

ABSTRACT

The Knowledge-Based Economy (KBE) paradigm encourages the formation of creative industries. The creative industry emphasizes the presence of intellectual property to create a difference through innovation against its competitors. Innovation depends on human resources (HR), processes, and technology in the creative industry. These three components are a challenge for the creative industry to develop. First, HR is based on the capabilities and competencies of the HR department in encouraging operational functions in processing raw materials into products of unique value. Second, the process relates to the need for knowledge that is used to improve production methods in the creative industry. This fact is in line with the fluctuating creative industry, where although it tends to increase, several aspects are still an obstacle, including the stagnation of new production by 34% and market reach of 43%. HR that is considered uncompetitive also refers to the weak role of Information Technology (IT) Capability, which is the third strategic component in building innovation and encouraging Organizational Performance. However, many previous studies have found the "insignificance" of the role of IT Capability on Organizational Performance due to low human capital in various business sectors. The contradictory results of the study of the role of IT Capability on Organizational Performance are contradictory evidence gaps. The research objectives are (a) generating a mediation concept by developing the variables used to leverage the role of IT Capability in its influence on Organizational Performance. (b) designing the Organization Development and Change model used in the organizational development mode through the role of learning to create competence and Readiness to Change in the organization through the context of IT Capability. The respondents of this study were managers/owners of the design-based creative industry with a sample of 248. Trust-Based Active Participation (TBAP), a novelty concept built in the grand theory of Learning Organization (LO), is offered to leverage the role of IT Capability on Organizational Performance. TBAP, in its preposition, is the cognitive social bond of Organizational Learning (OL) which facilitates the presence of organizational elements efficacy to actively participate in knowledge induction by emphasizing trust as a crucial value. The impact of TBAP in the organization strengthens the presence of positive interaction, cohesiveness, and response time, as an accelerated form of learning. The implications of this study are as follows: (1) providing evidence that TBAP derived in LO theory has the effect of enhancing the role of IT Capability ($\beta = 0.960$) on Organizational Performance ($\beta = 0.798$) and partially mediating ($\beta = 0.766$). TBAP is part of the organization's perspective as human beings by emphasizing the value of trust and collaboration through active participation, which is used to create positive interactions in cohesive learning. It contributed to the development of theory in the existing LO.

(2) TBAP becomes a mode of training and organizational development in the context of Organizational Development and Change, strengthening the knowledge repository in building OL. Trust value and cohesiveness in learning will foster organizational elements to donate tacit knowledge belonging to seniors, especially the retired, so their knowledge is not lost in the organization.

Keywords: IT Capability, Organizational Learning, Organizational Performance, Creative Industry