THE EFFECT OF STRATEGIC LEADERSHIP AND RESOURCE-BASED VIEW ON ORGANIZATIONAL PERFORMANCE THROUGH KNOWLEDGE MANAGEMENT IN DEFENSE CONSTRUCTION AGENCIES

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ABSTRACT

This research purpose was to analyze the effect of strategic leadership (SL) and resource-based view (RBV) on organizational performance (OP) through knowledge management (KM) in defense construction agencies. This research was conducted within the scope of the Indonesian defense construction agencies, with 100 respondents. The data obtained were analyzed with Partial Least Square Structural Equation Modeling (PLS-SEM) using the SmartPLS v.3.2.8 program. This research found that SL and RBV had a positive and significant effect on KM and OP, respectively. KM has a positive and significant effect on OP. This research also found that SL and RBV had a positive and significant effect on OP through KM. Future research is advised to try with the addition of other variables such as organizational culture, organizational development, and personnel competence. The practical implication of this research is that if it will improve OP, it is necessary to improve SL, RBV and KM. This study found that KM only acts as a partial mediator of OP both on SL and RBV.

Keywords: *strategic leadership; resource-based view; knowledge management; organizational performance; defense construction.*

1. INTRODUCTION

Management of defense facilities at the level of the Ministry of Defense (Kementerian Pertahanan – Kemhan) is carried out by the Defense Facilities Agency (Badan Sarana Pertahanan – Baranahan), one of which includes the procurement of construction services carried out by the Construction Center (Pusat Konstruksi – Puskon) (Permenhan 14/2019, 2019, p. Article 848). At the level of other Organizational Units (UO) also have construction agencies, namely: (1) Directorate of Army Engineering (Direktorat Zeni TNI AD – Ditziad); (2) Naval Base Facilities Service (Dinas Fasilitas Pangkalan TNI AL – Disfaslanal); (3) Air Force Facilities

and Construction Service (Dinas Fasilitas dan Konstruksi TNI AU – Disfaskonau); dan (4) Construction Facilities Service (Satuan Fasilitas dan Konstruksi – Satfaskon) TNI Headquarters. In this research, all agencies and units in charge of construction within the Kemhan and the TNI are called "defense construction agencies".

In the context of preparing the construction of defense facilities there are links with: (1) budgeting and financial regulations; (2) regulations for the procurement of government goods/services; (3) construction service sector regulations; and (4) regulations within the scope of national defense which all need to be referred to synergistically. Presidential Regulation Number 16 Year 2018 concerning Procurement of Government Goods/Services (Perpres 16/2018, 2018) has been established, with the hope (das sollen) that can synergize the provision of goods/services with policies in other sectors including the construction service sector, and also must be synergistic with policy implementers, both those carried out by civilian and military agencies. But in reality, on the ground (das sein), there are some difficulties in implementing Perpres 16/2018 in the defense environment, including the establishment of a Goods/Services Procurement Work Unit (UKPBJ), the dynamics of the development of defense facilities, and budget constraints.

The scope of duties of defense construction agency personnel includes construction, procurement of goods/services, defense, finance, so that organizational personnel are required who have extensive knowledge in various aspects of science. The employees are one of the organizational resources referred to in the RBV theory. The basic argument of the RBV is that the company's performance (in this case the organization) is determined by the resources it has (Liang, You, & Liu, 2010). Therefore, the RBV is used as a variable in this research. The RBV theory was born in the context of analyzing company resources to become a sustainable competitive advantage, but in this research the RBV will be used to analyze organizational resources for defense construction to improve organizational performance (OP).

The success of an organization depends on KM in dealing with environmental changes including changes in standards, policies, and regulations, because knowledge has been considered as the organization's most strategic resource (Zack, McKeen, & Singh, 2009). According to Maule (2006), KM is a serious area of inquiry and has become a priority area in the United States military, given the situation faced by modern soldiers and the new types of behavior exhibited in conflict. Therefore, KM is used as a variable in this research, because it is very relevant to the phenomenon of changes in legislation and the dynamics of the development of defense infrastructure facilities faced by defense construction agencies. OP has been widely used as the most important criterion in evaluating organizations and is the main dependent variable that is widely used in the field of management. There are four variables that will be used in this research, namely strategic leadership (SL) and resource-based view (RBV) - as independent variables, knowledge management (KM) as - intervening variables, and organizational performance (OP) as dependent variables.

