

ABSTRACT

The research describes how aspects of knowledge creation influence organizational performance in the economic faculty of Islamic University of Indonesia. The objectives of this research are to find 1) The influence of Socialization (X_1) on organizational performance. 2) The influence of externalization (X_2) on organizational performance. 3) The influence of combination (X_3) on organizational performance. 4) The influence of internalization (X_4) on organizational performance. 5) The most dominant aspects of knowledge creation on organizational performance in the Economic Faculty, Islamic University of Indonesia. 6) The difference in characteristics of employees (gender, age, job status, education, length of service). The respondents of the research are educational employees and administrative employees. The research uses questionnaire interviews and the data analysis technique used is descriptive analysis and quantitative analysis.

The results of the research show that only one is positive or significant influence aspect of the learning organization: Externalization (X_2), on organizational performance in the Economic Faculty, Islamic University of Indonesia. And the most dominant aspect of the learning organization. And there is no differential organizational performance in the Economic Faculty, Islamic University of Indonesia on characteristics of employees.

Keywords: *Knowledge Creation, Externalization, Organizational performance's*