## **ABSTRACT**

Skilled and competent employees play a major role in achieving organizational success. Employees who are proficient in performing technical job tasks and have more willingness to do work activities that are not related to the technical core of the job are needed in supporting the organization in achieving its goals. This study aims to examine the effect of knowledge sharing and organizational learning on employee performance with mediating variables, namely the ability to innovate.

The population in this study were permanent employees of PT Telekomunikasi Indonesia Tbk Witel Magelang. Based on the sampling method, namely the census, 41 samples were obtained. Data collection was carried out by distributing questionnaires to selected samples. Measurement in the questionnaire uses a Likert Scale. The analysis method uses a variant-based Partial Least Square (PLS) structural equation model (SEM) which is processed using the SmartPLS 3.2.9 application to see the influence between the independent and dependent variables and the role of the mediating variable.

Based on hypothesis testing through the bootstrapping method, the results show that knowledge sharing, organizational learning and the ability to innovate have a positive and significant effect on employee performance. In addition, the ability to innovate can mediate the effect of knowledge sharing and organizational learning on employee performance.

**Keywords:** Knowledge Sharing, Organizational Learning, Employee Performance, Innovation Capability.