



Knowledge Management Readiness Assessment in the Internal Audit Division of Bank Sinar Syariah

Muhammad Radhiansyah¹, Dedy Sushandoyo²

^{1,2} School of Business Management, Bandung Institute of Technology, Indonesia

ABSTRACT: Internal Audit serves as a strategic business partner, with the primary objective of assisting the organization in achieving its goals. Internal Audit division of Bank Sinar Syariah faces challenges due to a combination of high employee turnover and a knowledge gap among auditors. The implementation of knowledge management can help organizations in facing these challenges so that they can work effectively and improve their performance.

The research objective is to analyze the organization's readiness to adopt knowledge management, identifying strengths and improvement also developing strategies for the implementation to be successful. This research using both qualitative and quantitative research methodology. The APO KM Assessment Tool was used to assess and analyze the survey that distributed to Internal Audit division employee. The qualitative method is used to discuss the findings from the survey and current condition also opportunity to improvement.

Based on assessment, the internal audit division of Bank Sinar Syariah is at Refinement Level with cumulative score of 164,48. There are several areas based on APO that the organization's should improve which is People, Knowledge Process, Learning and Innovation, and Knowledge Outcomes. The research suggested that internal audit division of Bank Sinar Syariah need to develop KM procedure and policy, create a Knowledge Management System, implement KM programs and initiative. This research expected to enhance internal audit division of Bank Sinar Syariah overall effectiveness in knowledge management.

KEYWORDS: APO KM assessment, Internal Audit, Knowledge Management.

I. INTRODUCTION

The post pandemic era, banks are particularly compelled to swiftly transition from their conventional, manual methods of providing services to digitalized and automated ones. This is a challenge not only for Islamic banks, but also for financial institutions (FIs) in general, as the requirements for digitalization in the banking sector are currently at an unprecedented level. Digitalization is the act of adopting or increasing an organization's utilization of digital technologies. In the context of banking, acquiring technology-centric capabilities refers to obtaining tools and systems that allow for new ways of interacting with customers and delivering services, thereby enhancing the customer's experience. (INFOPRO. 2022).

Bank Sinar Syariah answers to the issue of digitalization by innovating in developing and optimizing digital technology in tandem with the advancement of digital technology. The company invests in digitizing and automating corporate operations, as well as application development, as one method of implementing the projects. This method can be implemented successfully if competent resources are available. Bank Sinar Syariah has a big aspiration to realize a "Sharia Digital Ecosystem for The Inclusive Community, which is expected to open wider access for the inclusive communities in remote areas of Indonesia.

Internal Audit, as a strategic business partner, will assist the organization in carrying out its business plans. Internal audit is responsible for assisting the organization in achieving its goals by conducting comprehensive audits that offer value to the company. Internal Audit also has an important role to identify risks and evaluate management's controls and procedures to manage risks that company can exposed from the digital transformation. (Deloitte, 2024.)

The objectives of this research is to assist Bank Sinar Syariah's Internal audit division in analyzing the organization's readiness to adopt knowledge management, identifying the organization's strengths and areas for improvement in knowledge management, and developing the best support and facilitation strategies for the implementation to be successful.



II. LITERATURE REVIEW

A. Theoretical Review

1) Knowledge Definition

Knowledge can be characterized as a thing, a state of mind, a procedure, a prerequisite for learning information, and a skill. Knowledge can come in a variety of shapes and components. Understanding its nature, value, and how to preserve and convey it are crucial. For reuse, knowledge must be preserved and transmitted, such as through organizational memory (Halonen & Laukkanen, 2008). There are two types of knowledge which is tacit and explicit, more details as follows:

Tacit knowledge is defining to be "know-how" that is kept from knowers' view. It is challenging to convey the knowledge that is stored in the human brain in words, text, or visuals. Tacit knowledge will show up in human behaviour in the form of judgments, attitudes, points of view, skills, experiences, and talents that are profoundly ingrained in the individual. (Kosniken, Pihlantob, & Vanharantaa, 2003).

Explicit knowledge, such documents, methods, and computer programs, for example, are readily available to conscious minds and may be easily explained or evaluated. Explicit knowledge can be obtained through shared expertise or public knowledge. Formalizing explicit knowledge facilitates its distribution and manifestation in raw resources, goods and services, machinery and processes, and organizational values. (Abeysekera, 2021).

2) Knowledge Management

Knowledge management may be defined as the discipline of enabling individuals, teams, and entire organizations to manage their business objectives by creating/constructing/developing, sharing, and using knowledge. Knowledge management is also defined as a tool for achieving business objectives more effectively and quickly by integrating a set of people (initiatives and behavioural interventions), processes, and technology (systems) with the goal of promoting the smooth flow and sharing of information/knowledge relevant to our business.

