International Review of Management and Marketing

ISSN: 2146-4405

available at http: www.econjournals.com

International Review of Management and Marketing, 2026, 16(6), 596-605.

Strategic Human Resource Management and Employee Performance: The Role of Knowledge and Competencies

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Received: 17 March 2026 **Accepted:** 18 July 2026 **DOI:** https://doi.org/10.32479/irmm.24176

ABSTRACT

This study aimed to examine the effects of Knowledge Management, HRBP Strategy, Organizational Culture, Job Satisfaction, and Competencies on Strategic Planning and Employee Performance at Sawerigading Regional Hospital, Palopo. Study employed a quantitative approach with an explanatory design. The study population consisted of 763 employees, using proportionate stratified random sampling. A total of 383 respondents were included in the analysis. Data collection was conducted via a Likert-scale questionnaire and analyzed using covariance-based structural equation modeling (SEM) with AMOS 29. The results indicated that Knowledge Management, HR Partner strategy, job satisfaction, and competencies have a positive and significant effect on strategic planning, while organizational culture has a positive but statistically insignificant effect. Regarding employee performance, Knowledge Management and job satisfaction have a positive and significant effect, while HR Partner strategy, organizational culture, and competencies have a positive but insignificant effect. Strategic planning was found to have a positive and significant effect on employee performance. Furthermore, strategic planning mediates the relationship between all independent variables and employee performance, both partially and fully. The findings suggest that strategic planning plays a crucial role in enhancing human resource management effectiveness and employee performance in hospital organizations. The practical implications of this study highlight the need to strengthen the Knowledge Management system, enhance competencies and job satisfaction, and optimize the strategic role of HR in supporting more effective organizational planning that is oriented toward improving healthcare service performance.

Keywords: Knowledge Management, Human Resources Partner Strategy, Organizational Culture, Job Satisfaction, Competencies, Strategic Planning, Employee Performance
JEL Classifications: M31, C83, O33

1. INTRODUCTION

As public service organizations, hospitals rely heavily on the quality of their human resources (HR) to determine service performance. The quality of staff interactions, the timeliness of services, coordination between units, and compliance with standard operating procedures (SOPs) are key factors that shape the quality of healthcare services. Therefore, improvements in hospital performance are determined not only by infrastructure but also by the HR's ability to work effectively, engage in continuous learning, and collaborate within an integrated service system (Ali et al., 2026).

In empirical studies, healthcare workers' job satisfaction is closely linked to the quality of the work environment and directly impacts the sustainability of service performance. Understanding the factors that shape job satisfaction is crucial for maintaining the effectiveness of healthcare organizations amid dynamic changes (Thapa et al., 2025). Furthermore, professional competencies and self-efficacy have been shown to play a role in enhancing job satisfaction; thus, strengthening competencies serves not only to improve technical skills but also as a strategy to maintain performance stability (Kallerhult Hermansson et al., 2024).

At the organizational level, organizational culture shapes work behavior and the quality of service processes through internalized values, norms, and work practices. A strong organizational culture has been shown to influence employee job satisfaction and performance, making it a critical factor in creating a productive and adaptive work environment (Aggarwal et al., 2024). Thus, job satisfaction can be positioned as a key variable influenced by both individual and organizational factors and impacting the quality of service performance. From an Islamic perspective, performance is viewed as a trust that must be accounted for, not only administratively but also morally and spiritually. This value is emphasized in (QS. At-Taubah [9]:105), which states that every deed will be evaluated and accounted for. This concept reinforces the importance of accountability, discipline, and professionalism in the performance of duties, including within the healthcare context, which demands precision, consistency, and a high sense of responsibility (Al-Qur'an, QS. At-Taubah:105).

In addition to job satisfaction, improving hospital performance also requires effective organizational knowledge management (Knowledge Management). In healthcare organizations, Knowledge Management plays a role in ensuring that clinical and administrative knowledge is documented, disseminated, and utilized optimally. Research indicates that Knowledge Management significantly influences employee job satisfaction and performance, including through causal relationships that can be analyzed structurally (Fadaie et al., 2023).

