

Factors that Enhance the Innovation Mindset: A Quantitative Approach

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This research aims to find the influence of employee perception on organisational forgetting, organisational culture, competitive intelligence, organisational learning, and knowledge management to increase innovation mindset. Workforces in the electrical manufacturing industry in Indonesia need an innovation mindset to be able to change and face the technological era. This research uses structural equation modelling with data obtained from 338 employees working in electrical manufacturing companies. Results show that organisational forgetting, organisational culture, competitive intelligence, organisational learning and knowledge management have a positive and significant influence on the innovation mindset. Noticeably, this study shows that there is no direct influence of organisational forgetting on knowledge management. The implications of this study reveal that electrical manufacturing companies in Indonesia must eliminate the status quo and strive to create new rules that are more adaptive with environmental changes and further research opportunities are domain keys identified.

Keywords: *Innovation mindset, knowledge management, organisational learning, organisational forgetting, organisational culture, competitive intelligence.*

Introduction

The experts who have an innovation mindset can be seen through the interactions between workers. These are interactions in which the workers treat each other with respect, pride (admiration), and cooperation. They smile, laugh, and express consideration and attention, listen and focus on the benefits that consumers want rather than on their own personal gains (Kuczmarksi, 1996). The mindset of innovation is important and the factors that are observed in electrical companies in Indonesia have become a serious problem.

Innovation mindset allows a company to be more efficient and effective although it allows the cost of the investment in its application. Some of the suspected variables can affect innovation mindset, namely, knowledge management (Boghani, 2000), organisational learning (Vijande, Sanchez, and Mieres 2012; Gephart & Marsick, 2016), organisational culture (Rujirawanich, Addison and Smallman, 2011), competitive intelligence (Tanev & Bailetti, 2008; Muller, 2005), and organisational forgetting (Gilbert, Bobadilla, Gastadi, Boulaire, Lelebina, 2018; Huang, Chen, Zhang and Ye, 2017). The purpose of this research is to pursue direct influences in an effort to improve innovation mindset in the electrical manufacturing industry in Indonesia.

Theory & Hypothesis Development

Organisational Forgetting and Innovation Mindset

Tsang and Zahra (2008) believe that organisational forgetting is the process of removing old practices and setting new specifications. Organisational forgetting is stated as the key of innovation (Huang, Chen, Zhang, & Ye, 2017). In addition to the research conducted by Ardebili and Feizi (2015), the intention of this research project is to understand the influence of organisational forgetting in relation to the innovation of strategies in small businesses of middle Ardabil industry.

H1: Organisational forgetting has a direct, significant, and positive affect against innovation mindset.

Organisational Culture and Innovation Mindset

Organisational culture has been regarded as the basis of the organisational system by sharing basic values (Saffold, 1988). This establishes the management principles for the employees (Schein, 1992). The organisational culture is also defined as the way the company runs its business (Barney, 1986). Tian, Deng, Zhang, & Salmador (2018) argue that organisational culture seems to be an important factor in the success of any organisation, located at the heart of organisational innovation. Rujirawanich, Addison, and Smallman (2011) show that the culture has an effect on the innovation of small entrepreneurs in Thailand. This research suggests that organisational culture can have a positive effect on the innovation mindset.

H2: Organisational culture directly affects innovation mindset both significantly and positively.

Competitive Intelligence and Innovation Mindset

Research conducted by Tarek, Adel, & Sami (2016) tested the impact of competitive intelligence on innovation directly and positively. The research of Guimaraes (2011) uses strategic leadership, competitive intelligence, and management of technology for business innovation. In this case, competitive intelligence is the most dominant factor of business innovation.

H3: Competitive intelligence directly affects (significantly and positively) against innovation mindset.

Knowledge Management and Innovation Mindset

The innovation mindset is an urgent concept to consider regarding behaviours, rather than an inflexible theory or initiative prescribed by the company (Sweeney and Imaretska, 2015). Abdi & Senin (2014) show that knowledge management is a focus on tacit knowledge management, emphasising knowledge sharing, and creating interpersonal actions. Improving the ability of innovation depends on the level of exploitation tacit knowledge in the organisation mindset. Chang & Lee (2008) and Lopez-Nicolas & Cerdan (2011) investigate the relationship between knowledge accumulation capability and innovation. The results of the studies stated that knowledge accumulation capability is a key in increasing innovation. Companies capable of having the ability to regulate knowledge can have a good influence in terms of innovation.