Meanwhile, the definition of knowledge management according to Asian Productivity Organization (APO) Knowledge management encompasses a variety of methods employed by organizations to recognize, generate, acquire, and disseminate knowledge with the purpose of reusing it, promoting awareness, and facilitating learning throughout the business. Knowledge Management initiatives are typically associated with organizational goals and aim to result in specific results, such as collective intelligence, enhanced performance, competitive edge, or increased innovation. The goal of Knowledge Management is to optimize the utilization of an organization's knowledge assets, transforming them into a potent catalyst for competitiveness. The advent of Knowledge Management corresponded with the birth of the knowledge-based economy. In the current economic period, the conventional factors of production, such as land and money, are being substituted by the intangible asset of knowledge as the crucial input for company competitiveness. (Asian Productivity Organization, 2020)

3) Knowledge Management Assessment

This research using the KM Maturity Tool assessment developed by the Asian Productivity Organization (APO), an intergovernmental organization that specializes in enhancing productivity in the Asia Pacific region. The APO KM framework is specifically created to facilitate the exchange of knowledge management and innovation best practices. Knowledge management assessment tool such as the Asian Productivity Organization (APO) Assessment Tool is a questionnaire designed to examine an organization's readiness for knowledge management and used before a company embarks on a knowledge management program. The APO Knowledge Management Assessment Tool also reveals the organization's strengths and areas for improvement, allowing the organization to focus on initiatives that address the gaps indicated in the evaluation.

B. Conceptual Framework

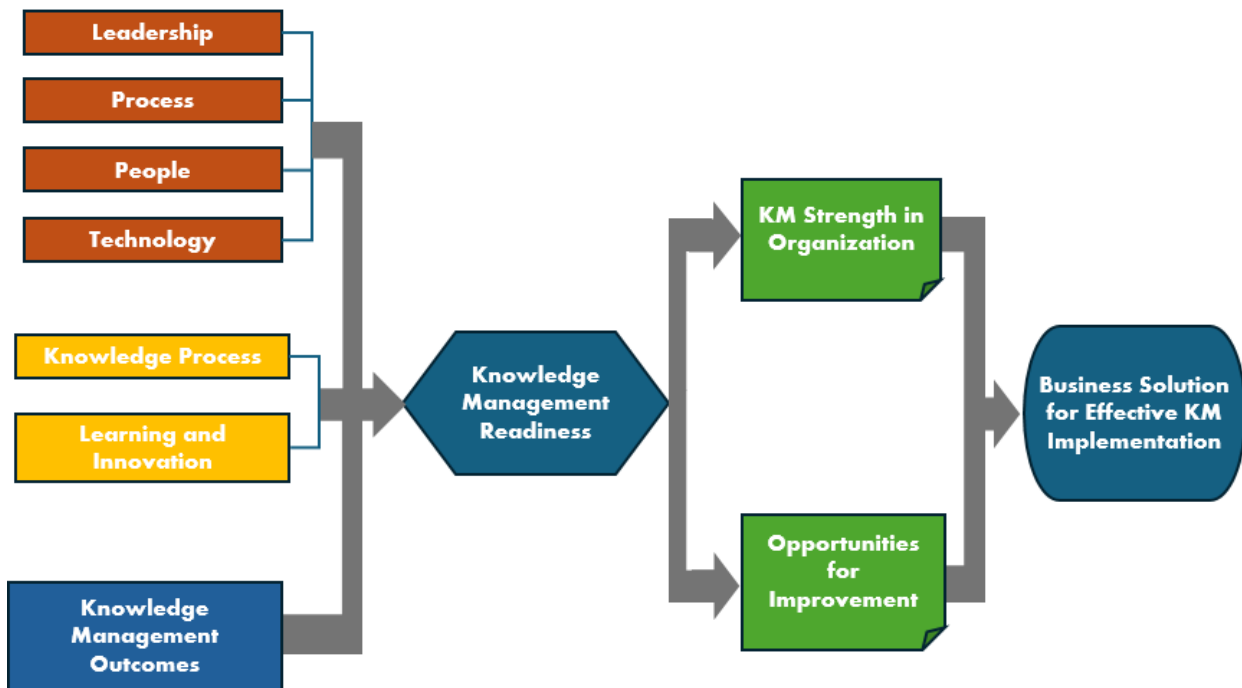


Figure I Conceptual Framework
(Source: Author)

The conceptual framework Knowledge Management (KM) readiness assessment in the Internal audit division of Bank Sinar Syariah have essential elements which is Leadership, Process, People, Technology, Knowledge Process, Learning Innovation, and KM Outcomes. Leadership, Process, People, and Technology play a crucial role in supporting and improving KM activities. Leadership is responsible for establishing a clear and long-term plan and providing assistance for knowledge management initiatives, while process enable organized and structured knowledge management activities. People, with their expertise and commitment, play a vital role in ensuring successful knowledge management. Technology offers the essential tools and platforms to facilitate knowledge management operations.

The core of this concept revolves around Knowledge Processes, which encompass tasks such as identifying, creating, sharing, storing, and applying knowledge. These processes provide the efficient management and easy accessibility of knowledge throughout the company. The framework also highlights the significance of Learning and Innovation, promoting continuous improvement and the implementation new initiative. Collectively, this process and innovative can contribute to the Knowledge Management readiness, which is an assessment of the organization's ability to implement and maintain KM practices effectively.

The outcome of these knowledge management (KM) initiatives is measured to understand the advantages and improvement achieved, such as improved decision-making, increased efficiency, and innovation. This assessment can help identify the strengths and the opportunity for improvement in knowledge management practices. A business solution for the efficient implementation of KM is formulated based on these findings. This framework ensure that knowledge is manage and being used, that can improve performance and strategic advantage for the Internal audit division of Bank Sinar Syariah.

