## **ABSTRACT**

Business success potential depends on organization abilities to implement strategic focus effectively for achieving organizational performance's success measure. One critical factor which affect organizational performance is knowledge management capabilities.

Dynamicity of market is affecting competition to become more aggressive. This is the reason why corporate start to manage their knowledge to stimulate innovation and creating value to compete. Corporate also have to control, apply and expand knowledge by measuring and developing knowledge management capabilities (KMC). Without measuring KMC, KM initiatives more likely to face failure implementation.

This research purpose is to know how KMC affect organizational performance on PT. BNI Tbk. Persero. And this research is done because PT. BNI has not been able to measure how big the influence of KMC for organizational performance. Measuring tool taken from KMC gold's (2001) model, and Kaplan and Norton's balanced scorecard theory (2001).

The research method used is quantitative method, with causal method, the type of analysis used is descriptive, and using simple linear regression. Sampling technique is saturated sampling, considering the sample used in this study amounted to 37 people. Data collection was done through questionnaires spread through visits to 37 respondents who are employees of division of BNI corporate university PT. BNI. Existing data were analyzed using SPSS ver program. 22.

The results of this study are descriptive analysis from the responses of respondents to the KMC with resulting on PT. BNI's KMC fit in good criteria, and the responses of respondents on the performance of the organization also fit on criteria good. Also KMC has a positive and significant effect on organizational performance.

**Keywords:** Balanced Scorecard, Knowledge Management Capabilities, Organizational Performance.