H4: Knowledge management directly affects (significantly and positively) against innovation mindset.

Organisational Learning and Innovation Mindset

Vijande & Sanchez's (2017) research focuses on how organisational learning affects technical and administrative innovation efforts. Results show that organisational learning will build innovation and increase contributions to the achievement of competitive advantage in the field of innovation. Garcia, Jimenez, & Gutierrez (2012) and Salim & Sulaiman (2011) conducted research to find out how organisational learning affects innovation. The research was conducted in a Spanish company. The results showed that there was an influence of organisational learning towards organisational innovation directly.

H5: Organisational learning directly affects (significantly and positively) against innovation mindset.

Organisational Forgetting and Knowledge Management

The research by Huang, Wei & Chang (2007) and Nafei (2017) intends to seek implementation of organisational forgetting on knowledge management. The results showed that organisational forgetting had a positive effect on knowledge management. The hypothesis built in this study is that organisational forgetting has a direct and positive effect on knowledge management.

H6: Organisational learning directly affects (significantly and positively) against knowledge management.

Organisational Forgetting and Organisational Learning

Some researchers believe that organisational forgetting is a necessary requirement for organisational learning (Sorizehi, Kamalipur, Qhalandarzahi, & Rigi, 2014). Organisational forgetting is an essential tool to complete the learning of a managed organisation successfully applying it to form the organisational knowledge (Moshbeki, et al., 2012). It is generally believed that certain routines within the organisation, values, policies, and strategies will impede upon an organisations ability to acquire and absorb new knowledge. The purpose of organisational learning can't occur if there is no organisational forgetting (Lei, Slocum & Pitts, 1999). Research conducted by Sorizehi, Kamalipur, Qhalandarzahi & Rigi (2014) indicates that there is a direct positive influence between organisational forgetting to organisational learning.

H7: Organisational forgetting directly affects (significantly and positively) against organisational learning.

Organisational Culture and Knowledge Management

Suppiah & Sandhu (2011) conducted research on organisational culture's influence on knowledge management. This concept is also explored by Janicjevic (2015) who explore the effects of organisational learning on knowledge management. This study suspected that there is a direct influence of positive organisational culture on knowledge management.

H8: Organisational culture directly affects (significantly and positively) against knowledge management.

Organisational Culture and Organisational Learning

Perez, Manuel & Jose (2004) state that there is a link between organisational culture and organisational learning. Research by Alsabbagh & Khalil (2017) states that if the organisational culture is centred on its learning and structure in such a way that the perpetrators in the organisation can transmit knowledge. Human resources can be more likely to feel empowered to learn. Research conducted by Janicjevic (2015) aims to find the influence of organisational culture on organisational learning and knowledge management.

H9: Organisational culture directly affects (significantly and positively) against learning organisation.

Competitive Intelligence and Knowledge Management

Competitive intelligence is the process of collecting, analysing, and providing timely and useful information and knowledge. This is important for managers and all decision makers to improve their company's competitive position in the eyes of consumers (Gracanin, Kalac and Jovanovic, 2015). This makes competitive intelligence a complementary relationship between knowledge and information (Elbashir, Collier, Sutton, Davern, & Leech, 2013). It relates to the process that generates and converts information into knowledge. The research is also supported by research conducted by Chevallier, Laarraf, Lacam, Miloudi, & Salvetat (2016).

H10: Competitive intelligence directly affects (significantly and positively) against knowledge management.

Competitive Intelligence and Organisational Learning

Research conducted by Pole, Madsen, & Dishman (2000) states that competitive intelligence can have a positive effect on organisational learning and organisational change. Research conducted by Akgun, Lynn, and Byrne (2003) states that organisational learning is the result of the intelligence (in this case, the definition of intelligence used is competitive intelligence).

H11: Competitive intelligence directly affects (significantly and positively) against organisational learning.

Organisational Learning and Knowledge Management

Research conducted by Ho (2008) shows that organisational learning has a direct and positive impact on knowledge management. Loermans (2002) states that organisational learning and knowledge management concepts may look similar but are not the same. Noruzy, Dalfard,

Azhdari, Nazari-Shirkoushi, & Rezazadeh (2012) state that organisational learning directly affects knowledge management. The research examines 106 companies that have more than 50 employees. The research is also focused on manufacturing companies. Research conducted by King (2009) stated that organisational learning is a complement to knowledge management.

H12: Organisational learning directly affects (significantly and positively) against knowledge management.