III. RESEARCH METHODOLOGY

A. Research Design

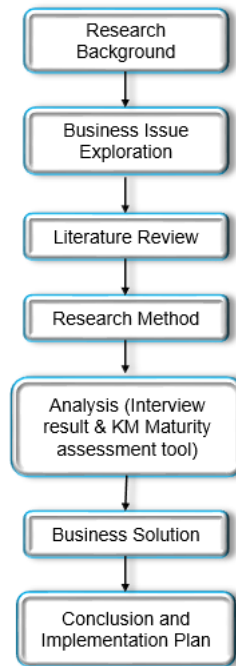


Figure II Research Design

Source: Author

Figure II show the design of this research, which begins with understanding the present situation and creating research questions to go deeper into business difficulties. Following that, the researcher will dive deeper into the underlying literature and conduct a Knowledge Management readiness assessment using quantitative and qualitative approaches like as interviews, data gathering, surveys, and data analysis. The collected data will be analyzed and the result will be used to develop recommendations and implementation plans.

B. Data Collection

1) Questionnaire

The questionnaire used in this research is the APO Knowledge Management Assessment Tool. The questionnaire will be distributed to all employees at all levels (with total population of 25 employee) through online survey or self-administered survey using google forms. Respondents who take this assessment must work a minimum of six months to ensure that they know about the company and can answer most of the question in survey.

The APO Knowledge Management Tool consist of 42 questions to cover seven categories which are leadership (6 questions), people (6 questions), process (6 questions), technology (6 questions), knowledge process (6 questions), learning and innovation (6 questions) and Knowledge Management outcome (6 questions).

Each category with maximum score of 30 and each of the question can be rated from 1 (doing poorly or nothing at all) to 5 (doing very well) as describe in Table III.1. Meanwhile the questions are developed based on literature study of The APO framework itself.

2) Interview

Interview is conducted to get more empirical information on the current Knowledge Management practice in Internal Audit of Bank Sinar Syariah and to know the relation of Knowledge Management practices to the business challenge faced by Internal Audit. The interview is conducted to Audit Planning and Support Department Head of Internal Audit Bank Sinar Syariah.

Interview questions are developed aligned with Knowledge Management framework and challenges faced by internal audit in managing knowledge. The interview question developed to try capture the readiness in implementing and incorporating Knowledge Management in organization.

The Interview used semi-structured interviews that encourage two-way communication between interviewer and the interviewee. The interviewer does not follow a formalized list of questions but there is an interview guideline for the interview. The question is not necessarily being asked in particular order but only used to guide the interview session. Semi-structured interview offers a more flexible approach to the interview session that allows the interviewer to do more exploration towards the issue discussed. The interview will be conduct in Bahasa and takes approximately 30-50 minutes.

C. Knowledge Management Maturity Gap Analysis

Knowledge Management maturity assessment result will be used to find in which categories that Knowledge Management maturity gap exist. Based on the result of Knowledge Management maturity assessment key success factor could be identified, then areas of opportunities of improvement can be defined to be used for further implementation plans for the organization.

Internal Audit Bank Sinar Syariah will be asked to fill the questionnaire and the average score for each category is then tabulated and presented in the form of a radar chart, that shows the actual scores obtained for each category versus the maximum score for that category. The scores show categories that are healthy and those that require improvements. Based on the assessment result, the areas of strength and opportunities for improvement are identified. The opportunities for improvement highlight the areas where the Knowledge Management initiatives should focus.

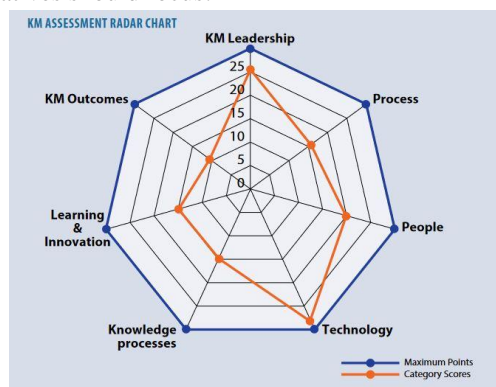


Figure III. Knowledge Management Assesment Radar Chart
(Sources: Asian Productivity Organization, 2020)

The total score of the assessment is then compared against the Knowledge Management Maturity model (figure III.3). This shows the Knowledge Management level of the organization.

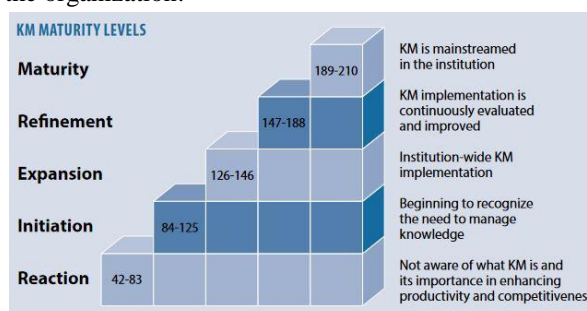


Figure IV Knowledge Management Maturity Model
(Sources: Asian Productivity Organization, 2020)

The result of the assessment provides an understanding of the level of Knowledge Management readiness in an organization. This may range from the “reaction” level at its lowest to the “maturity” level at its highest. The condition describing each of these levels

correlate to the presence, absence, of weakness of the four Knowledge Management accelerators, learning and innovation, and the Knowledge Management outcomes in the organization.