In line with these developments, the HR function has undergone a transformation from an administrative role to a strategic one. The human resource partner (HRP) approach enables the HR function to act as a strategic partner in aligning HR policies with organizational goals. This model is considered relevant for hospitals in addressing demands for service quality, work efficiency, and increasingly stringent accreditation standards (Cayrat and Boxall, 2023). Additionally, strategic planning is a critical factor in enhancing organizational performance in the healthcare sector. Strategic planning enables organizations to systematically respond to environmental changes, policy pressures, and performance demands. Research indicates that strategic planning has a positive relationship with organizational performance, particularly when supported by adequate HR factors (Wongsin et al., 2025).

In the context of Sawerigading Regional Hospital in Palopo City, the results of the Community Satisfaction Index (CSI) for the first semester of 2023 showed a score of 82.60, categorized as "good" service quality. However, several indicators, such as infrastructure and timeliness, still show relatively low scores, indicating a need for improvement in the consistency of service processes and work coordination (Sawerigading Regional Hospital, Palopo City, 2023). Furthermore, performance achievements based on the minimum service standards (MSS) indicate that some service indicators have not met their targets. In 2022, emergency, outpatient, and inpatient services each fell short of the established targets. Although there has been an improvement in service waiting times, the consistency of service processes remains a challenge that needs to be addressed through the strengthening of operational management and human resources (Sawerigading Regional Hospital, Palopo City, 2024).

This situation indicates a discrepancy between public satisfaction scores and the actual achievement of service performance standards. This gap indicates the need for a more in-depth analysis of the human resource factors and managerial mechanisms that influence organizational performance, particularly in the areas of strategic planning and service implementation (Dieleman et al., 2018).

Additionally, hospitals face strategic challenges such as rising accreditation standards, competition in healthcare services, and changes in referral policies that impact patient visit volumes. These conditions require the organization to become more adaptive through strengthening HR competencies, consistently applying SOPs, and improving cross-departmental coordination (Sawerigading Regional Hospital, Palopo City, 2024).

Based on the above discussion, there is a need to empirically test the influence of Knowledge Management, human resource partner (HRP) strategies, organizational culture, job satisfaction, and competencies on strategic planning and employee performance. Additionally, it is important to analyze the role of job satisfaction and strategic planning as mediating variables in improving employee performance, as supported by findings from previous research (Fadaie et al., 2023; Wongsin et al., 2025).

Thus, this study is important for elucidating the factors that influence employee performance and bridging the gap between performance targets and actual outcomes in hospital services.

2. LITERATURE REVIEW

2.1. Knowledge Management

Knowledge management (KM) is regarded as a strategic organizational capability that facilitates knowledge creation, sharing, and utilization to improve organizational effectiveness and service quality. In healthcare organizations, KM is crucial because hospitals operate in highly complex environments involving diverse professions and departments, necessitating knowledge-based coordination. Poorly managed knowledge can lead to low work effectiveness and poor service quality. Therefore, KM is viewed as a strategic organizational asset that supports improvements in service quality and employee performance (Kosklin et al., 2022).

Developments in KM theory emphasize that knowledge management is not merely about storing information but also the organization's ability to create, share, apply, and retain knowledge. The concept of dynamic knowledge management explains that organizations must be able to continuously update their knowledge to adapt to environmental changes and technological advancements (Li et al., 2025). In the hospital context, regulatory changes and advancements in healthcare technology make knowledge updating a primary organizational need.

Conceptually, KM encompasses the management of both explicit and tacit knowledge. Explicit knowledge consists of SOPs, reports, and information systems that can be documented, while tacit knowledge stems from individual experience and skills. Implementing KM requires support from information technology, organizational learning, and a culture of knowledge sharing (Karsikas et al., 2025). KM offers benefits in improving the quality of decision-making, work coordination, organizational efficiency, and employee learning. KM indicators include knowledge creation, knowledge sharing, knowledge application, and knowledge retention (Stoumpos et al., 2024).

2.2. HR Partner Strategy

The HR Partner strategy has evolved from an administrative function to a strategic one that supports the achievement of organizational goals. The human resource partner (HRP) approach positions HR as a strategic partner in aligning HR policies with organizational strategy. In hospitals, the HRP strategy is essential for supporting workforce management, competencies development, and organizational effectiveness (Wach et al., 2022).

The strategic role of HR is not limited to personnel administration but also encompasses organizational development, change management, and strengthening workplace culture. HR assists leadership in identifying workforce needs, enhancing employee competencies, and creating work systems that support the achievement of organizational goals.