Method

Participants & Procedure

This correlates with the principle introduced by Kuczmarksi (1996) on the innovation mindset that must be owned by employees. This research was conducted in Indonesia involving 11 electrical manufacturing companies with as many as 585 permanent employees. When the researchers spread the questionnaire amongst the 585 permanent employees, only 338 employees were taken because these questionnaires were completed. Male employees made up the majority of the respondents of this study with 203 respondents or 60.06%. There were as many as 135 female respondents or 39.94% with the age limit of 20-60 years.

Measures

Each indicator in this study will be measured with a Likert scale of 1-5 (1 = strongly disagree to 5 = strongly agree). Indicators used in measuring each variable based on synthesis results developed from previous research:

Innovation Mindset

The research measured the innovation mindset developed from the previous works of Kuczmarksi (1996), Canals (2015), Sweeney & Imaretska (2015), and Dilon (2012). This research measures the innovation mindset with 21 items (IM01-IM21) with the dimensions: spirit of work (IM01-IM04), Foresight (IM05-IM07), treat one another (IM08-IM11), faith in innovation (IM12-IM14), environmental adaption (IM15-IM17) and personal values (IM18-21).

Knowledge Management

The method for measuring knowledge management was developed from Jashapara (2010) and Stankosky (2005). Knowledge management is measured by 15 items with the

dimensions: human knowledge (KM01-KM04), collective knowledge (KM05-KM07), information technology (KM08-KM11), implementation technology (KM12-KM15).

Organisational Learning

The measure for organisational learning is developed from Vera & Crosson (2005), Senge (2006), Jones (2013), Jimenez and Sanz (2011). Organisational learning is measured by 14 dimensions including: same goal (OL01-OL3), desire to survive (OL04-OL07), willing to learn (OL08-OL10), improve ability (OL11-OL14).

Competitive Intelligence

The measure for competitive intelligence was developed from Gracanin, Kalac & Jovanovic (2015), Calof & Wright (2008), Duncan (2008), Sharp (2009), Pellissier & Nenzhelele (2013), Koseoglu, Ross & Okumus (2015). Competitive intelligence is measured by 15 items with dimensions including: ability for changing information to knowledge (CI01-CI04), using competitive knowledge (CI05-CI08), minimise risk (CI09-CI12), avoiding blind spots (CI13-CI15).

Organisational Culture

The measure for organisational culture was developed from Ivancevich, Konopaske & Matteson (2008), Kreitner and Kinicki (2014), and Greenberg (2012). Organisational culture is measured by 15 items with the following dimensions: assumptions framework (OC01-OC04), values framework (OC05-OC08), belief behavioural (OC09-OC12), and reference form (OC13-OC15).

Organisational Forgetting

The measure for organisational forgetting was developed from Ferandez & Sune (2009), Holan & Philips (2004), Aydin & Gormus (2015), Huang, Chen, Zhang & Ye (2017), and Tsang & Zahra (2008). Organisational forgetting is measured by 15 items with the following dimensions: intentional loss of knowledge (OF01-OF04), accidental loss of knowledge (OF05-OF07), change in ability (OF08-OF11), set new specifications (OF12-OF15).

Data Analytical Approach

This research uses a cross-sectional research design. It aims to find causal relationships between variables. Data obtained will be processed using the software AMOS. In this research, the analysis technique used is the Structural Equation Model (SEM). The estimation

method used in this study is Maximum Likelihood (ML). Models are made to meet the criteria of Goodness of Fit which follows the research of Ghozali (2004). The Goodness of Fit Index value is typically from 0-1. The better value is approaching 1. The AGFI (Adjusted Goodness of Fit Index) recommended rate of acceptance is $AGFI > 0.80$. The value of TLI (Tucker-Lewis Index) which is recommended as a reference to receive a model is greater than 0.9 and a value close to 1 indicates a very good fit. TLI is an index fit that is less influenced by sample size. CFI is an incremental conformity index that also compares models tested with null models. An index indicating that the tested model has good compatibility is when $CFI \geq 0.90$. An RMSEA value that is smaller than or equal to 0.08 is an index to be able to accept a model indicating a close fit of the model.

