

Does Information Sharing Will Create New Services On Indonesia Pre-School?

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abstract Preschools manage information from parents to create excellent learning programs. The learning program becomes a form of joint service value creation between managers and users of preschool education services. The study aims to examine the importance of customer orientation, knowledge creation process and innovation ability of preschools to improve performance. This research approach uses quantitative methods. The sample consists of 100 preschool managers, analyzed using Smart PLS 4.0. Customer orientation has a significant effect on the knowledge creation process, innovation ability, and performance. The knowledge creation process has a significant effect on innovation capability. Innovation ability has a significant effect on performance. Knowledge creation process and innovation ability are able to mediate the effect of customer orientation on performance. The limitations of this study, the lack of critical testing of knowledge so that further research can use mixed methods.

Keywords: Customer Orientation, Innovation Capability, Performance

1. Introduction

The more a child grows and develops, the more their need to learn increases. Every parent tries to provide the best education for their children from an early age [1]. One of the alternatives to meet these needs, parents began to enter and choose preschools that suit the needs of children. Customers will feel satisfied if the preschool provides information on learning program offerings that match their wishes. Information about customers can be obtained by companies that disseminate information on current and future customer needs and behavior. Nowadays, preschool education is one of the sectors that continues to increase in Indonesia. Preschools in Indonesia can be used as a business opportunity in the field of education.

Research on customer orientation in preschool performance is an interesting discussion to be researched more deeply. Customer orientation has an important influence in the environment to improve performance. Knowledge creation in preschools can form the drivers of success in preschool performance. Knowledge creation capabilities can combine knowledge information into new knowledge. Knowledge creation uses the joint efforts of face-to-face communication to promote knowledge innovation. Innovation adopts new ideas more quickly to create children's learning programs [2]. In previous research, innovation occurs as a result of process and knowledge management..

This research pays special attention to the RA (Resource Advantage) theory that contributes to preschool performance. The view on RA theory states that heterogeneous resources in the firm can affect the level of competitive advantage and firm performance. For RA theory, firms compete by combining resources in a way that increases firm effectiveness [3]. The basic focus of RA theory of power can provide utilization to the company and new insights to the problem at hand.

The study of customer orientation and its role in preschool performance is an interesting discussion. Previous research has proven that business performance is determined by customer orientation [4]. Meanwhile, another study found that customer orientation has a negative and insignificant effect with business performance [5]. Although empirical evidence on customer orientation in performance has been examined and researched previously, we know little about the implications of customer orientation with information creating learning programs on preschool performance. Therefore, it is still necessary to conduct further research with several influencing factors. In addition, it promotes preschools to look for effective ways to improve customer relationships and customer engagement.

This study aims to advance the literature on RA theory by providing answers on whether information sharing will create new services in Indonesian preschools. Therefore, further research needs to be done by looking at various influencing factors. Customer orientation on business performance has an influence that depends on a number of factors, such as internal and external factors [6]. Therefore, this research can fill the gap.

2. Theoretical Background and Hypothesis Development

2.1 Theoretical Background

RA theory is a theory of competition that includes organizational theory as a counterweight, and to distinguish market position from competitive advantage [7]. RA theory has different research literature. First, it is about the resource-based theory of Enterprise). Second, RA theory refers to the heterogeneous demand theory of marketing. Therefore, RA theory as a resource and view for the success of the company. The resource view claims to influence competitive performance advantage. There are 7 types of resources for RA theory: financial, physical, legal, human, organizational, information, relational. The resource view claims to influence competitive performance advantage [8].

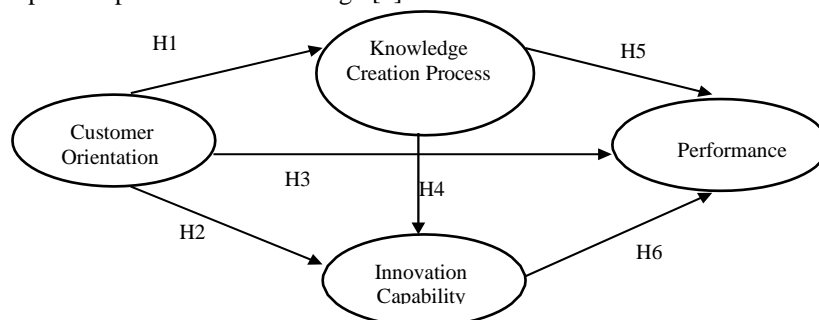


Fig 1. Conceptual Model

2.2 Customer Orientation and Knowledge Creation Process

Customer orientation focuses on collecting and applying customer information efficiently. It studies customer needs by combining knowledge resources internally and externally so as to create value. Preschools involve the role of customer orientation and knowledge creation processes to improve quality. Customer orientation activities that receive information from customers to produce learning programs. Knowledge creation is an important process that makes it possible to transform external knowledge into a competitive advantage. Knowledge is gained from customer-driven activities. Through information sharing, customer orientation can help preschools create learning programs that match parents' wishes. Thus, customer orientation is very important because of its positive impact on the knowledge creation process [8]