The research questions are as follows: (1) Does SL have a positive effect on KM?; (2) Does RBV have a positive effect on KM?; (3) Does SL have a positive effect on OP?; (4) Does RBV have a positive effect on OP?; (5) Does KM have a positive effect on OP?; (6) Does SL have a positive effect on OP through KM?; dan (7) Does RBV have a positive effect on OP through KM?

The research purpose was to determine and analyze the effects that occur as follows: (1) the effect of SL on KM; (2) the effect of RBV on KM; (3) the effect of SL on OP; (4) the effect of RBV on OP; (5) the effect of KM on OP; (6) the effect of SL on OP through KM; dan (7) the effect of RBV on OP through KM.

The benefits of research are expected to make scientific contributions to the development of strategic management theory, specifically SL, RBV, KM, and OP; can be used to improve the implementation of activities in defense construction agencies involving annual work planning, the construction planning stage, the supplier selection stage, and the construction work stage; and can be input and consideration for parties

investigated in the development of policies relating to the performance and institutional defense construction agencies.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Based on previous research, synthesis can be arranged in a new definition of strategic leadership (SL) is the ability of leaders to anticipate, direct organizational actions towards the achievement of organizational goals, by influencing organizational culture, allocating resources, generating activities, building consensus in a fluctuating global environment. After adjusting to this research, there are three dimensions of SL, namely: action; coherence; and discipline.

The theory of resource-based view (RBV) has become one of the most influential theories and quoted in the history of management theory. According to Szymaniec-Mlicka (2014), RBV is not highly valued in the management of public organizations. According to Barney & Clark (2007), company resources must have four attributes in order to have competitive advantages, namely: valuable resources; rare resources; imperfectly imitable resources; organization, which can be interpreted as an organizational process in a defense construction agency that manages valuable, rare and hard to imitate resources.

Based on previous research, synthesis can be arranged in a new definition of knowledge management (KM) is a systematic process and strategy for creating, capturing, sharing, using, and managing all types of data, information, and knowledge that are useful for the purpose of an organization. KM developed into various fields, one of which was the United States military which had become an early adopter of KM technology, because knowledge was an important component of a military operation (Maule, 2006). After comparing with research by Nonaka & Takeuchi (1995); García-Fernández (2015); and adjustments to this study, there are three dimensions of KM, namely: (1) knowledge creation; (2) knowledge transfer and storage; dan (3) knowledge application and use.

Based on previous research, synthesis can be arranged in a new definition of organizational performance (OP) is the ability of an organization to use its resources in an effective and efficient manner compared to its goals and objectives. The defense construction agency to be investigated is a non-profit public sector organization. After comparing with research Serfontein & Hough (2011); Witts (2016); Koohang *et al.* (2017); Rahman *et al.* (2018), the OP dimensions chosen were: (1) efficiency and process reliability; (2) management programs, systems and structures; (3) human resources and relations; (4) adaptation to the environment.
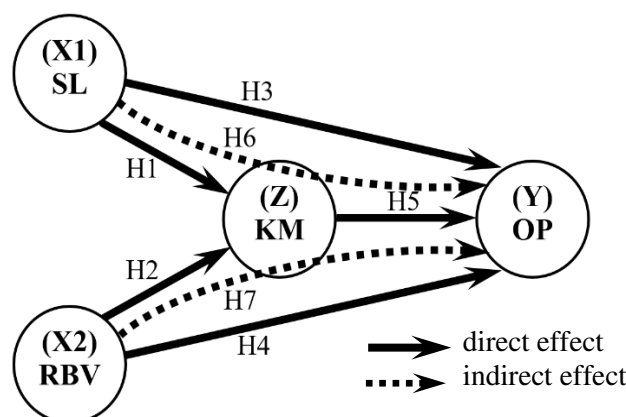