IV. RESULT AND DISCUSSION

A. Assessment Result

The APO Knowledge Management Assessment evaluates various categories according to the APO Framework. These categories include Leadership, Process, Technology, People, Knowledge Process, Learning & Innovation, and KM Outcomes. The average score of the Knowledge Management assessment is 164,48 which is at Level 4 or Refinement Level which means the organization has implement Knowledge Management and periodically evaluated and improved for continuous improvement in the organization. Based on the result, although Knowledge Management has never been implemented of formally introduced, Knowledge Management has already been done in Internal Audit division. However, there is still gap to close in order to reach full KM maturity.

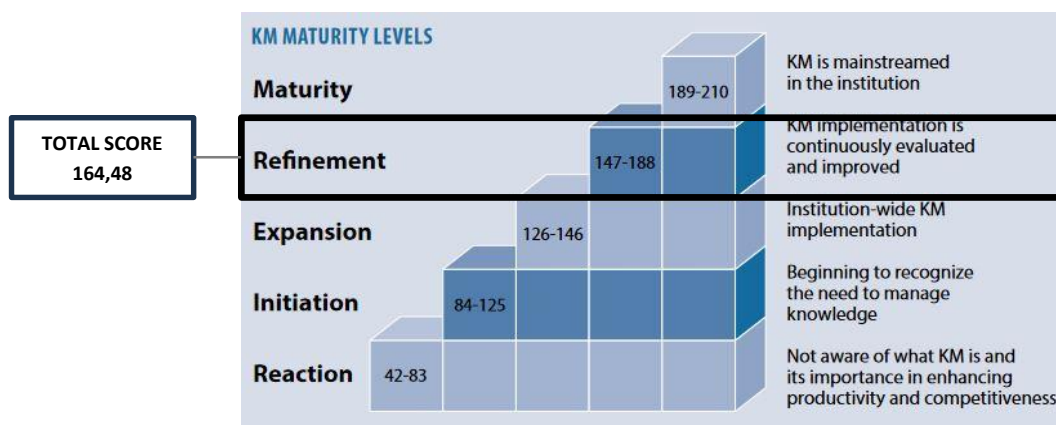


Figure V. KM Maturity level Internal Audit of Bank Sinar Syariah (Source: Author)

The Result of the overall data analysis can be seen in Table IV.1

Table I. APO Assessment Score

CATEGORY	MAXIMUM SCORE	AVERAGE SCORE	GAP
LEADERSHIP	30	24,28	5,72
PROCESS	30	25,08	4,92
PEOPLE	30	21,68	8,32
TECHNOLOGY	30	25,68	4,32
KNOWLEDGE PROCESS	30	21,56	8,44
LEARNING & INNOVATION	30	23,24	6,76
KM OUTCOMES	30	22,96	7,04
TOTAL	210	164,48	45,52

(Source: Author)

In order to clearly demonstrate the areas that need improvement (gap), radar chat is utilized to chart the current level of readiness for knowledge management (KM) within the division. This is done by assigning scores to different categories, which are then compared to the highest possible score that can be achieved in an assessment of ideal KM practices in a mature organization.

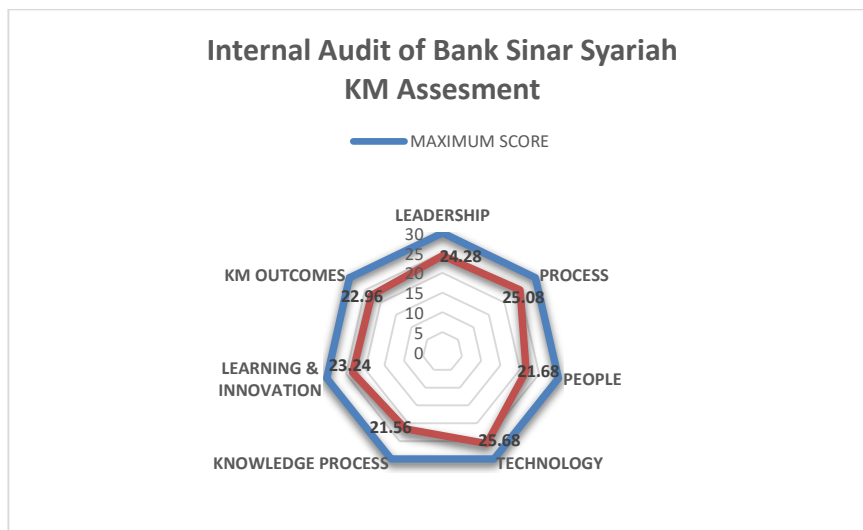


Figure VI. KM Assesment Radar Chart

Source: Author

Based on illustrations from figure IV and table I, it is found that the KM readiness level gap for each category. The category with highest readiness level gap is Knowledge Process with an average score of 21,56 and the category with the lowest readiness gap is Process with an average score of 25,08. These gaps indicate how that all categories have to do gaps reduction through KM improvement.