Conceptually, the HRP strategy encompasses aligning HR strategies, managerial consulting, change management, and the use of HR data in decision-making. This strategy offers benefits in improving organizational efficiency, the quality of HR management, and the effectiveness of organizational strategy implementation. Indicators of the HRP strategy include HRP strategy alignment, managerial consulting, change management, and HR analytics (Patil and Priya, 2023).

2.3. Organizational Culture

Organizational culture is a system of values, norms, and beliefs that influences the work behavior of organizational members. In healthcare organizations, organizational culture plays a crucial role in shaping service quality, workplace communication, and organizational effectiveness. A positive organizational culture can create a work environment that fosters collaboration, learning, and improved employee performance (Tietschert et al., 2024).

Organizational culture is reflected through patterns of communication, leadership, teamwork, and service orientation. A culture that supports openness and cooperation will strengthen coordination between units and enhance employee motivation. Conversely, a weak organizational culture can lead to workplace conflicts and low organizational effectiveness (Mutonyi et al., 2022).

The scope of organizational culture includes work values, safety culture, organizational communication, organizational learning, and workplace well-being. Organizational culture offers benefits in enhancing job satisfaction, employee loyalty, teamwork, and service quality. Indicators of organizational culture include open communication, teamwork, a culture of learning, leadership, and organizational support for employees (WHO, 2024).

2.4. Job Satisfaction

Job satisfaction is an individual's evaluation of their work, influenced by work experiences and organizational conditions. In healthcare organizations, job satisfaction is a critical factor because it is linked to work motivation, employee loyalty, and service quality. Employees who are satisfied with their work tend to exhibit higher work enthusiasm and productivity (Alkhateeb et al., 2025).

Herzberg's two-factor theory explains that job satisfaction is influenced by motivator factors and hygiene factors. Motivator factors include achievement, recognition, and self-development, while hygiene factors include working conditions, work relationships, and organizational policies (Hudays et al., 2024). Both factors must be managed in balance to create optimal job satisfaction.

Job satisfaction encompasses aspects of work, work relationships, supervision, compensation, and career development opportunities. In hospitals, job satisfaction is also related to the meaning of work and employees' contributions to public health services. Job satisfaction provides benefits in improving employee retention, work engagement, and organizational performance. Indicators of job satisfaction include job meaning, supervisor support, fairness of rewards, work relationships, and working conditions (Zhao et al., 2025).

2.5. Human Resource Competencies

Human resource competencies are a combination of knowledge, skills, abilities, and attitudes possessed by individuals to perform their duties effectively. In healthcare organizations, competencies are a key factor in determining the quality of care and patient safety. Strong competencies enable employees to provide services in accordance with organizational standards and community needs World Health Organization.

Advances in health technology also underscore the importance of digital competencies in healthcare organizations. Employees are not only required to possess technical competencies but also the ability to use information technology and digital service systems. Therefore, competencies development must be conducted continuously so that employees can adapt to changes in the work environment (Jarva et al., 2024).

Competencies encompasses technical and behavioral competencies, such as communication, collaboration, and adaptability. In hospitals, competencies are also related to the ability to coordinate across professions and solve service-related problems. Human resource competencies provide benefits in improving work effectiveness, service quality, and organizational productivity. Competencies indicators include technical expertise, communication, service empathy, digital literacy, and procedural accuracy.

2.6. Strategic Planning

Strategic planning is a systematic process for determining an organization's direction through the establishment of a vision, objectives, priorities, program implementation, and strategic evaluation. In healthcare organizations, strategic planning is necessary to address environmental changes, improve service quality, and manage resources effectively (Wongsin et al., 2025).

The strategy-as-practice approach explains that strategy is not merely a formal document but also organizational practices carried out in daily activities. Strategy is shaped through organizational interactions, cross-unit coordination, and decision-making involving various stakeholders within the organization (Vandersmissen et al., 2024).

Strategic planning encompasses situation analysis, priority setting, resource allocation, program implementation, and strategy evaluation. In public organizations, strategic planning is also related to governance, accountability, and the integration of planning and budgeting. Strategic planning offers benefits in clarifying the organization's direction, improving work coordination, strengthening organizational control, and supporting data-driven continuous evaluation (Johnsen et al., 2024).

Indicators of strategic planning include situation analysis, priority setting, resource allocation, program implementation, and strategy evaluation. Organizations with good strategic planning tend to be better able to cope with environmental changes and improve organizational effectiveness.

