharing

Many organizations have adopted ERP systems, which integrate processes, procedures, people, and data. During implementation, several factors must be considered, including organizational culture, which affects employees' willingness to share knowledge. Research, such as that conducted by [50] involving a survey of 53 companies in Taiwan, identifies intrinsic motivation, self-efficacy, and social capital as organizational culture factors that significantly impact knowledge sharing among employees and influence the success of ERP implementations. Trust is also crucial in facilitating knowledge sharing, particularly because tacit knowledge requires mutual trust and confidence in the knowledge provider's abilities. Different organizational types—clan, adhocracy, market, and hierarchy—show varying relationships with knowledge sharing, with clan cultures positively correlated and market and hierarchy cultures negatively correlated. Additionally, organizational culture, particularly through recognition and rewards, plays a significant role in promoting knowledge sharing. Recognizing and rewarding employees with knowledge encourages them to transfer knowledge, while recipients of such recognition find it easier to share their knowledge [51].

METHOD

This study employs a qualitative approach through library research, which involves gathering data by comprehensively studying theories from various literature sources relevant to the research topic. The library research process consists of four stages: preparing necessary resources, compiling a working bibliography, scheduling time, and thoroughly reviewing or documenting research materials [52]. Data collection involves sourcing and synthesizing information from diverse outlets such as books, journals, and existing research. The collected library materials are critically analyzed in-depth to substantiate the study's propositions and ideas. The aim of this article is to elucidate the concept of organizational change management within the context of fostering an innovative work culture.

RESULTS AND DISCUSSION

Studies on organizational change management in an effort to create a work culture that supports innovation found several important findings. One of these findings is the importance of strong leadership in driving organizational change. This research shows that effective leadership can motivate employees to actively participate in change and create a work culture that supports innovation. Strong leadership can provide clear direction, inspire employees, and create an environment that supports the exploration and development of new ideas. In addition to the importance of strong leadership, the authors also highlight the critical role of effective communication in overcoming resistance to change and facilitating the adoption of innovation within organizations.

Good communication can help reduce uncertainty and concerns that may arise during the change process. By communicating openly and clearly, organizations can explain the reasons behind the change, educate employees about its benefits, and involve them in the decision-making process. Next, the author discusses the importance of involving employees in the organizational change process. Offering opportunities for employees to contribute and share their ideas enables organizations to foster a sense of ownership and strong motivation. When employees perceive they play an active part in change initiatives, they are more inclined to support and embrace innovations. Apart from that, involving employees can also create a creative and collaborative work culture, where new ideas can emerge and be developed together. However, during the implementation of organizational change, the authors also highlight some of the challenges that may be encountered. Individual and group resistance to change is often an obstacle that needs to be overcome. Additionally, the lack of adequate resources and the uncertainty that may arise during the change process can also be a challenge. To overcome these challenges, the authors recommend a team-based approach and open, clear

communication. Involving all stakeholders in change planning and implementation, as well as providing sufficient resources, can help overcome obstacles and achieve change goals more effectively. Overall, effective organizational change management can create a work culture that supports innovation. Strong leadership, effective communication, and involving employees in the change process are important factors that need to be considered. By addressing the challenges that may arise and implementing appropriate strategies, organizations can achieve successful adaptation and growth amidst constant change. However, further research and study is still needed to improve understanding and best practices in creating a work culture that supports innovation.

Numerous studies demonstrate that organizational culture plays a pivotal role in achieving competitive advantage. It significantly impacts an organization's long-term performance and effectiveness by promoting cohesion of effort, clarity of direction, and enhanced performance, especially in environments requiring unity and shared vision [53]. Organizational culture's influence on performance surpasses that of national culture. The ability to shape organizational culture is crucial for fostering a conducive learning environment. Therefore, organizations must possess the capability to sense environmental changes and adapt by adjusting their resources, business processes, and strategies. Central to this agility is cultivating an environment where acquiring skills and knowledge is not only viewed as each employee's primary responsibility but also actively supported through interaction and encouragement among organizational members [54].