When comparing the readiness level across the demographics, it can be seen that all demographics from working period to working position in the division that is at Refinement level. There are some variations in the score even though the readiness level is on refinement level, employee on the Department Head level and recently joined the organization’s scored higher than employee with lower level and worked longer in the division. The senior employee and people with lower level possess a more comprehensive understanding of the actual conditions within organizations. They are able to identify areas that require improvement and recognize shortcomings more effectively than employee with higher level and shorter time within the division and tends to give a lower score on the survey. One anomaly is employee with higher level (Division Head) scored relatively low, this might indicate that higher level believe that KM effort need improvement and develop. The details of the assessment result for each demographic can be seen on the below table.

Table II. KM Readiness Assesment by Demographic

Demography	LE	PR	PE	TE	KP	LI	KO	TOTAL	READINESS LEVEL
Division Head	19	24	20	26	15	24	20	148	Refinement
Departemen Head	25	26,5	24	28,25	23,5	24,75	24,25	176,25	Refinement
Manager / Team Leader	24,75	25,25	22,63	25,38	23,13	23,25	23	167,38	Refinement
Officer / Assistant Manager	24,17	24,58	20,42	25	20,5	22,75	22,83	160,25	Refinement
> 5 years work period	23,4	25,07	21,93	25,8	21,53	23,53	22,93	164,2	Refinement
3-5 years work period	25,67	26	23	25,67	23,00	23,33	23,67	170,33	Refinement
1-3 years work period	25,33	24,33	20	24,83	20,17	22,17	22,33	159,17	Refinement
< 1 years work period	27	27	24	29	26	25	25	183	Refinement
All	24,28	25,08	21,68	25,68	21,56	23,24	22,96	164,48	Refinement



Further analysis is conducted against the findings for the highest score and score below 4 of each category and questions to determine the areas that are currently strong and the areas that have potential for improvement.

Table III. Leadership Category

NO.	QUESTION	AVERAGE SCORE
LE1	The organization has a shared Knowledge Vision and Strategy strongly linked to its vision, mission, and goals	4,44
LE2	Organizational arrangements have been undertaken to formalize KM initiatives (i.e., central coordinating unit for knowledge/information management, Chief Knowledge/Information Officer, ICT team, quality improvement teams/ Communities of Practice, knowledge networks).	4,12
LE3	Financial resources are allocated for KM initiatives.	3,92
LE4	The organization has a policy for safeguarding knowledge (i.e., copyrights, patents, KM, and knowledge security policy).	3,64
LE5	Managers role-model the values of knowledge sharing and collaborative working. They spend more time disseminating information to their staff and facilitating the horizontal flow of information between their staff and with staff of other departments/divisions/units.	4,12
LE6	Management promotes, recognizes, and rewards performance improvement, organizational and employee learning, sharing of knowledge, and knowledge creation and innovation.	4,04

Based on the score result, the organization has a shared Knowledge Vision and Strategy with its overall vision, mission, and goals (LE1), scoring the highest with a 4.44. This indicates that employee beliefs that the internal audit management understands that KM have a role in achieving organization goals. But, the organization’s approach to safeguarding knowledge (LE4), which scored the lowest at 3.64, that need for an improvement. Financial support for KM initiative LE3 which score 3,92 are also important for implementation of KM initiative

Table IV. Process Category

NO.	QUESTION	AVERAGE SCORE
PR1	The organization determines its core competencies (strategically important capabilities that provide a competitive advantage) and aligns them with its mission and strategic goals.	4,28
PR2	The organization designs its work systems and key processes to create value to customers and achieve performance excellence.	4,16



NO.	QUESTION	AVERAGE SCORE
PR3	New technology, knowledge shared in the organization, flexibility, efficiency, and effectiveness are factored into the design of processes.	4,12
PR4	The organization has an organized system for managing crisis situations or unforeseen events that ensures uninterrupted operations, prevention, and recovery.	4,04
PR5	The organization implements and manages its key work processes to ensure that customer requirements are met and business results are sustained.	4,08
PR6	The organization continually evaluates and improves its work processes to achieve better performance, reduce variations, improve products and services, and keep updated on the latest in business trends, developments, and directions.	4,40

The highest score in the APO KM Assessment category "Process" is PR6, with a score of 4.40. This indicates that the internal audit division of Bank Sinar Syariah continuously evaluating and improving its work processes.

Table V. People Category

NO.	QUESTION	AVERAGE SCORE
PE1	The organization's education, training, and career development programs build employee knowledge, skills, and capabilities, support achievement of overall objectives, and contribute to high performance.	4
PE2	The organization has a systematic induction process for new staff that includes familiarizing them with KM and its benefits, the KM system, and tools.	3,36
PE3	The organization has formal mentoring, coaching, and tutoring processes.	3,44
PE4	The organization has a database of staff competencies.	3,52
PE5	Knowledge sharing and collaboration are actively encouraged and rewarded/corrected.	3,96
PE6	Employees are organized into small teams/ groups (i.e., quality circles, work improvement teams, cross-functional teams, Communities of Practice) to respond to workplace problems or concerns.	3,4



The highest score in the "People" category of the APO KM Assessment for Internal Audit at Bank Syariah is PE1, with a score of 4. This indicates that the organization's strong programs that effectively build employee knowledge, skills, and capabilities, supporting the achievement of overall objectives and contributing to high performance.