Hypothesis 1: Customer orientation in preschool has a positive impact on the knowledge creation process

2.3 Customer Orientation and Innovation Capability

Customer orientation refers to the collection of customer intelligence to satisfy customer needs and wants. Innovation capability leads to the company's capacity to continuously transform knowledge resources and ideas into new services to improve the company. Innovation is considered an important element because it aims to provide a superior value proposition [9]. Customer orientation can increase the presence of factors that play a role in realizing innovation ideas. Customer orientation and innovation capability need each other to create the value of preschool excellence. Innovativeness is defined as new solutions to carry out activities [10].

Hypothesis 2: Customer orientation in preschool has a positive impact on the innovation capability

2.4 Customer Orientation and Performance

Customer desires, concerns and revenues have made the key drivers for business strategy decisions. The concept of customer orientation can refer to a set of beliefs of customer interests. Customer interests can be carried out by providing solutions tailored to customers. Customer orientation has a special role in determining company performance. Determining the approach to customers will have an impact on improving performance [4]. Previous studies, state that if companies focus too much on customers, they tend to ignore market needs and reduce performance [2]. Performance can be assessed based on the quantity and quality of real work results. With customer orientation, it is expected to produce the expected performance [11].

Hypothesis 3: Customer orientation in preschool has a positive impact on the performance

2.5 Knowledge Creation Process and Innovation Capability

Knowledge is broadly related to economic resources and competitive resources for organizations. Knowledge creation is defined as developing innovative ideas and providing new solutions that are useful for organizational improvement. Creating new learning programs

will ensure that preschools have a constant source of competitive advantage to create value and sustainable growth. Preschools can create a learning process through the innovation capabilities of school managers. Creating a new learning program will ensure that the preschool has a constant source of competitive advantage to create value and sustainable growth. Knowledge and innovation are inseparable. Therefore, the preschool's ability to create a learning knowledge program is critical to its innovation capability [4]. The process of knowledge creation and innovation ability are interrelated to create learning programs.

Hypothesis 4: Knowledge creation process in preschool has a positive impact on the innovation capability

2.6 Knowledge Creation Process and Performance

RA theory states that knowledge is a strategic resource for companies [7]. The ability to create and utilize knowledge makes the company develop a sustainable competitive advantage. Knowledge is characterized by heterogeneity, uniqueness, complexity and simple main effects. The knowledge creation process allows companies to strengthen embedded knowledge internally and externally. Knowledge is created through a spiral process of socialization, externalization, combination, and internalization. To improve preschool performance, it can maintain the interests that customers need. The preschool can provide better customer service compared to competitors so that it can contribute to the improvement of preschool performance.

Hypothesis 5: Knowledge creation process in preschool has a positive impact on the performance.

2.7 Innovation Capability and Performance

The ability to develop innovation in the marketing process is critical to performance [12]. Innovation capability as a source of sustainable competitive advantage. Companies that innovate not only absorb information from outside to solve problems and adapt to a changing environment. Previous research also examines the relationship between innovation and performance, stating that it supports the idea of innovation as the main driver to make the company successful [13]. Innovation capability is the ability of a company against its competitors to apply collective capabilities and create added value for the company [14]. Innovation capabilities can generate benefits for innovative and improved performance. Innovation capability as the ability of the preschool to transform knowledge and ideas into new ones. Innovation capability is a means to fulfill performance improvement. Previous studies have found that innovation capability in organizations has a positive impact on performance. Innovation capabilities can help improve organizational efficiency in competition, marketing, and innovation to meet customer needs. The existence of innovation capability makes it better to perform in preschools. Based on the above, the hypothesis is proposed as follows:

Hypothesis 6: Innovation capability in preschool has a positive impact on the performance.

2.8 Mediating Role of Knowledge Creation Process

Overall knowledge creation can increase customers. Knowledge creation preschools can generate customers in a competitive environment. To maintain superior performance, preschools maintain internal capabilities combined with external knowledge. Performance satisfaction and customer needs have a significant impact on knowledge creation resulting in better performance. The knowledge creation process is able to provide direction to customer orientation so as to improve performance [15]. The knowledge creation process can have a relevant impact on customer orientation and performance. Preschools create learning programs through information and innovation that parents need.