2.7. Employee Performance

Employee performance refers to the extent to which employees successfully carry out their duties and achieve organizational goals. In healthcare organizations, employee performance is linked to service quality, work effectiveness, patient safety, timeliness, and service accountability. Employee performance serves as a key indicator in assessing the success of healthcare organizations in providing services to the public (Johnsen et al., 2024).

Employee performance is influenced by various factors, such as competencies, organizational culture, job satisfaction, Knowledge Management, and the effectiveness of organizational strategies. KM practices help enhance organizational learning and the quality of decision-making, while organizational culture fosters a work environment that supports productivity and teamwork. HRP strategies and competencies also help organizations improve employee work effectiveness (Fadaie et al., 2023).

Conceptually, employee performance reflects a combination of work outcomes and work processes. In hospitals, performance is measured not only based on service output but also on the quality of service processes and adherence to work standards. Therefore, employee performance measurement must consider aspects of effectiveness, efficiency, service quality, and employee work behavior. Employee performance serves as a foundation for organizational evaluation, decision-making, HR development, and service quality improvement. Employee performance indicators include service quality, timeliness, work discipline, productivity, and improvement initiatives. In this study, employee performance is positioned as the primary endogenous variable influenced by Knowledge Management, HR Partner strategies, organizational culture, job satisfaction, and competencies, both directly and through strategic planning as a mediating variable. Strategic planning is viewed as a crucial mechanism bridging the relationship between organizational factors and employee performance outcomes. Thus, improvements in employee performance at Sawerigading Regional Hospital are determined not only by organizational resources but also by the effectiveness of managerial processes and the comprehensive implementation of organizational strategies.

3. METHODOLOGY

This study employed a quantitative approach with an explanatory research design aimed at testing causal relationships among variables based on theoretical hypotheses. This approach was chosen because it generates numerical data that can be statistically analyzed to arrive at objective and measurable conclusions. The study focuses on testing the influence of Knowledge Management, HR Partner strategies, organizational culture, job satisfaction, and competencies on strategic planning and employee performance, as well as examining the mediating role of strategic planning in these relationships. This approach aligns with organizational management research that emphasizes structural relationships among variables (Hair et al., 2022).

Data analysis employed covariance-based Structural Equation Modeling (SEM) using the AMOS software. SEM was chosen because it can test simultaneous relationships among latent variables—including both direct and indirect effects—and evaluate the overall model fit. Additionally, SEM allows for the testing of construct validity and reliability through Confirmatory Factor Analysis (CFA), thereby providing more comprehensive and accurate results in explaining the relationships among the study's variables (Kline and Little, 2023).

The study was conducted at Sawerigading Regional Hospital from February to April 2026. The study population consisted of all 763 hospital employees, comprising both medical and non-medical staff. The sampling technique used was proportionate stratified random sampling to ensure proportional representation of each employee group. The sample size was determined based on the SEM rule of thumb, which requires a minimum of 10 times the number of indicators. With a total of 28 indicators, a sample of 280 respondents was obtained, which was deemed sufficient for SEM analysis (Hair et al., 2022; Kline and Little, 2023).

The data used consisted of primary and secondary data. Primary data was collected via a structured questionnaire using a five-point Likert scale to measure respondents' perceptions of the research variables. Respondents included all employees involved in hospital service processes, both clinical and non-clinical. Meanwhile, secondary data was obtained from official hospital documents, such as performance reports, quality reports, and personnel data, which were used to support the research context and validate the data.

Data analysis techniques included validity testing using confirmatory factor analysis (CFA) and reliability testing using Cronbach's Alpha with a minimum value of 0.70. Furthermore, structural model testing was conducted using SEM to analyze causal relationships among variables. Model evaluation was based on goodness-of-fit criteria, such as Chi-square ($P > 0.05$), RMSEA (≤ 0.08), CFI and TLI (≥ 0.95), and CMIN/DF (≤ 2.00), to ensure that the research model fits the empirical data well (Hair et al., 2022; Schumacker and Lomax, 2016).

Through this approach, the study is expected to provide a robust empirical understanding of the factors influencing strategic planning and employee performance, as well as to elucidate the mechanisms of direct and indirect relationships among variables within the context of healthcare organizations.