The score below 4 is PE2, PE3, PE4, PE5, PE6. This indicates that the majority of the Process category has many gaps and really needs to be improved. Induction program (PE2) for new employee not sufficiently familiarize with KM practices and tools. Formal mentoring and coaching (PE3) already exist but employee believe that it not fully effective. Database of staff competencies (PE4) already exists but employee might not be aware of their competencies and how to leverage them for their career. Internal Audit division already implemented sharing knowledge (PE5) regularly but with score 3,96 it still need improvement. PE6 with score 3,4 indicates that while small teams are formed for problem solving but still not fully effective.

Table VI. Technology Category

NO.	QUESTION	AVERAGE SCORE
TE1	Management has established an IT infrastructure (i.e., Internet, intranet, and website) and has developed capabilities to facilitate effective KM.	4,08
TE2	The IT infrastructure is aligned with the organization's KM strategy	3,92
TE3	Everyone has access to a computer.	4,68
TE4	Everyone has access to the Internet/intranet and has an email address.	4,76
TE5	Information delivered on the website/intranet is updated on a regular basis.	4,12
TE6	An intranet (or similar network) is used as a major source of organization-wide communication to support knowledge transfer or information sharing.	4,12

The highest score in the "Technology" category of the APO KM Assessment for Internal Audit at Bank Syariah is TE4, with a score of 4,76. On the other hand, TE2 have score below 4, with a score of 3.92. This indicate that currently IT infrastructure does not align with the organization's knowledge management strategy. The IT infrastructure needs to be integrated with organizations KM programs that can support implementation of its KM initiative.

Table VII. Knowledge Process Category

NO.	QUESTION	AVERAGE SCORE
KP1	The organization has systematic processes for identifying, creating, storing, sharing, and applying knowledge.	3,48
KP2	The organization maintains a knowledge inventory that identifies and locates knowledge assets or resources throughout the organization.	3,24
KP3	Knowledge accrued from completed tasks or projects is documented and shared.	3,68
KP4	Critical knowledge from employees leaving the organization is retained.	3,4



KP5	The organization shares best practices and lessons learned across the organization so that there is no constant reinventing of the wheel and work duplication.	3,76
KP6	Benchmarking activities are conducted inside and outside the organization, the results of which are used to improve organizational performance and create new knowledge.	4

With an average score of 4, Sinar Bank Internal Audit demonstrates excellence in benchmarking operations, showcasing a strong dedication to ongoing improvement and learning from industry best practices. Analysis of scores below 4.00 in the Knowledge Process category for Sinar Bank's internal audit department highlights some areas to pay attention to. KP1, which deals with the systematic process of identifying, creating, storing, sharing, and applying knowledge, scored 3.48. Despite the fact that certain processes have already been implemented, the internal audit division of Bank Sinar Syariah must standardize and formalize the process to ensure that all employees can implement it. KP2 which have the lowest score, with a score of 3.24, indicate that there is an ineffectiveness in how knowledge assets are cataloged and accessed, this condition can potentially lead to inefficiencies and missed opportunity to leverage existing knowledge. KP3 with score 3,68 indicated that while all completed audit projects is being documented and shared but there still need improvement. KP4 with a score 3,4 indicates that organization needs to create a detail knowledge repository that capture insights and expertise. The Internal Audit division of Bank Sinar Syariah already have knowledge sharing process but with score 3,76, there is still room for improvement.

Table VIII. Learning & Innovation Category

NO.	QUESTION	AVERAGE SCORE
LI1	The organization articulates and continually reinforces the values of learning and innovation.	4,08
LI2	The organization regards risk-taking or committing mistakes as learning opportunities so long as they do not occur repeatedly.	4,12
LI3	Cross-functional teams are organized to tackle problems/concerns that cut across the different units in the organization.	3,68
LI4	People feel empowered and feel that their ideas and contributions are generally valued by the organization.	3,72
LI5	Management is willing to try new tools and methods.	4,28
LI6	Individuals are given incentives to work together and share information.	3,36

The highest score in the “Learning and Innovation” category of the APO KM Assessment for Internal Audit at Bank Syariah is LI5, with a score of 4,76. This indicates that management Internal Audit division of Bank Sinar Syariah, always concern in adopting new tools and methodologies that show the management willingness for innovation. LI3 with score 3,68, indicates that organization already implement cross-functional teams to tackle problem in different unit but this initiative might not effective and consistent so there is room for improvement. LI4 with score 3,76 and LI6 score 3,36 indicate that employees not fully feel that the ideas given are appreciated by the organization and also motivated to contribute their ideas and knowledge. This might be lack of proper incentive or rewards that can more motivate employee.



Table IX. Knowledge Outcome Category

NO.	QUESTION	AVERAGE SCORE
KO1	The organization has a history of (and maintains measures for) successfully implementing KM and other change initiatives.	3,52
KO2	Measures are in place for assessing the impact of knowledge contributions and initiatives.	3,24
KO3	The organization has achieved higher productivity through reduced cycle time, bigger cost savings, enhanced effectiveness, more efficient use of resources (including knowledge), improved decision-making, and increased speed of innovation.	3,92
KO4	The organization has increased its profitability as a result of productivity, quality, and customer satisfaction improvements.	4,08
KO5	The organization has improved the quality of its products and/or services as a result of applying knowledge to improve business processes or customer relationships.	4,12
KO6	The organization has sustained growth as a result of higher productivity, increased profitability, and better-quality product and services.	4,08

The highest score in the “Knowledge Outcomes” category of the APO KM Assessment for Internal Audit at Bank Syariah is KO5, with a score of 4,12 which indicate that organization always improve its audit process and relationship with auditee. Although the organization has had some successes impelementing KO1 which score 3,52, but these scores indicate that there may be inconsistencies or challenges utilize these initiatives consistently for future success.