Figure 1: Conceptual Model Schematic Diagram

Source: Processed by researchers

Based on the schematic diagram of the conceptual model there are seven research hypotheses. According to Dahri et al. (2019), SL has a positive effect on KM. Based on the description above, the first hypothesis can be constructed as follows:

H1:   *Strategic Leadership has a positive effect on Knowledge Management.*

Assensoh-Kodua (2019) indicate that RBV plays an important role and assist organizations in creating, maintaining, and sustaining competitive advantage. Knowledge has become a direct competitive advantage for organizations. Furthermore the challenge for organizations is to find, integrate, equip and maintain the talented people needed (Assensoh-Kodua, 2019). Based on the description above, the second hypothesis can be constructed as follows:

H2:   *Resource-Based View has a positive effect on Knowledge Management.*

The role of leadership is very important for organizational performance and success which includes aspects of visionary, motivator, enabler, facilitator as well as mentors and trainers (Serfontein & Hough, 2011). SL is a major important factor after management's ability to determine OP (Nanthagopan, 2012). All SL and OP constructs reported have a significant positive correlation (Hitt & Irlandia, 1999; Wheeler, et al, 2008; Hitt *et al.*, 2007). Based on the description above, the third hypothesis can be constructed as follows:

H3:   *Strategic Leadership has a positive effect on Organizational Performance.*

According to Liang et al. (2010), RBV has three main constructions namely organizational performance, organizational resources, and capabilities. Dependent construction is organizational performance, while the main independent construct is organizational resources. Based on the description above, the fourth hypothesis can be constructed as follows:

H4:   *Resource-Based View has a positive effect on Organizational Performance.*

According to Zack (2009), KM practices are positively related to OP as generally suggested by KM literature, both qualitative (Massey *et al.*, 2002; Nonaka, 1994) and quantitative (Choi & Lee, 2003; Darroch & McNaughton, 2003; Lee & Choi, 2003; Tanriverdi, 2005). Research Rasula et al. (2012) proved KM has a positive effect on OP. Based on the description above, the fifth hypothesis can be constructed as follows:

H5:   *Knowledge Management has a positive effect on Organizational Performance.*

According to Rengkung (2015), an organization can achieve competitive advantage if it has leadership and KM capabilities as core competencies that act as enablers. Dahri et al. (2019) revealed that SL has a large influence on KM. Likewise it was also found that KM had an influence on OP as well as to mediate the role of KM (Dahri et al., 2019). Based on the description above, the sixth hypothesis can be constructed as follows:

H6:   *Strategic Leadership has a positive effect on Organizational Performance through Knowledge Management.*

The organization will be considered to have success and be able to maintain existence, if the organization is able to have unique resources that exceed those of competitors (Rengkung, 2015). Furthermore KM is a conscious strategy for getting the right knowledge to the right person at the right time and helping people share and apply information in ways that will improve OP. Knowledge is not the most important thing for an organization, but how it is applied to achieve strategic goals (Assensoh-Kodua, 2019). Based on the description above, the seventh hypothesis can be constructed as follows:

H7:   *Resource-Based View has a positive effect on Organizational Performance through Knowledge Management.*

3. RESEARCH METHODOLOGY

This research is a hypothesis testing research; correlational research; use minimal interference; carried out in a natural environment where work takes place normally, that is, in a non-contrived arrangement; cross sectional or one shot (Sekaran & Bougie, 2016). Correlational studies conducted in organizations are called field studies. The unit of analysis in this study is the organizational level (Sekaran & Bougie, 2016).

The population of this research are the employees of the defense construction agencies, namely the Puskon Baranahan and the Bag Konbang Roum Setjen Kemhan; Satfaskon and Paban Faskon Slog of TNI Headquarters; Ditziad and Paban Faskon Slog of Army Headquarters; Disfaslanal and Paban Faslan Slog of Navy Headquarters; Disfaskonau and Paban Faskon Slog of Air Force Headquarters.

The sampling design of this study uses nonprobability sampling, the type of purposive sampling with the type of quota sampling, that is, sampling is limited to certain types of people who can provide information in accordance with established criteria (Sekaran & Bougie, 2016), namely serving at the Kasi/Kasubbag/Kasubbid with the rank of Lieutenant Colonel up to Director/Head of Office who have the rank of one star/second echelon, where the respondent has acted as a middle level manager, so that they can provide an appropriate response to the questionnaire given.