4. RESULTS AND DISCUSSION

This study provides an empirical overview of the relationship between Knowledge Management, HR Partner strategies, organizational culture, job satisfaction, competencies, strategic planning, and employee performance at Sawerigading Regional Hospital in Palopo. Data were collected through a questionnaire distributed to the entire employee population, with 383 valid and analyzable responses. This number not only meets but also exceeds the minimum requirement for structural equation modeling (SEM) analysis, thereby providing a high level of reliability in model estimation and hypothesis testing.

The profile of the study respondents needs to be presented to provide an overview of the characteristics of the individuals who served as the data source in this study. A description of the respondent profile can be seen in Table 1 below:

Table 1: Research respondent profile

Respondents characteristic	Category	F	Percentage
Gender	Male	138	36.03
	Female	245	63.97
Age	<25 years old	37	9.66
	25-34 years old	161	42.04
	35-44 years old	116	30.29
	45-54 years old	69	18.02
Education level	SHS	61	15.93
	Associate's degree	102	26.63
	Bachelor's degree	151	39.43
	Master's degree	56	14.62
	Doctorate	13	3.39
Employment status	Civil servants	109	28.46
	Contractual civil servants	81	21.15
	Non-civil servants	106	27.68
	Contract	87	22.72
Job field	Medical staff	262	68.41
	Non-medical	121	31.59
Length of service	<1 year	48	12.53
	1-3 years	104	27.15
	4-6 years	89	23.24
	7-10 years	63	16.45
	>11 years	79	20.63

Source: Primary data processed, 2026

Table 2: Descriptive mean values by construct

No.	Construct	Mean
1	Knowledge management (X1)	3.01
2	HRP Strategy	2.96
3	Organizational culture (X3)	3.00
4	Job satisfaction (X4)	2.96
5	Kompetensi (X5)	2.99
6	Strategic planning (M)	2.99
7	Employee performance (Y)	2.93

Source: Primary data processed, 2026

The characteristics of the respondents show that the majority of employees at Sawerigading Regional Hospital in Palopo are women (63.97%), indicating a high level of female workforce participation in the healthcare sector. In terms of age, the respondents were predominantly in the productive age group of 25-34 years (42.04%). The respondents' educational levels were mostly at the bachelor's degree (S1) level (39.43%), followed by associate's degree (D3) (26.63%), indicating that the majority of employees possess sufficient intellectual capacity to understand job duties and participate in organizational decision-making processes. Additionally, the diverse composition of employment statuses (civil servants, PPPK, non-ASN, and contract employees) indicates that the organization has a heterogeneous workforce structure, which can influence workplace dynamics and perceptions of organizational policies.

In terms of job fields, the dominance of medical staff (68.41%) indicates that respondents are primarily directly involved in healthcare services. This is significant because jobs in the medical sector are highly complex and carry significant responsibility, making them heavily dependent on competencies, coordination, and effective management systems. Meanwhile, regarding tenure, the majority of respondents have 1-3 years of experience, indicating that employees are in the adaptation and competencies development phase.

The research (Table 2) results show that knowledge management falls into the moderate category (average of 3.01). This indicates that the processes of knowledge creation, dissemination, application, and retention are underway but not yet optimal. The relatively stronger aspect is knowledge application, which shows that employees have been utilizing SOPs and work guidelines in their daily activities. The HRP Strategy received an average score of 2.96, indicating that the strategic role of the HR function is not yet fully optimized. The HR function's role in supporting organizational change is relatively recognized, though its consultative and analytical functions remain weak. Organizational culture falls into the moderate category (3.00), with its primary strength in collaboration. This indicates that cross-departmental and cross-professional cooperation is functioning well. However, open communication and organizational learning remain weak.

Job satisfaction falls into the moderate category (2.96). Support from superiors is the most strongly felt aspect, indicating that the relationship between leadership and subordinates is quite good. However, working conditions and compensation equity remain

major issues. Employee competencies falls into the moderate category (2.99), with a strength in the aspect of service empathy. This indicates that employees possess good interpersonal skills in serving patients. Strategic planning received an average score of 2.99, indicating that the planning process is underway, particularly regarding resource allocation. However, situation analysis and priority setting remain weak. Employee performance falls into the moderate category (2.93), indicating that work effectiveness and efficiency are not yet optimal. Although there are signs of continuous improvement, systematic efforts to enhance performance are still required.

Based on the data in Table 3, it can be concluded that the data are suitable for SEM analysis.