The lowest score is KO2 which is 3.24. This score indicate that organization need improvement in measuring impact of knowledge management and initiative. Organization need to develop a comprehensive method for evaluating the impact of knowledge contributions and initiative. The score of KO3 is close to 4 but it still have some room for improvement to fully optimize these initiative.

B. Interview Result

Table X Interview Result

Category	Total Score	Key Information
Leadership	24,28	<ul style="list-style-type: none"> Internal Audit of Bank Sinar Syariah has a vision and mission to enhance auditor competence due to professional ethics aligned with KM strategy. No formal KM structure but the KM development under Audit Planning & Support Department. Small budget for KM initiative. There is no policy for safeguarding knowledge Rewards are included in KPI and auditor learning hours



Category	Total Score	Key Information
Process	25,08	<ul style="list-style-type: none"> Auditor competencies has been determined Audit process and procedure is designed to performance excellence. Internal Audit adopt new technology by using Audit Management System. Internal audit division doesn't have organized system for crisis situation.
People	21,68	<ul style="list-style-type: none"> Implementation of induction program didn't optimal. Coaching and mentoring is done every six months (Personal Appraisal). Knowledge sharing is done every week and every employee has a share schedule twice a year. Since the beginning of the year, Internal Audit have 2 small group to develop data analytics and Agile Auditing process.
Technology	25,68	<ul style="list-style-type: none"> Internal Audit doesn't have a Knowledge Management System. Every auditor has access to notebook and internet. Intranet used to support administrative work (FaceApps). Knowledge sharing process using Microsoft Teams.
Knowledge Process	21,56	<ul style="list-style-type: none"> There is no formal systematic Knowledge Management (Identifying, creating, storing, sharing and applying). No Knowledge inventory. All completed projects are documented in the Audit Management system. Currently in the process of inventorying all existing knowledge assets. Benchmarking to Internal Audit Bank Sinar (parent company) or other syariah bank.
Learning and Innovation	23,24	Internal Audit always encourage its employee to keep learning new knowledge and always open to any ideas/innovation that can improve productivity and efficiency
KM Outcome	22,96	<ul style="list-style-type: none"> Internal Audit have measurement for completed audit project. Internal Audit doesn't have measurement for the impact of knowledge contribution and initiative. Internal Audit always improving its audit process and organization performance.

C. Result

Table IV.11 Strength and Opportunity For Improvement

APO Category	Strength	Opportunity For Improvement
Leadership	<ol style="list-style-type: none"> The organization excels in aligning its Knowledge Vision and Strategy with its overall vision, mission, and goals. Management actively promote and engage in KM practices, setting a strong example for their teams. 	<ol style="list-style-type: none"> Internal Audit needs a dedicated KM team which responsible to planning KM program and ensure optimal program performance. Increasing Financial Investment in KM initiatives to ensure the success of implementation and long-term viability, resulting in the development of organizational performance. The Internal Audit management should contemplate providing rewards to employees at the end of the year as an incentive for actively sharing their knowledge and enhancing their skills



APO Category	Strength	Opportunity For Improvement
PROCESS	<ol style="list-style-type: none"> The internal audit division’s commitment to continually evaluating and improving its processes. Internal audit division’s strong ability to determine its core competencies and align them with the organization’s mission and strategic goals. 	Internal audit division needs to strengthen its crisis management processes. This plan should include consistent training for auditors on how to effectively manage audit disruptions that arise from crises.
PEOPLE	<ol style="list-style-type: none"> The internal audit division excels in providing comprehensive education, training, and career development programs. There is a strong culture of knowledge sharing and collaboration within the department. 	<ol style="list-style-type: none"> Internal audit could develop a structured and comprehensive induction program that can ensure new employee are better acquainted with the knowledge management (KM) system, its benefits, and tools. Implementing a formal mentoring program can provide ongoing support and guidance for new and existing employees, helping them navigate their roles and career paths more effectively.
TECHNOLOGY	<ol style="list-style-type: none"> All employees have access to the Internet/intranet, email addresses, and computers. This ensures that auditors have the essential tools for effective communication, information retrieval, and documentation. There is a solid infrastructure in place that can support the internal audit processes, contributing to the efficiency and effectiveness of audit activities. 	<ol style="list-style-type: none"> Internal audit could Align IT Infrastructure with KM Strategy to enhance the effectiveness of knowledge sharing and utilization and can lead to more informed auditing processes. The internal audit could develop intranet-based platforms or tools for organizational communication and knowledge sharing. The internal audit division could explore new technologies and software that provide advanced analytics, automation, and real-time data access to further enhance audit efficiency and effectiveness.
KNOWLEDGE PROCESS	<ol style="list-style-type: none"> The internal audit division excels in benchmarking activities both internally and externally such as with internal audit Bank Sinar. The internal audit has a strong practice of sharing best practices (regularly) and lessons learned across the organization. Internal audit division always documenting and sharing knowledge from completed tasks. 	<ol style="list-style-type: none"> Developing or enhance KM systems for storing and tracking knowledge assets and it allows for easy identification and retrieval of knowledge resources. Developing a structured knowledge transfer process, such as exit interviews, knowledge transfer sessions, and mentoring programs, can help capture critical knowledge from departing employees. Standardizing knowledge management processes (identifying, creating, storing, sharing, and applying knowledge).