Data collection methods through questionnaires that have the advantage of obtaining more efficient data in terms of time, energy, and research costs (Sekaran & Bougie, 2016).

This research data analysis method uses univariate and multivariate analysis tools. Univariate to test each variable used in this study. Multivariate analysis is the analysis of several variables in a relationship or series of relationships (Hair Jr., Black, Babin, & Anderson, 2014; Hair Jr., Hult, Ringle, & Sarstedt, 2017). PLS-SEM analysis consists of two sub-models, namely the measurement model or outer model and the structural model or inner model (Ghozali & Latan, 2015). The structural model of this research is in the form of a multidimential construct type of reflective first order and reflective second order (Ghozali & Latan, 2015).

Validity test is a test conducted to find out how well the statement items used in research can be used to measure variables or constructs (Sekaran & Bougie, 2016). Validity is related to the accuracy of the measurement results of a measuring instrument. There are two types of validity in PLS SEM, namely convergent validity and discriminant validity.

The results of the measurement model with reflective indicators are seen from outer loading, composite reliability, Average Variance Extracted (AVE), and discriminant validity. The four latent variables in this research model are multidimential constructs of the first order and reflective second order types, therefore it is necessary to do a second order confirmatory factor analysis (SOCFA) test (Ghozali & Latan, 2015).

The first criterion that is evaluated is that outer loading must be $> 0.7082 \approx 0.7$ (Hair Jr. et al., 2017). If the outer loading is less than 0.4, the reflective indicator must be removed. When outer loading is between 0.4 and 0.7 the decision about whether to save or delete an item depends on the outer loading (height) of other items and the results of criteria such as composite reliability and convergent validity (Avkiran & Ringle, 2018; Hair Jr. et al., 2017). As a practical step, testing is carried out, if the elimination increases the value of the criteria ρc and AVE, then the elimination continues. But if removal does not increase the value of the criteria ρc and AVE, then the reflective indicator can be accepted.

Reliability is a statistical result that shows the extent of consistency and predictability of a variable or construct used as a measurement tool in research (Hair Jr. et al., 2017). Next is internal consistency reliability, which is usually done with Cronbach's Alpha. However, due to the limitations and weaknesses of Cronbach's Alpha, including being sensitive to the number of items on a scale and generally tending to underestimate the reliability of internal consistency, it is more appropriate to use composite reliability (ρc). Composite reliability allows assessing the internal consistency of the construct as a test of convergent validity in the reflective

model. Composite reliability must be valued between 0.7 – 0.95 (Avkiran & Ringle, 2018; Hair Jr. et al., 2017). Composite reliability value ρc ≥ 0.7.

Average Variance Extracted (AVE) is a test to test the convergent and divergent validity. In an adequate model, AVE > 0.5 and also greater than cross-loadings (Garson, 2016). Furthermore, discriminant validity is also checked by looking at cross-loadings, all outer loadings of indicators in the construct must be higher than all cross-loadings with other related constructs.

Structural model analysis is an attempt to find evidence that supports the theoretical model that is, the theoretical relationship between exogenous constructs and endogenous constructs (Avkiran & Ringle, 2018). Evaluation of structural models is done by examining the following criteria: (1) Collinearity through Inner Variance Inflated Factor (VIF) must have values > 0,2 and < 5,0 (Hair Jr. et al., 2017); (2) The accuracy of the prediction of the coefficient of determination (R-square) with a criterion of 0.75 indicates "strong", 0.50 indicates "moderate", 0.25 indicates "weak", but some references make up the criteria of 0.67 indicating "strong" , 0.33 indicates "moderate", 0.19 indicates "weak" (Garson, 2016; Ghozali & Latan, 2015); (3) Effect sizes (f^2) with a criterion of 0.02 indicating "small", 0.15 indicating "medium", 0.35 indicating "large"; (4) Through the bootstrapping process, the significance of the path coefficients where all P-values must have a value ≤ 0.05 (5%); and T-statistics must have a value ≥ 1.96; (5) There is no need to use goodness-of-fit (GoF) because it does not represent the goodness-of-fit criteria for PLS-SEM (Hair Jr. et al., 2017).