Result

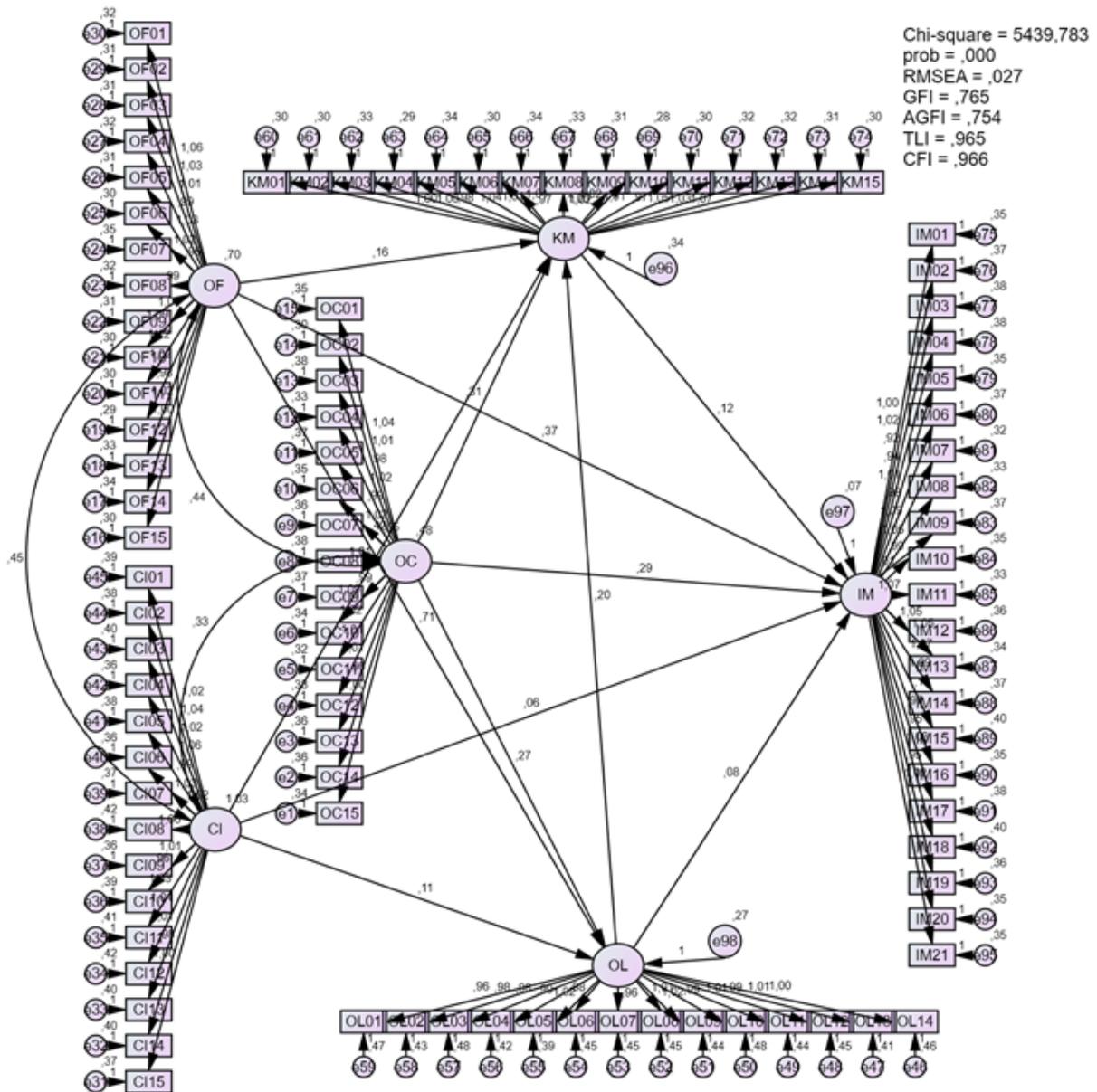
Goodness of Fit test & Measurement Model

The models in this study can be said to have fit views based on GFI, AGFI, TLI, CFI and RMSEA (Table 1). The measurement model results can be seen that the through the AMOS program in Figure 1.

Table 1: Goodness of Fit (GOF)

Goodness-of-Fit (GOF)	Results of analysis	Cut off value	Evaluation Model
GFI	0,765	Approaching 1	Marginal Fit
AGFI	0,754	>0,8	Marginal Fit
TLI	0,965	>0,9	Good Fit
CFI	0,966	$\geq 0,90$	Good Fit
RMSEA	0,027	$\leq 0,08$	Good Fit

Figure 1. Measurement model



Validity & Reliability Data

The value of the estimate is a factor of the weight (the loading factor) demonstrating whether an indicator will be part of a construct or not. The value of the estimate should be ≥ 0.5 so it can be said that the indicator is part of a construct. The value of construct reliability must be above 0.70 and the average variance extracted (AVE) above 0.50 then said data can be used. Organisational forgetting has a construct reliability value of 0.972 while AVE is 0.835. Organisational culture has a construct reliability of 0.955 whereas AVE amounted to 0.764. Competitive intelligence has a construct reliability of 0.976 while AVE is 0.856.

