

ABSTRACT

Basically focus of organizational culture which is composed of two internal integration and external adaptation which both is a requirement for organizations to be able to sustain his life and can meet the expectations of stakeholders, however, the values of the organizational culture must be implemented in the form of superior resources one of which is through the implementation of knowledge management which in turn supports the organization achieve high performance .

This study aims to examine and analyze the effect of direct and indirect organizational culture, knowledge management to organizational performance's Board of Finance and Development Supervision (BPKP). This study uses two theory : Resources-Based View and Dynamic Capability.

The study was conducted across 33 representative of BPKP , with as many as 105 respondent . Data was collected using a questionnaire method is to provide a list of questions or questionnaires sent by mail to the respondent . Data analysis techniques in this study using analysis of Structural Equation Modeling (SEM).

The results showed that the orientation of the organizational culture of internal integration and external adaptation has a positive and significant impact on knowledge management and organizational performance . The influence of knowledge management on organizational performance is significant and positive , while knowledge management is also shown to be mediators of the effect of internal integration and external adaptation of the performance organization .

Keywords: Organizational Performance, Organizational Culture, Internal Integration, External Adaptation, Knowledge Management