Research hypothesis testing using SmartPLS v.3.2.8 program to calculate all P-values must have a value ≤ 0.05 (5%); and T-statistics must have a value ≥ 1.96. If the P-value ≤ 0.05 and T-statistics ≥ 1.96, then Ho is rejected and the alternative hypothesis (Ha) is accepted; conversely if P-values > 0.05 and T-statistics < 1.96, then Ho is accepted and the alternative hypothesis (Ha) is rejected.

4. RESULTS AND DISCUSSION

Of the 112 questionnaires distributed, 105 copies of the questionnaire were submitted. After reducing the questionnaires that did not meet the requirements, 100 respondents were sampled. According to the sample size table for a certain population size it was found that for the population (N) = 110-120 needed a sample (S) = 86-92 (Sekaran & Bougie, 2016), so that the target respondents had been met. Based on the results of data collection through the distribution of questionnaires to respondents consisting of personnel serving in defense construction agencies, characteristics of respondent data can be obtained with the parameters: gender (95% male, 5% female); age (86% 39-54 years, 14% 55-73 years); highest education (57% BSc/S-1/D-4/Akabri, 40% MSc/S-2, 2% high school, 1% D-3); and position (64% equivalent to Lt. Col., 34% equivalent to Colonel, 2% equivalent to one star).

Analysis of the results of the study describes the results of statistical tests include evaluation of the measurement model (outer model), the evaluation of the structural model (inner model), and analysis of results of research hypothesis testing. From the outer loading results it was found that all construct indicators are valid because the value of T-statistics> 1.96. From the results of the path coefficients it was found that all indicators of the first order construct significantly influence the second order construct where the value of T-statistics> 1.96. This shows that all construct indicators of the first order constitute constructs that form constructs, all construct indicators are reliable or meet the reliability test. Furthermore, all the constructs of the variables are arranged into structural models. After the PLS Algorithm step is performed, all composite reliability (ρc) values are above 0.7.

Strategic Leadership has a positive and significant effect on Knowledge Management
According to the hypothesis testing results, the T-statistics value was 3.489 > T-table 1.96 and the P-value was 0.001 < 0.05 (5%), indicating that Ha was accepted and Ho was rejected. Thus, the research hypothesis H$_a$1 is accepted and can be stated that statistically SL positive and significant effect on KM. The findings in

this study are in line with the results of previous studies including Dahri et al. (2019), Anamika & Verma (2011). According to Dahri et al. (2019), it is time to gradually develop knowledge management to handle the integration of strategy, culture, human resources, and technology. The leader is one of the important elements to start KM (Ramachandran, Chong & Wong, 2013) because it is from the leader that decisions come out for the organization. With the role of leader through SL supporting the implementation of KM. Furthermore, KM enhances the organization's ability to adapt to a changing environment.

Resource-Based View has a positive and significant effect on Knowledge Management
According to the hypothesis testing results, the T-statistics value was 18.019 > T-table 1.96 and the P-value was 0,000 < 0.05 (5%), indicating that Ha was accepted and Ho was rejected. Thus, the research hypothesis H_a2 is accepted and can be stated that statistically RBV positive and significant effect on KM. The findings in this study are in line with the results of previous studies including Assensoh-Kodua (2019). According to Assensoh-Kodua, basis of competitive advantage is found in people and knowledge are RBV, therefore the main reason KM is to collect and share them with the organization's ability to achieve results.

Strategic Leadership has a positive and significant effect on Organizational Performance
According to the hypothesis testing results, the T-statistics value was 2.260 > T-tabel 1.96 and the P-value was 0.024 < 0.05 (5%), indicating that Ha was accepted and Ho was rejected. Thus, the research hypothesis H_a3 is accepted and can be stated that statistically SL positive and significant effect on OP. The findings in this study are in line with the results of previous studies including Rahman *et al.* (2018), Kamariah *et al.*(2018), Serfontein (2011), Dahri *et al.* (2019). According to Mathura, SL helps improve OP and positively influences various organizational qualitative indicators (Dahri *et al.*, 2019). SL reflects the extent to which leaders strategically think about creating change and to advance the organization (Dahri et al., 2019). According to Kamariah et al. (2018), the performance achieved by organizations comes from the ability of organizations to move the organization from all activities carried out to achieve competitive advantage.