APO Category	Strength	Opportunity For Improvement
LEARNING & INNOVATION	<ol style="list-style-type: none"> The management is open to adopting new technologies and methodologies. The internal audit division effectively communicates and reinforces the importance of learning and innovation. 	<ol style="list-style-type: none"> Internal Audit has the potential to enhance incentive programme that promote collaboration and knowledge sharing, such as implementing recognition initiatives, team-oriented awards, and professional growth opportunities. Enhance employee empowerment and acknowledge their valuable contributions by establishing a more inclusive platform for exchanging ideas, promoting transparency in decision-making, and proactively soliciting and implementing employee feedback.
KM OUTCOMES	<ol style="list-style-type: none"> The Internal audit division's ability to convert knowledge into actionable improvements that directly benefit the organization. The department's success in driving productivity, efficiency, and quality improvements. 	<ol style="list-style-type: none"> Internal Audit need to improve in maintaining a history of and measures for successfully implementing KM and other change initiatives. Strengthening the documentation and review processes for past KM initiatives can provide valuable insights for future projects.

D. Solutions

1) Establish Organizational Infrastructure (Category Leadership)

Internal Audit division of Bank Sinar Syariah needs to define a specific role within the organization dedicated to the management of knowledge. Management must create a KM Project Team which consist of Knowledge Management Project Leader with KM team support member. The appointed team should able to build an effective KM programme, also responsible to promote and build the culture of knowledge sharing for internal audit employee and evaluate the outcome for all KM programmes.

2) Make KM as part of Key Performance Indicator

To improve by including knowledge management (KM) as a key performance indicator (KPI) for all employees, it will incentivize their engagement in learning activities and foster the development of a culture centered around knowledge exchange and continuous learning. Knowledge management (KM) can be structured inside key performance indicators (KPIs) to avoid overwhelming staff while still ensuring their active engagement in learning activities.

3) Knowledge Documentation

Managing knowledge assets is one of the issues as mentioned in business issue. Internal Audit division does not have a well-organized manner of documenting knowledge. The process of knowledge transfer involves multiple processes, such as transferring the expertise of specialists, recording the knowledge, and utilizing the documented knowledge. Documenting knowledge involves the processes of assessing, arranging, and recording the desired knowledge.

4) Create an integrated Knowledge Management System (KMS)

This KMS as a single knowledge gateway that can facilitate easy access to and retrieval of knowledge resources and also improving overall efficiency. Users will only have to access one portal that will help them to find information about specific subject that they want to learn.

5) Establish a reward system

Incentive serves as a catalyst for various actions and can be applied in this scenario. However, it is crucial to establish explicit guidelines on how to obtain the incentive and how the division will distribute it. This solution can improve the gap in Leadership and Learning & Innovation category.

6) Develop a comprehensive induction program for new hires

An area that requires improvement in the People category is the implementation of a structured and comprehensive induction program. This program will facilitate the smooth and efficient adaptation of new employee to the internal audit work environment. Example of induction program that can be implemented in Internal Audit division are mentoring program



7) Evaluate of KM implementation

To improve in Knowledge Outcome category, the Internal Audit division must conduct regular assessments of their intended Knowledge Management (KM) implementation

E. Implementation Plan

Activity Plan	M1				M2				M3				M4				M5				M6			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Establish a dedicated KM team tasks	█	█																						
Develop a systematic KM procedure / policy to identify, create, store and utilize knowledge			█	█	█	█																		
Create budget allocation for KM implementation						█	█																	
Socialization to all employee about Knowledge management policy and initiatives							█	█																
KM Implementation																								
Creating an integrated Knowledge Management System (KMS)									█	█	█	█												
Tracking knowledge assets and store into knowledge database in KMS									█	█														
Create comprehensive induction program for new hires that includes training on KM tools and processes											█	█												
Create a reward system to incentivize employees for sharing knowledge											█	█												
Implementation of KM program and initiatives at individual or team													█	█	█	█	█	█	█	█				
Conducts review and evaluations (after activity review) to measure the success or failure of the KM programs																					█	█		



V. CONCLUSION

Based on the analysis of the APO KM maturity assessment result, level of readiness of Internal audit division of Bank Sinar Syariah in adopting knowledge management is currently at level 4 or Refinement level which means the organization has implement Knowledge Management and periodically evaluated and improved for continuous improvement in the organization.

The Internal Audit division of Bank Sinar Syariah in KM implementation have strengths in leadership, process, technology and knowledge sharing. But there is still need improvement in investment in KM, comprehensive KM policies and knowledge process. The internal audit division need to develop comprehensive KM policies, enhance KM system to manage knowledge assets, improve employee onboarding program, create a culture of continuous learning and innovation and always conduct review and evaluations about KM programs.

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