

## **ABSTRACT**

*Business worldwide nowadays has entered the era of knowledge-based competitiveness, where knowledge becomes the most important success factor in competition. One of the companies that has implemented knowledge management in their management practices is PT PLN (Persero). With this knowledge management implementation, it is certainly absolute for PT PLN (Persero) to evaluate knowledge management to know the generated value and benefits.*

*The evaluation process that has been done by PT PLN (Persero) is by observing the accomplishment of knowledge management as key performance indicators (KPI). However in 2012, knowledge management activities are no longer one of the indicators in KPI. Thus, in order for PT PLN (Persero) to be able to keep evaluating the application of knowledge management, this research designed indicators and formulations to measure knowledge management. Designing focused on variables organizational factors, knowledge sharing as the core process of knowledge management, and work performance. The designing was done through knowledge conversion using the SECI method. There are four steps in the SECI model, such as socialization, externalization, combination, and internalization.*

*Through the steps of the SECI method, 12 indicators and formulations of measurement were discovered. After calculations were done for each indicator, it was obtained indicators with good performance which are the availability of line extension, reward for the implementation of the paper, the percentage of employees who became a mentor training and the percentage of employees who became speaker of K-sharing. While indicators with lacking performance are the percentage of employees who access and upload their paper in KMS portal PT PLN (Persero).*

*This research is expected to be used to measure the performance of organizational factor, knowledge sharing, and work performance related to implementation of knowledge management in PT PLN (Persero). Further more, it is expected that measurements via indicators and formulations will be constantly used in PT PLN (Persero). For further studies, research must be done with the method and location of the same study for other variables such as individual factors and technology factors.*

**Keyword** : *organizational factor, knowledge sharing, work performance, SECI, knowledge conversion.*