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## Knowledge Management: Efforts to Create an Excellent Digital Creative Industry

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#### **ABSTRACT**

As a sub-sector of the creative industry, which is a priority in the third stage of national creative industry development, the digital creative industry should be further developed through appropriate strategies. The heart of the industry is ideal for creating creative digital products. If not managed, it is difficult to transform each individual's ideas into organizational knowledge. Knowledge management as a medium for managing ideas can transform individual knowledge into shared knowledge. This research is qualitative. The sampling technique used is targeted sampling. Respondents of this survey are digital creative businessmen from Bandung City who have a deep understanding of the knowledge management process. Data were collected by observational methods, questionnaire distribution, and in-depth interviews. The survey found that the digital creative industry in Bandung City is facing problems in implementing effective knowledge management. Personal knowledge, work processes, and possession of technology were not optimally implemented to complete the work.

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#### 1. INTRODUCTION

Currently, the digital creative industry is the center of development to increase the competitiveness of the creative industry in Indonesia, moreover, this creative industry relies on technology to be able to create value. higher value [1]. The industry can bring

together the creative and digital aspects of its products and services. The digital creative industry has great potential thanks to the development of the technology infrastructure that companies need to face the industrial revolution 4.0 [2]. The digital creative industry exists as a solution to this challenge. Therefore, collaborative creative industries based on technological sophistication will be even more promising. Bandung City is one of the growth centers of the digital creative industry [3]. One of the strategies to enhance the capacity of creative individuals in this industry is PT TELKOM Tbk. together with MIKTI (Indonesian Association of Innovative Technologies, Information, and Communication Industries) to form the Bandung Digital Valley [4]. Bandung Digital Valley acts as a place of appreciation to encourage the advancement of local digital businesses and as a mediator between digital businesses and their users [5]. Entrepreneurs in the digital industry are also encouraged by the Indigo Creative Nation program, to be able to create a tested output that is ready to grow into a commercial entity at scale national and global.

The emergence of the digital creative community signals that the digital creative industry is in the spotlight [6]. The role of this community is to be a vehicle for knowledge sharing among digital entrepreneurs. Creativity and ideas can come from knowledge, skills, or experience. This is where knowledge management plays an important role in increasing the capacity and quality of knowledge of each individual [7]. With the development of a knowledge-based competitive model that emphasizes science and technology as the source of excellence, knowledge management plays a strategic role in ensuring the quality of knowledge in human resources [8]. Knowledge management refers to all activities involved in capturing, using, and sharing an organization's knowledge. The shift from a competitive model based on economics to an industry based on knowledge and information has made knowledge management an inevitable process in a business. The contribution of knowledge resources as strategic resources of the company has a greater impact than physical capital. Thus, in this stage, knowledge management and individual creativity are interdependent factors in the long-term success of an organization [9]. Thus, the advantages of the digital creative industry are highlighted in knowledge sources and then become intangible assets of the company [10]. This management of intangible assets will then become a great opportunity for the digital creative industry as knowledge management will be more efficient using digital media. Companies that adopt digitization in their business operations will have the ability to manage intangible assets in the form of knowledge through the digital system they have created [11].

Knowledge management will be beneficial in creative industries because it demonstrates an individual's motivation to innovate [12]. Knowledge management in the context of creative industries is a way of acquiring knowledge from the external environment, which is an important aspect of idea generation and innovation [13]. Examining the issues facing the digital creative industry, such as knowledge and technology transfer challenges, HR skills challenges, executive management challenges, Digital enterprises, and market challenges, as well as the trend of increasingly competitive competition, a study addressing knowledge management is needed. in the digital creative industry [14]. Through this study, the authors examine the implementation of knowledge management in the digital creative industry in Bandung City. The research findings should be used as a baseline for excellence in the digital creative industry [15].

#### 2. LITERATURE REVIEW

Industrial Revolution 4.0, which is currently sweeping domestic enterprises, requires the integration of digital technologies into operations. The existence of the digital creative industry has a great impact on improving the excellence of the creative industry. The creation and production chains require technology to sustain, share and enrich

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creative ideas. Information technology is required in the manufacturing process of almost every creative digital product [16]. Above all, information technology is very helpful in connecting and coordinating the various stakeholders [17].

The digital creative economy is a technology-based creative economy from a business activity perspective. The digital creative industry combines creative and digital aspects in every product/service created. The industry produces creative and unique information technology products that provide solutions to various problems in business life. The digital creative industry includes animation companies, games, applications, social media, software, and digital music [18]. The use of digital technology in creative industries is a major driver of creative industry development in the digital creative industry. Technology acts as a stimulus for product/service development. It therefore plays a key role in the business processes of the digital creative industry, finding the best reference materials for producing creative products and promoting the dissemination of creative works to the wider community.