Hypothesis 7: Knowledge creation processes in preschools mediate the impact of customer orientation and performance

2.9 Mediating Role of Innovation Capability

A firm's mediation capability can be described as its potential to produce innovative outputs. The term innovation capability is defined as a process that involves the creation of new ideas and the potential of management to create competitive advantage [6]. Innovation capability refers to a firm's capacity to continuously transform knowledge resources. Innovation is considered an important element that aims to provide a superior value proposition to the market. Information provided by customers can lead to increased innovation. The quality of innovation is a service provided to meet and customer needs. Innovation capability is often used to measure company performance in the field of management. Customer orientation can be developed so as to increase innovation capability and improve performance [10].

Hypothesis 8: Innovation capability in preschool mediate the impact of customer orientation and performance

3. Method

The method used in this research is quantitative research. This study uses primary data taken directly from visiting preschool managers. This study collected data using a 5-point Likert scale. All measurement items are grouped from the lowest scale starting from 1 (strongly disagree) and the highest scale 5 (strongly agree). The sample determination was done by purposive sampling method. Data collection was carried out by questionnaire, which was successfully visited by 100 preschools. In this study using the Smart PLS 4.0 tool. PLS-SEM was used because it is an appropriate method for predicting research objectives in small sample sizes. Then, the PLS-SEM technique used consists of: measurement model estimation, structural model evaluation, and hypothesis [16].

4. Result and Discussion

4.1 Respondent Characteristic

This study used 100 preschool managers as the sample. Data collection was done through the distribution of questionnaires that visited preschools directly

Table 1. Respondent Characteristic

Demographics	Frequency	Percent
Age		
20-29	8	8%
30-39	21	21%
40-49	53	53%
>50	18	18%
Gender		
Female	78	78%
Male	22	22%

Source: Primary Data Prosses (2023)

Table 1. above summarizes the characteristics of respondents in terms of age and gender. The age sample is dominated by samples aged between 40-49 years at 53%. Respondent characteristics based on gender are dominated by female samples at 78%.

4.2 Measurement Models

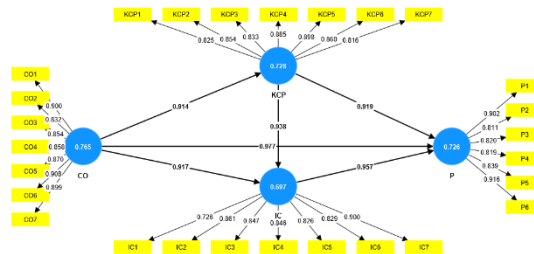


Fig. 2. Structural Models

Source: Primary Data Prosses (2023)

Table 2. shows that data analysis by building a structural model, validation test, reliability test, and significant test of the relationship between variables. The structural model is made by design between latent variables.

The measurement model on variables can be determined using the Discriminant validity and composite reliability tests. Discriminant Validity can be known using the Average Variant Extract (AVE) method if all indicators have criteria of > 0.50 declared valid. Composite Reliability is said to be a variable that meets the criteria if it has a value of > 0.70.

Table 2. Construct Reliability and Validity

Construct Reliability and validity	Composite reliability	AVE	Description
Customer Orientation	0,950	0,765	Valid
Knowledge Creation Process	0,930	0,697	Valid
Innovation Capability	0,939	0,728	Valid
Performance	0,941	0,731	Valid

Source: Primary Data Proses (2023)

Table 2. shows that all variables have a value of > 0.50, so they have good discriminant validity. Composite reliability shows that each variable has a value of > 0.70, so each variable is reliable. Furthermore, variable measurement, a variable is declared reliable if it has a Cronbach's Alpha value > 0.70.

Table 3. Cronbach's Alpha

Construct Reliability and Validity	Cronbach's Alpha	Description
Customer Orientation	0,949	Reliable
Knowledge Creation Process	0,927	Reliable
Innovation Capability	0,938	Reliable
Performance	0,938	Reliable

Source: Primary Data Proses (2023)

From table 3. above, it shows that the results of the Cronbach's Alpha value of all variables have a value > 0.70. It is concluded that all variables fit the criteria and have a high level of reliability.

4.3 Structural Model

The R square table is used to see the effect of customer orientation, innovation capability, and knowledge creation process variables on performance.