The CFA (Table 4) results show that all indicators under the variables of Knowledge Management, HRP Strategy, organizational culture, job satisfaction, and competencies have factor loadings ranging from 0.79 to 0.89. This indicates that all indicators are valid and adequately represent the constructs.

The results show that all variables have AVEs ranging from 0.66 to 0.77. The highest value was found for strategic planning (0.77) and the lowest for job satisfaction (0.66), but all met the criteria. Thus, all constructs demonstrate good convergent validity, in table 5.

Construct reliability was measured using Composite Reliability (CR) with a cutoff of ≥0.70. The results showed that the CR values for all variables ranged from 0.89 to 0.93. These values indicate that all constructs exhibit high internal consistency and are reliable.

A goodness-of-fit evaluation was conducted in this study to ensure that the full structural model tested had an adequate level of fit with the research data. The results of the model goodness-of-fit evaluation are presented in Table 7.

Based on Table 7, all goodness-of-fit indicators show that the structural model meets the model fit criteria. The chi-square value of 304.492 is smaller than the cutoff value of 372.30, and the probability value of 0.830 is >0.05, indicating that the model does not differ significantly from the empirical data. The RMSEA value of 0.000 also indicates a very low level of approximation error. Additionally, other fit indices show favorable results, namely a GFI of 0.947 and an AGFI of 0.935, both above the minimum threshold of 0.90. The CMIN/DF value of 0.926 indicates a parsimonious and efficient model, as it is below the maximum threshold of 2.00. Meanwhile, the TLI value of 1.004 and the CFI value of 1.000 have exceeded the minimum threshold of 0.95, indicating an excellent incremental fit. Thus, the full structural model in this study is deemed valid and meets all goodness-of-fit criteria for use in hypothesis testing and the analysis of causal relationships among the study variables.

The hypothesis testing results indicate that knowledge management, the HR Partner strategy, job satisfaction, and competence have a positive and significant impact on strategic planning. This is confirmed by the hypotheses presented in Tables 8, 9, and 10, each of which details the relationships between the variables.

Table 3: Data and SEM assumption tests

No	Testing	Result
1	The sample size is adequate	383 >280
2	Normality is satisfied in both univariate and multivariate analyses	CR within the range of+2.58
3	No outliers were found, as all Mahalanobis distances are below the Chi-square threshold	56,89
4	Multicollinearity is not present	Tolerance >0.10 dan VIF <10
5	Linearity is satisfied, as all variable relationships are significant and there is no deviation from linearity	Significance of Deviation from Linearity >0.05

Source: Primary data processed, 2026

Table 4: Confirmatory factor analysis (CFA) of exogenous constructs

Variable	Indicator	LF	Value limit	Description
X1	X1_1	0.87	≥0.50	Valid
	X1_2	0.83		Valid
	X1_3	0.83		Valid
	X1_4	0.84		Valid
X2	X2_1	0.84	≥0.50	Valid
	X2_2	0.85		Valid
	X2_3	0.87		Valid
	X2_4	0.83		Valid
X3	X3_1	0.84	≥0.50	Valid
	X3_2	0.87		Valid
	X3_3	0.83		Valid
	X3_4	0.79		Valid
X4	X4_1	0.83	≥0.50	Valid
	X4_2	0.82		Valid
	X4_3	0.80		Valid
	X4_4	0.80		Valid
X5	X5_1	0.81	≥0.50	Valid
	X5_2	0.82		Valid
	X5_3	0.89		Valid
	X5_4	0.86		Valid
M	M_1	0.89	≥0.50	Valid
	M_2	0.88		Valid
	M_3	0.87		Valid
	M_4	0.87		Valid
Y	Y_1	0.86	≥0.50	Valid
	Y_2	0.82		Valid
	Y_3	0.78		Valid
	Y_4	0.81		Valid

Source: Primary data processed, 2026

Table 5: Results of the convergent validity test

Variable	AVE	Value limit	Description
X1	0.70	≥0.50	Valid convergent
X2	0.72		Valid convergent
X3	0.69		Valid convergent
X4	0.66		Valid convergent
X5	0.71		Valid convergent
M	0.77		Valid convergent
Y	0.67		Valid convergent

Source: Primary data processed, 2026

This is demonstrated by the P-values for each variable being <0.05 with positive estimated coefficients; thus, the better the knowledge management, HR strategies, job satisfaction, and employee competencies, the better the organization's strategic planning. Meanwhile, organizational culture showed a positive

but insignificant influence on strategic planning because it has a P > 0.05. Thus, in this study, organizational culture has not been proven to have a significant influence on strategic planning.