So the three dimensions that mutually shape organizational agility are the first, consumer agility, in this case the internal consumers and external consumers of the educational organization, which involves consumer opinions to obtain improved market intelligence. Second, partner agility which aims to absorb knowledge from different business partners by improving the organization's response to market demands and third operational agility which requires rapid process redesign to take advantage of dynamic environmental and market conditions. Therefore, organizational awareness that leads to the development and development of organizational culture, especially in the field of education, must be strengthened with a knowledge management component so that it is not only able to provide competitive advantages but is also accompanied by organizational agility in responding to all existing dynamics of change. Aligned with this perspective, the primary aim of knowledge management is to integrate employee knowledge into organizational processes and culture, ultimately enhancing organizational performance [55].

The knowledge management process comprises four key elements: 1. Knowledge creation: Involves generating new content or updating existing knowledge within an organization, encompassing both tacit and explicit knowledge. This process occurs through social collaboration, individual cognitive processes, and validation within organizational contexts [50]. 2. Knowledge storage: Refers to the organization and structuring of knowledge, which exists in various forms (explicit and tacit) acquired by individuals and networks. Effective organization facilitates easier access and distribution of knowledge within the organization, reducing redundancy and enhancing efficiency. 3. Knowledge transfer: Critical in organizational settings, this process involves conveying knowledge to where it is needed and can be utilized. Care must be taken to effectively convert tacit knowledge into explicit formats to prevent loss of valuable tacit knowledge. 4. Knowledge application: Involves putting knowledge into action, utilizing it to adjust strategic directions, solve new challenges, improve efficiency, and reduce costs [56].

Therefore, managing organizational knowledge through strategic knowledge management involves processes such as creating, configuring, organizing, retrieving, sharing, and evaluating the company's knowledge assets [21]. Beginning with knowledge discovery and continuing through the creation of new knowledge, these processes are essential. Regarding knowledge creation, it is crucial to recognize that providing effective tools for knowledge creation facilitates knowledge exchange, learning, and retention. This underscores the importance of employing tools for knowledge creation to enhance knowledge management within an organization [32]. To attain competitive advantage, educational institutions must engage in knowledge production, storage, sharing, and application, aligning these efforts with organizational culture by identifying and setting objectives across all facets of the organization [43]. Hence, knowledge management involves applying knowledge through operational processes aimed at storing and disseminating knowledge across various organizational units [57].

CULTURE IN ORGANIZATIONS

Every group in this world definitely has a habit that leads them to form something that is unique to each group, which is usually known as culture. Culture is the collective set of values, traditions, beliefs, customs, and societal way of life that shapes how individuals think, behave, and interact, defining the identity of a group or society. According to experts like Edward Burnett Tylor, [7], Roger M. Keesing, Ralph Linton, and Louise Damen, culture encompasses complex systems of knowledge, beliefs, arts, and learned behaviors that humans acquire and transmit within their societies [58]. Cultural diversity within an organization reflects the varied values, beliefs, languages, religions, and customs of its members, contributing to the organization's overall culture and influencing daily operations. This diversity arises from the different backgrounds of individuals who join the organization, encompassing a range of norms, beliefs, and behaviors that shape how tasks and activities are carried out [59].

In organizational contexts, cultural diversity acts as a dual-edged sword, offering both benefits and potential challenges. Benefits include enhancing creativity and innovation through diverse perspectives and interactions among members, fostering new ideas and solutions. This interaction and diversity also facilitate cultural acculturation, promoting innovation within the organization [60]. Furthermore, cultural diversity supports organizational goals by stimulating creativity and innovation among employees, thereby enhancing productivity and facilitating goal achievement, particularly in profit-oriented organizations. Techniques like Enterprise Resource Planning (ERP) and Total Quality Management (TQM) are instrumental in managing and leveraging cultural diversity to cultivate an innovative organizational culture that aligns with achieving strategic objectives [61]. 3. Expanding Market Reach. The existence of various cultures, whether in ethnic, racial, etc. backgrounds owned by members of the organization, will make it easier for the organization to improve relations with various other organizations. This is because members in the organization will open a wide network through friends or colleagues who have the same background (same culture) in other organizations. It can be said that each member can bridge the organization in establishing relationships with other organizations. So it can be said that cultural diversity in organizations is a stimulus for increasing connectivity with other organizations. 4. Make it easier for organizations to adapt. Changes in situations, both social and political, which require deep adaptation in an organization to face these situations are understandable. The existence of external pressure or internal turmoil in an organization definitely requires an immediate response [62].