#### 2.1. Knowledge Management

Knowledge management is the business process associated with creating new knowledge and ensuring that knowledge is used within an organization as needed [19]. Through the use of knowledge management, creative entrepreneurs and managers can become strategic thinkers. With the advent of digitization to improve the quality of innovation, focusing on internal knowledge and exposing it to external knowledge is not enough to drive innovation, so companies should streamline their knowledge management processes. are increasingly encouraged. In the context of creative industries, knowledge is embedded in everyday life. So, you can imagine how much knowledge would be lost if not properly managed [20].

Knowledge management consists of three interrelated elements: people, processes, and technology. These elements are the foundation for a successful knowledge management implementation [21]. The next step, therefore, is the integration of people and processes, followed by the existence of technologies that facilitate the exchange of information, knowledge, experience, and expertise.

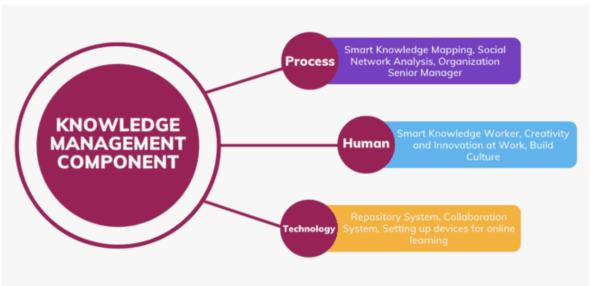


Figure 1. Knowledge Management Component

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People are the most important key factor in the knowledge management process compared to other factors. Since humans' act as knowledge generators and knowledge disseminators, this aspect needs to be considered carefully, as without activators the knowledge management process will not perform optimally [22]. This process is related to knowledge acquisition, i.e. transferring knowledge to a medium for transmission to others for reuse. This element facilitates the formation of knowledge and the transmission of knowledge. Technology can be described as an enabler for implementing knowledge management. For example, as a tool for regulating incoming knowledge, how to store that knowledge in systems and support the process of knowledge communication and collaboration [23]. The technological element is considered a supporting medium in the process of knowledge transformation and knowledge dissemination from the human element[24]. The availability of technology in knowledge management is meaningless without the presence of people and process elements[25].

Knowledge and experience are usually hidden in every employee. Because knowledge is stored primarily in the minds of employees (tacit knowledge), this knowledge is often passed on to others within the organization[26]. The next step is to turn tacit knowledge into explicit knowledge[27]. Explicit knowledge makes knowledge management easier to understand through communication and documentation[28]. So, the point of this transformation is to make knowledge easily accessible to everyone in the company at any time[29]. This knowledge is retained within the organization as employees change[30]. This pattern creates a knowledge repository that is used to store and retrieve explicit knowledge.

Therefore, the knowledge management process should be understood as a strategy. The company's great value lies in its ability to innovate rapidly, supported by knowledge management. Knowledge management in creative industries is considered a source of organizational resilience. The need for a new business paradigm that prioritizes knowledge resources for value creation. The role of knowledge management is certainly a process that plays an important role. We know that innovation is so dynamic that it requires the development of ideas that are integrated into organizational processes, activities, and policies. Ideas and knowledge are limitless, so the knowledge management process must be continuous and sustained. Knowledge management can improve a company's ability to innovate and optimize HR skills when exploring creative ideas.

#### 3. METHOD

The research method used is qualitative. The data source is obtained from primary data and secondary data. Primary data was collected directly from respondents through fieldwork, observations, and in-depth interviews, while secondary data sources were collected through literature research. Samples are taken by purposeful sampling. A total of 177 digital companies make up the population of this study. The target population is then digital businesses registered in Bandung Digital Valley as members and implementing knowledge management in their business operations. After analyzing the data, 38 digital companies met these criteria. As the analytics unit is a digital creative industry, data collection comes from individuals including employees, owners/entrepreneurs/managers of each sampled digital business.

#### 4. RESULTS AND DISCUSSION

Creativity, ideas, and talent are the strategic assets of the creative industry, commoditized, tradable, and born of knowledge. Many companies gain a competitive advantage by owning their organizational knowledge assets. Ideas grow in the process of exchanging opinions with each other. Everyone's experience will be different. This can lead to potential ideas for innovative digital creative products. Integrating skills and experience with organizational knowledge helps improve job quality. In the context of the digital

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creative industry, the processes of knowledge acquisition, storage, and transmission depend on the type of knowledge that emerges from personal experience. This process extends to corporate knowledge by integrating it with technical tools and organizational data collection. Organizations without knowledge management systems do not have access to the knowledge held by individuals within the organization. Communication in the workplace has the potential to create a creative work environment conducive to the development of creative products.