Table 4. Structural Model

Variable	R-square	R-square adjusted
Innovation Capability	0,902	0,900
Knowledge Creation Process	0,835	0,833
Performance	0,987	0,987

Source: Primary Data Proses (2023)

Table 4 shows that the innovation capability variable is 0.902 or 90.20%, which means that the innovation capability is explained by the knowledge creation process variable and the performance variable, while the remaining 9.80% is explained by other variables outside this study. Then, the knowledge creation process variable has a coefficient of determination of 0.835 or 83.50%, which means that the variation in the knowledge creation process variable is explained by the innovation capability variable and the performance variable, while the remaining 16.50% is explained by other variables outside this study. Furthermore, goodness of fit research uses Q-square with calculations:

$$\begin{aligned}
Q^2 &= 1 - [(1-R21) \times (1-R22) \times (1-R23)] & (1) \\
&= 1 - [(1-0,902) \times (1-0,835) \times (1-0,987)] \\
&= 1 - [(0,098) \times (0,835) \times (0,013)] \\
&= 1 - 0.00107 \\
&= 0,99
\end{aligned}$$

The next model evaluation criterion is the Q square value of 0.99, which means that the level of model diversity shown by the independent variables in explaining the dependent variable is 0.99 or 99.00% and the remaining 1% is still influenced by other factors. So, from these results, this research model states that the goodness of fit is good.

4.4 Hypothesis

Hypothesis testing can be seen from the P Value on each variable <0.05 then H0 is rejected, the positive effect can be seen through the Original Sample.

Table 5. Hypothesis Test

Path Coefficients	Hypothesis	T Statistics	P Value	Result
CO → KCP	H1	33,266	0.000	Supported
CO → IC	H2	3,304	0.001	Supported
CO → P	H3	14,571	0,000	Supported
KCP → IC	H4	5,726	0,000	Supported
KCP → P	H5	2,056	0,040	Supported
IC → P	H6	6,723	0,000	Supported
CO → KCP → P	H7	2,055	0,000	Supported
CO → IC → P	H8	3,002	0,003	Supported

Source : Primary Data Proseses (2023)

Table 5 summarizes the hypothesis testing. There are 8 hypotheses that support Perceived Value. Customer orientation has a significant effect on knowledge creation process (p-value = 0.000), innovation capability (p-value = 0.001), and performance (p-value = 0.000). This shows that customer orientation in preschools can provide the best service for parents.

Knowledge creation process has a significant effect on innovation capability (p-value = 0.000) and performance. These results are supported because the knowledge creation process can improve performance in preschools. With the information services of the knowledge creation process, the value of performance in preschools will increase. Furthermore, innovation capability has a significant effect on performance (p-value = 0.000). Customer Orientation has a positive effect on the mediate knowledge creation process (p-value = 0.000) and innovation capability (p-value = 0.003). this proves that with the innovation capability in creating children's learning, it can improve performance in preschools. Therefore, this research is supported.

4.5 Discussion

In this study there is a relationship that states that customer orientation as a variable that has an internal source. There is a relationship that both directly and indirectly affects resource-based performance. Therefore, we use a resource-based view because most preschools in Indonesia still depend on their own resources.

The results of hypothesis testing show that customer orientation is a factor that affects the knowledge creation process, innovation ability and performance in preschools. This finding is in line with previous research, that customer orientation can change the external knowledge creation process into a competitive one [17]. Performance in preschools will be improved if preschools receive learning program information from parents. Thus, preschools will create learning programs according to parents' wishes. The findings further explain that parents prefer to send their children to a place that is informative about the learning program. In addition, preschools excel through the quality of services provided. This research is relevant to previous research, that an organization that wants excellence, the quality of the organization must meet customer desires [15]. The application of this research model can influence how innovation leads to the quality of the company to improve the quality of knowledge resources. This research innovation as an important element that aims to provide a superior value proposition to schools based on the information provided by customers. Innovation in preschool learning is very important. It aims to develop children's ability to think creatively and develop children's imagination. Preschools are able to understand children's individual needs and create a fun learning environment for children [1]. For example, preschool innovations that have service innovations, adequate facilities for customers, of course, many parents choose adequate and informative facilities for learning programs. These results are in accordance with previous research, that customer decisions have become the main driver of a company [18]. In addition, there is a form of innovation skills, namely creating innovative learning that will make children more interested and easier to understand the material being taught.

5. Conclusion

The findings show that providing information to preschools can create new learning program services. Customer orientation in creating children's learning process with innovation capabilities can improve performance in preschools. Preschools also provide informative services to parents to improve customer orientation activities. Innovation in preschool learning is essential in building children's creativity and imagination. Activity-based learning methods, use of technology, use of art, broadening children's experiences, and involving parents are some of the innovations that can be done in preschool learning. With the right preschool learning innovations, children will grow and develop well, developing creativity. This research has limitations, the data collected is the result of a questionnaire via google form and there are some who go through direct interviews. So that the data becomes less to identify respondents to the questionnaire statements submitted. In addition, there is a lack of critical testing of knowledge. Future research is expected to use other variables that have not been revealed in this research. This is used to explain the relationship between other factors that can also affect performance in preschools. In addition, future research is expected to use mixed methods to obtain more comprehensive data.

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