Resource-Based View has a positive and significant effect on Organizational Performance
According to the hypothesis testing results, the T-statistics value was 6.056 > T-tabel 1.96 and the P-value was 0.000 < 0.05 (5%), indicating that Ha was accepted and Ho was rejected. Thus, the research hypothesis H_a4 is accepted and can be stated that statistically RBV positive and significant effect on OP. The findings in this study are in line with the results of previous studies including Liang et al. (2010).

Knowledge Management has a positive and significant effect on Organizational Performance
According to the hypothesis testing results, the T-statistics value was 2.625 > T-tabel 1.96 and the P-value was 0.009 < 0.05 (5%), indicating that Ha was accepted and Ho was rejected. Thus, the research hypothesis H_a5 is accepted and can be stated that statistically KM positive and significant effect on OP. The findings in this study are in line with the results of previous studies including Dahri et al. (2019), Rasula et al. (2012), Zack, McKeen, & Singh (2009), Qasrawi, Almahamid, & Qasrawi (2017), Koohang *et al.*(2017). According to Tanriverdi, the company has observed the positive effect of KM on OP by improving the quality of products and services (Dahri et al., 2019). KM is trusted to help organizations achieve competitive advantage and increase performance (Zheng, Yang, & McLean, 2010).

Strategic Leadership has a positive and significant effect on Organizational Performance through Knowledge Management
According to the hypothesis testing results, the T-statistics value was 2.092 > T-tabel 1.96 and the P-value was 0.037 < 0.05 (5%), indicating that Ha was accepted and Ho was rejected. Thus, the research hypothesis H_a6 is accepted and can be stated that statistically SL positive and significant effect on OP through KM. The findings in this study are in line with the results of previous studies including Dahri et al. (2019). Most of the

human resources involved in implementing leadership style suited to the implementation of KM to improve OP (Dahri et al., 2019). According to Mauri & Romero (2013), the role of SL in creating enabling organizational values and culture is essential for organizational success (Witts, 2016).

According to Hair Jr. et al. (2017), to determine how much is absorbed by the intervening variable by using the variance accounted for (VAF) formula, namely:

VAF = (p12 * p23) / (p12 * p23 + p13)

By comparing the indirect effect (p12 * p23) with the total effect (p12 * p23 + p13). When VAF has a result > 80%, then the intervening variable can be categorized as full mediation. If VAF ≥ 20% and ≤ 80% can be categorized as partial mediation. Whereas the VAF value <20% can be categorized as no mediation.

Based on the hypothesis testing results obtained specific indirect effects 0.051 (H6), while direct effects 0.159 (H3). VAF = (p12 * p23) / (p12 * p23 + p13) = 0.051 / (0.051 + 0.159) = 0.2429 = 24.3%, so that the intervening variables KM can be classified as partial mediation.

Resource-Based View has a positive and significant effect on Organizational Performance through Knowledge Management

According to the hypothesis testing results, the value of T-statistics is 2.591> T-table 1.96 and the P-value is 0.010 < 0.05 (5%), indicating that Ha is accepted and Ho is rejected. Thus, the research hypothesis H_a7 is accepted and can be stated that statistically RBV positive and significant effect on OP through KM.

Based on the hypothesis testing results obtained specific indirect effects 0.212 (H7), while direct effects 0.561 (H4). VAF = (p12 * p23) / (p12 * p23 + p13) = 0.212 / (0.212 + 0.561) = 0.2743 = 27.4%, so that the intervening variables KM can be classified as partial mediation.