Technology and the digital creative industry are closely linked. Because technological advancements are utilized almost throughout the process of creating creative digital products. Some entrepreneurs use multiple technology media simultaneously in their business activities. Individuals in this industry use various mediums for their knowledge management processes in their work activities, such as Slack, Jira, Glass Frog, Gift hub, Zoho, Gift Bucket, and Pacificator applications. Survey results show that few companies have dedicated portal-style media for knowledge management. This process facilitates knowledge management and enables the translation of knowledge into physical formats such as workflows. Proper management of knowledge using technology facilitates business development.

## 4.1. Creating superior value for the digital creative industry: A business incubator approach for digital startups

An incubator strategy can be a useful alternative to accelerate the development of a digital enterprise, especially for beginners in areas that still need coaching. Incubators also typically offer a variety of services and resources that businesses need. In the development situation of the digital creative industry in Bandung City, the incubator strategy is considered appropriate as 88% of his industry entrepreneurs are still in the start-up stage and the business period is about 0-5 years.

Generally speaking, an incubator is a strategy in which a group of entities with traits and goals are brought together to work together to achieve a common goal. The Startup Center also facilitates the transfer of knowledge and experience, strengthening members. Creative communities can use their knowledge to become more innovative. The existence of incubators can be said to be a means for startups to mature. Incubators can be viewed as networks of partnerships to accelerate innovation in the creative industries and foster a sense of community in creative environments. Community networks improve the quality and quantity of knowledge and open access to new knowledge and collective cultures for new business practices.

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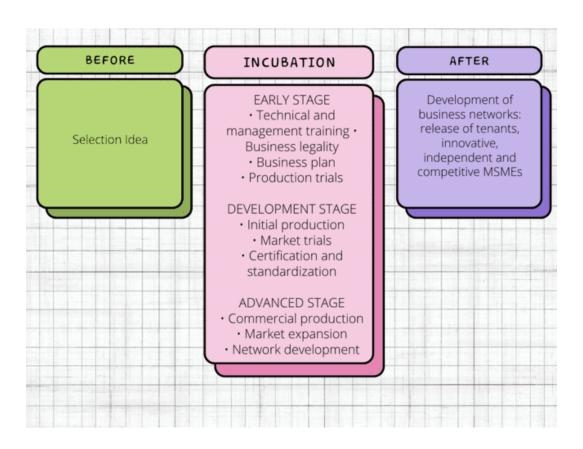


Figure 2. Knowledge Management Model

The incubator's strategy consists of three phases to help the startup mature and reach the outside world. The three phases are pre-incubation (pre-incubation), incubation (incubation), and post-incubation (post-incubation). (1) Pre-incubation is a mentoring phase conducted to help start-ups with ideas for further selection. (2) In the incubation phase, the idea is implemented in the form of business plans, training, product trials, legal aspects, etc. During the development phase, the startup conducts initial production followed by market trials to see the market reaction to the manufactured products, certification, and standardization. In the development phase, start-ups enter commercial production and are further strengthened through market expansion and network development. (3) After incubation, the incubator can fire tenants and produce innovative, independent, and competitive MSMEs.

#### 5. CONCLUSION

The digital creative industry relies on innovation to produce world-class digital creative products. The digital world is so dynamic that digital business professionals must actively update their knowledge and experience. To facilitate this, the use of knowledge management is strategic. Individual tacit knowledge is difficult for others to understand, but it must be made explicit. The application of knowledge management in this industry can be part of the business strategy and therefore requires the involvement of all human resources within the company.

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Personal knowledge, standard workflows, and technology ownership determine the quality of knowledge management in the digital creative industry. Personal knowledge ownership determines the quality of explicit knowledge stored in an organization. Workflows, in this case, are follow-up steps that leverage an individual's knowledge in performing work. As the industry produces digital products that are inseparable from the role of technology, technology metrics play an important role in supporting knowledge management. Technology acts as a connecting medium in knowledge transfer activities. The digital creative economy coexists with technology, typically with dedicated technology media for knowledge management. Leveraging technology also helps get work done faster. Given the critical role of knowledge management in generating creative ideas, digital business professionals need to create an effective knowledge management system. The purpose is to preserve intangible assets in the form of knowledge so that they can be properly maintained. Even if an individual within an organization changes, the knowledge that exists within the organization will not be lost because it is accumulated as explicit knowledge.

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