The results of the hypothesis testing indicate that knowledge management, job satisfaction, and strategic planning have a positive and significant effect on employee performance, as evidenced by P < 0.05 and positive estimated coefficients. This means that the better the knowledge management, job satisfaction, and strategic planning, the higher the employee performance. Meanwhile, HRP strategy, organizational culture, and competencies showed a positive but insignificant influence on employee performance because they had P > 0.05. Thus, these three variables have not been proven to have a significant influence on employee performance in this study.

The results of the mediation analysis indicate that strategic planning plays a significant role in mediating the influence of organizational variables on employee performance. Strategic planning partially mediates the effect of Knowledge Management on employee performance with an indirect effect of 0.066 and a P = 0.000, while its direct effect is also significant with a coefficient of 0.152. This indicates that Knowledge Management can enhance performance both directly and through strategic planning.

Strategic planning also fully mediates the effect of HR Partner strategy on employee performance with an indirect effect of 0.042 and a P = 0.001, while its direct effect is not significant with a coefficient of 0.043. Similarly, organizational culture is fully mediated by strategic planning with an indirect effect of 0.024 and a P = 0.040, while its direct effect is not significant with a coefficient of 0.082.

Furthermore, strategic planning partially mediates the effect of job satisfaction on employee performance, with an indirect effect of 0.064 and a P = 0.000, as well as a significant direct effect with a coefficient of 0.196. Overall, these results confirm that strategic planning serves as a crucial mechanism for enhancing employee performance.

The research findings indicate that Knowledge Management, HR

Table 6: Results of the construct reliability test

Variable	CR	Value limit	Description
X1	0.91	≥0.70	Reliable
X2	0.91		Reliable
X3	0.90		Reliable
X4	0.89		Reliable
X5	0.91		Reliable
M	0.93		Reliable
Y	0.89		Reliable

Source: Primary data processed, 2026

Table 7: Goodness-of-fit evaluation

Goodness of fit index	Cut-off value	Model result	Model validity
Chi-square (χ^2)	<372.30 (df=329)	304.492	Good fit
Probability	>0.05	0.830	Good fit
RMSEA	≤0.08	0.000	Good fit
GFI	≥0.90	0.947	Good fit
AGFI	≥0.90	0.935	Good fit
CMIN/DF	≤2.00	0.926	Good fit
TLI	≥0.95	1.004	Good fit
CFI	≥0.95	1,000	Good fit

Source: Primary data processed, 2026

Table 8: Hypothesis testing of the direct effect on variable M

Hypothesis	Route estimate	Estimate	S.E.	C.R.	P-value	Direct	Decision
H_1	X1→M	0.283	0.054	5.229	0.000	Positive	Significant
H_2	X2→M	0.188	0.057	3.308	0.001	Positive	Significant
H_3	X3→M	0.104	0.057	1.824	0.060	Positive	Insignificant
H_4	X4→M	0.283	0.059	4.766	0.001	Positive	Significant
H_5	X5→M	0.138	0.059	2.322	0.019	Positive	Significant

Source: Primary data processed, 2026

Table 9: Hypothesis testing of the direct effect on variable Y

Hypothesis	Route estimate	Estimate	S.E.	C.R.	P-value	Direct	Decision
H_6	X1→Y	0.152	0.060	2.548	0.007	Positive	Significant
H_7	X2→Y	0.045	0.061	0.742	0.433	Positive	Insignificant
H_8	X3→Y	0.083	0.060	1.376	0.173	Positive	Insignificant
H_9	X4→Y	0.203	0.065	3.115	0.006	Positive	Significant
H_{10}	X5→Y	0.021	0.063	0.332	0.766	Positive	Insignificant

Source: Primary data processed, 2026

Table 10: Results of the mediation test

Hypothesis	Route estimate	Direct (β)	Indirect (β)	Total (β)	P-value	Decision
H_{12}	X1→M → Y	0.152	0.066	0.219	0.000	Partial mediation
H_{13}	X2→M → Y	0.043	0.042	0.085	0.001	Full mediation
H_{14}	X3→M → Y	0.082	0.024	0.106	0.040	Full mediation
H_{15}	X4→M → Y	0.196	0.064	0.259	0.000	Partial mediation
H_{16}	X5→M → Y	0.019	0.03	0.049	0.010	Full mediation