Organizations that have cultural diversity in their members who are considered lacking and seem monotonous will make it difficult for the organization to determine policies for adaptation because of the lack of ideas they have due to the members' similar backgrounds. Ideas for implementing various policies will increasingly appear in organizations that have cultural diversity, especially in their members. So, it can be said that the organization has a thousand ways to adapt to the existing situation [63].

The need to manage diversity in organizations from being a threat to becoming an opportunity to gain many benefits from the cultural diversity that exists in organizations. CDM (Cultural Diversity Management) or cultural diversity management has a positive correlation with organizational performance, this can mean that good management of cultural diversity in an organization will improve organizational performance [64]. However, managing cultural diversity in an organization requires the right strategy to keep cultural diversity positive and contributing to organizational success. Here are some tips for managing cultural diversity in organizations: 1. Create inclusive policies: Creating policies that take cultural diversity into account can help organizations ensure that all members feel valued and recognized. For example, policies that respect religious holidays or provide paid time off that allows employees to practice their cultural practices. According [65], creating an inclusive environment in organizations to respect cultural diversity is one strategy for dealing with cultural diversity in organizations [66]. 2. Appreciate differences: Appreciating the differences between team members and promoting feelings of sympathy and empathy can help reduce conflict and improve teamwork. Team members should be given the opportunity to understand and appreciate cultural differences and traditions. 3. Conduct training and education: Training and education about cultural diversity can help team members understand cultural differences and create an inclusive environment. This can include training sessions on cultural diversity, cultural experiences, and information on how to work with team members from different cultural backgrounds [67]. In human resource management, training and development is important to foster a sense of togetherness and improve the skills of each member or employee. Training can be carried out within the work environment (On Job Training) or outside the work environment (Off Job Training/OJT). 4. Pay attention to the language used: Using sensitive and inclusive language can help ensure that all team members feel valued. It is important to ensure that the language used does not contain stereotypes or prejudice and shows respect for cultural differences. 5. Accommodate special needs: Providing facilities that suit various cultural needs, such as places of worship, halal or vegan food, and cultural amenities can help team members feel valued and recognized. 6. Have inclusive leadership: Inclusive leadership can play an important role in creating an environment that is inclusive and values differences. They must ensure that policies and practices that respect cultural diversity are implemented well and that all team members feel valued and recognized. Some of the things above are various strategies for managing cultural diversity in organizations. So it is important to do this to make it easier for the organization to achieve its goals.

CONCLUSION

Cultural diversity in an organization is the various ways of life of members in the organization that can influence the overall culture that exists in an organization. Because basically an organization such as an organization that operates in the economic and business fields has a diversity of members who of course come from various circles, ethnicities, religions or other cultural elements. This can provide benefits if managed well by management and can also be a threat. The benefits of cultural diversity in an organization are increasing the creativity and innovation of members and employees, making it easier for the organization to achieve its goals, expanding organizational relationships and market reach, making it easier for the organization to adapt in the face of various turbulent conditions that exist both internally and externally. organization.

Implementing an information system involves considering organizational culture, which significantly influences employees' willingness to share knowledge. Resistance during system implementation often stems from changes to existing business processes and employee routines. Employees may resist due to unfamiliarity with the system's importance and objectives. Effective management of knowledge dissemination ensures equitable understanding and commitment to system implementation outcomes. Sharing knowledge facilitates change management by ensuring stakeholders understand implementation goals. Identifying cultural factors that affect knowledge sharing helps organizations foster a sharing culture to achieve their goals. Organizations adept at knowledge sharing can better adapt to environmental changes, enhancing overall performance.

Aligning organizational culture with knowledge management elements is crucial to fostering a supportive culture that encourages knowledge creation, storage, transfer, and application. Effective organizational change management is essential in cultivating an innovative work culture that drives competitive advantage and enables organizational adaptation and growth in dynamic environments. The author advocates further research in organizational change management to refine practices in creating innovation-supportive work cultures.

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