5. CONCLUSION

Based on the discussion of research results it is known that the SL score is the highest. This reinforces the view that leadership terminology is indeed closest to the military environment, where there is a great emphasis on hierarchy. In addition, there is a chain of command that aims to carry out orders, thereby introducing discipline and control (Ashkanasy, Wilderom, & Peterson, 2011). While the RBV score is the lowest, reflected in 8-20% of respondents who disagree with some indicators. These results approach the research conducted by Szymaniec-Mlicka (2014) which shows that the RBV is not highly valued in the management of public organizations. However, the large percentage of respondents who disagree, indicating this sector needs to be improved intensively. Therefore the results of the structural model loading factor results actually state the effect of RBV on KM is the largest value of the five hypothesized direct relationships.

Based on the discussion it can be concluded from the seven research hypotheses all of them are proven and acceptable: (1) SL has a positive and significant effect on KM in the defense construction agency with a path coefficient value of 0.188, which is the fifth among the seven hypotheses; (2) RBV has a positive and significant effect on KM in defense construction agencies with a value of 0.778, which is the largest value; (3) SL has a positive and significant effect on OP in defense construction agencies with a value of 0.159, which is the sixth order; (4) RBV has a positive and significant effect on OP in defense construction agencies with a value of 0.561, which is the second order; (5) KM has a positive and significant effect on OP in defense construction agencies with a value of 0.273, which is the third order; (6) SL has a positive and significant effect on OP through KM in defense construction agencies with a value of 0.051, which is the smallest value; (7) RBV has a positive and significant effect on OP through KM in defense construction agencies with a value of 0.212, which is the fourth order.

The theoretical implications of this study are as follows: (1) the most dominant influence in increasing KM is RBV which is 0.778, while the effect of SL is only 0.188; (2) KM intervening variables can be categorized as

partial mediation either on H6 with a VAF value of 24.3%, or on H7 with a VAF value of 27.4% (between the range of 20-80%); (3) the most dominant influence in increasing OP is RBV through a total effect of 0.773, which is obtained from the sum of the direct effects of 0.561 and the indirect effect of 0.212; while the influence of KM is only 0.273, and the influence of SL through a total effect of 0.210.

The managerial/practical implications of this study are as follows: (1) The most dominant SL variable indicators are the role of leaders as facilitators and building dynamic core competencies (COH3); what needs to be maintained is that the leader must be visionary, have a picture of what he wants to do, how to do it and how to deal with existing obstacles (ACT1); (2) The most dominant indicator of RBV variable is to improve the organizational culture of the defense construction agency (ORG4); what needs to be maintained is that the resources of the construction sector are valuable because they add value to the organization in achieving its tasks (VAL1); (3) The most dominant KM variable indicator is increasing the role of organizations in gathering information from various sources (KCR1); what needs to be maintained is that the organization regularly collects information from various sources (KCR1); (4) The most dominant OP variable indicator is increasing the conformity of the results of construction activities with the planned drawings and technical specifications (PMS4); what needs to be maintained is that HR can be improved by using relevant programs and systems, such as recruitment, training, compensation, staffing and career planning (SDM3).

The policy implications of this research are the following efforts: (1) standardization of defense infrastructure facilities; (2) electronic media empowerment as a means of communication between organizations and socialization; enhancing the capabilities of defense construction professional HR; cooperation between defense construction agencies in the field of education and training; (3) data bank proposing the construction of facilities; selection of types of activities that already have a master plan; selection of types of activities that have the characteristics of a few items but large in volume; reduce the phasing of the package of construction activities; improve the filter mechanism and selection of submission for defense facilities needs; (4) the formation of UKPBJ within the Kemhan and the TNI; the formation of UPT PBJ TNI AD; UPT PBJ TNI AL; UPT PBJ TNI AU; uniforming the nomenclature of the organization in charge of "alpalhan" within the armed forces; (5) cooperation between defense construction agencies in the field of software; (6) restructuring the Puskon Baranahan Kemhan organization; (7) adjusting the nomenclature of the defense construction agency.

The limitation of this research is related to the security aspect which is one of the characteristics of the defense construction agency as the object of research. So that the data and information that is displayed wherever possible is obtained from secondary data through electronic media/internet - except the results of a questionnaire survey, meaning that it has become public consumption, so that there is no doubt about the confidentiality aspects relating to national defense and security.

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