

ABSTRACT

The purpose of this study was to examine the effect of the use of strategic management accounting techniques and knowledge management on dynamic capabilities to improve organizational performance. The use of these variables is based on the results of previous studies, namely: Lachmann (2012), Guilding (2000), Demir and Ugurluoglu (2019), Kalkhouran & Nedai (2017), Palvatos & Kostakis (2018), Najmi (2017), Alamri (2019), Simon et al (2014) and Chien & Tsai (2012).

This research was conducted on hospitals in Indonesia with 264 respondents consisting of Class A, Class B, Class C and private hospitals, using Structural Equation Modeling (SEM) and Path Analysis. The results of the study in general with SEM showed that the use of SMA techniques and knowledge management had a positive and significant effect on dynamic capabilities in improving organizational performance. While cluster analysis using Path Analysis resulted in the conclusion that there was no significant relationship between knowledge management and dynamic capabilities in Class B hospitals and no significant relationship was found between dynamic capabilities and organizational performance.

The role of knowledge management and dynamic capabilities in improving organizational performance has actually been suggested and accepted by all organizations, but has not been properly understood. The same is the case with the use of Strategic Management Accounting (SMA) techniques in hospitals, which so far are not familiar. Moreover, empirical studies on health service organizations, especially hospitals are still considered very rare. This study tries to bridge the gap by analyzing the influence of knowledge management and the use of SMA techniques on company performance with dynamic capabilities as a mediating variable.

Key words: strategic management accounting, knowledge management, dynamic capability, organizations performance, hospitals performance.