Source: Primary data processed, 2026

Strategy, Job Satisfaction, and Competencies have distinct effects on Strategic Planning and Employee Performance in hospitals. Generally, these findings confirm that knowledge management, human resource quality, and organizational behavioral factors are essential elements in enhancing the effectiveness of healthcare service organizations. Knowledge Management has been proven to have a positive and significant effect on strategic planning and employee performance. These findings support the knowledge-based view theory, which states that knowledge is a strategic organizational resource. Knowledge management through the processes of acquiring, storing, sharing, and utilizing information can improve the quality of decision-making and employee work effectiveness. Research by Allur et al. (2025) and Yoshikuni et al. (2024) indicates that Knowledge Management helps healthcare organizations develop more adaptive and data-driven strategies. Furthermore, organizational learning theory explains that effective knowledge distribution enhances individuals' ability to perform their work effectively (Almuayad and Chen, 2024; Harb et al., 2024).

The HR Partner Strategy has a significant impact on strategic planning but does not directly affect employee performance. This indicates that the HR function plays a more dominant role in the formulation of strategic policies than in operational implementation. The strategic human resource management perspective explains that HR plays a role in aligning organizational needs with workforce capacity, thereby supporting the development of realistic strategies (Ede et al., 2023). However, improving employee performance still requires support from work systems, leadership, and performance management. These findings align with Bennett and Bennett (2026), who state that the role of HR Partner often faces a gap between strategic functions and operational implementation.

Organizational culture does not have a significant direct impact on strategic planning or employee performance. This indicates that organizational culture functions more as a contextual factor that requires leadership support and managerial systems to have a tangible impact. Research by Churruca et al. (2023) and Gabutti et al. (2023) shows that a collaborative culture and organizational communication influence organizational effectiveness through change processes and leadership. Additionally, Mannion et al. (2018) explain that cultural heterogeneity across hospital units results in cultural influences not always being uniform regarding performance.

The findings suggest that employees with higher levels of job satisfaction tend to demonstrate stronger organizational commitment and better service performance. These findings support organizational behavior theory, which states that job satisfaction enhances employee motivation, engagement, and commitment. Satisfied employees are more likely to support organizational policies and provide better service (Moscelli et al., 2023). Research by Fu et al. (2022) and Stephan et al. (2024) also indicates that job satisfaction is closely linked to improved service quality and employee performance.

Competencies has a significant impact on strategic planning but not directly on employee performance. From a resource-based view perspective, competence is a strategic organizational asset that supports analytical and decision-making capabilities (Ferreira et al., 2024; Pillay, 2010). However, to impact performance, competencies must be supported by effective organizational systems, leadership, and performance evaluation. This finding aligns with the research by Ningsih et al. (2024), which states that competencies do not always directly influence performance without the presence of organizational supporting factors.

This study also demonstrates that strategic planning has a positive and significant effect on employee performance and acts as a mediating variable. Strategic planning serves as the mechanism linking Knowledge Management, HR Partner Strategy, Organizational Culture, Job Satisfaction, and Competencies to employee performance. These findings support strategic management theory and the resource-based view, which emphasize that organizational resources will yield maximum value when integrated through clear and actionable strategies (Wongsin et al., 2025). Thus, hospital employee performance is determined not only by individual capabilities but also by the integration of knowledge, human resources, organizational culture, and competencies guided by effective strategic planning.

5. CONCLUSION

Based on the research findings at Sawerigading Regional Hospital, Palopo, it can be concluded that Knowledge Management and Job Satisfaction have a positive and significant impact on Strategic Planning and Employee Performance. These findings indicate that effective knowledge management and high job satisfaction can improve employee effectiveness and support better organizational strategy development. HR Partner Strategy and Competencies significantly influence Strategic Planning, but do not directly impact Employee Performance. Meanwhile, Organizational Culture does not significantly influence Strategic Planning or Employee Performance.

This study also shows that Strategic Planning has a positive and significant impact on Employee Performance and mediates the influence of Knowledge Management, HR Partner Strategy, Organizational Culture, Job Satisfaction, and Competencies on Employee Performance. Therefore, improving hospital employee performance is not solely determined by individual factors, but also by the organization's ability to manage knowledge, HR, competencies, and job satisfaction through targeted and implementable strategic planning.

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