Organisational learning has a reliability construct of 0.966 while the AVE is 0.672. Knowledge Management with construct reliability of 0.980 while AVE is 0.875. Innovation mindsets have a 0.969 and AVE reliability construct of 0.774. Therefore, it can be said that the entire variable has been reliable and valid because the whole indicator has a value of standardised factor loading above 0.50. This can be seen in Table 2.

Table 2: Standardised Factor Loading, Construct Reliability and AVE

Code	Standardised Factor Loading	Construct Reliability	AVE	Code	Standardised Factor Loading	Construct Reliability	AVE
OF01	0.840	0.972	0.835	OL01	0.804	0.966	0.820
OF02	0.842			OL02	0.821		
OF03	0.833			OL03	0.806		
OF04	0.828			OL04	0.826		
OF05	0.838			OL05	0.843		
OF06	0.839			OL06	0.812		
OF07	0.803			OL07	0.808		
OF08	0.823			OL08	0.824		
OF09	0.837			OL09	0.827		
OF10	0.857			OL10	0.809		
OF11	0.862			OL11	0.824		
OF12	0.845			OL12	0.817		
OF13	0.817			OL13	0.835		
OF14	0.824			OL14	0.818		
OF15	0.834			KM01	0.878	0.980	0.875
OC01	0.770	KM02	0.875				
OC02	0.786	KM03	0.864				
OC03	0.740	KM04	0.889				
OC04	0.777	KM05	0.867				
OC05	0.748	KM06	0.878				
OC06	0.766	KM07	0.857				
OC07	0.771	KM08	0.867				
OC08	0.748	KM09	0.876				
OC09	0.749	KM10	0.888				
OC10	0.790	KM11	0.879				
OC11	0.780	KM12	0.861				

OC12	0.771			KM13	0.880		
OC13	0.759			KM14	0.879		
OC14	0.742			KM15	0.890		
OC15	0.766			IM01	0.774		
CI01	0.856			IM02	0.774		
CI02	0.864			IM03	0.733		
CI03	0.853			IM04	0.740		
CI04	0.872			IM05	0.778		
CI05	0.850			IM06	0.757		
CI06	0.866			IM07	0.812		
CI07	0.862			IM08	0.798		
CI08	0.856	0.976	0.856	IM09	0.762		
CI09	0.862			IM10	0.779		
CI10	0.844			IM11	0.803	0.969	0.774
CI11	0.851			IM12	0.784		
CI12	0.852			IM13	0.792		
CI13	0.852			IM14	0.787		
CI14	0.845			IM15	0.779		
CI15	0.859			IM16	0.801		
				IM17	0.750		
				IM18	0.738		
				IM19	0.779		
				IM20	0.759		
				IM21	0.777		

Hypothesis Test

This research aims to figure out the direct influence between variables on the innovation mindset. According to Table 3, the results are as follows:

Organisation forgetting ($\beta = 0,369$; $p = 0,000$), organisation culture ($\beta = 0,294$; $p = 0,000$), competitive intelligence ($\beta = 0,059$; $p = 0,012$), knowledge management ($\beta = 0,119$; $p = 0,000$), organisation learning ($\beta = 0,082$; $p = 0,018$) significantly and positively affect the innovation mindset. Organisational forgetting against knowledge management ($\beta = 0,160$; $p = 0,060$). Organisational forgetting has no significant effect on knowledge management. Organisational culture ($\beta = 0,306$; $p = 0,000$), competitive intelligence ($\beta = 0,415$; $p = 0,000$), organisational learning ($\beta = 0,198$; $p = 0,004$) significantly and positive effect on knowledge Management. Organisation forgetting ($\beta = 0,710$; $p = 0,000$), organisation culture ($\beta =$

0,206; $p = 0,000$), competitive intelligence ($\beta = 0,107$; $p = 0,004$) significantly and positively affect organisation learning.

Table 3: Estimate & Probability

			Estimate	S.E.	C.R.	P
OL	<---	OF	.710	.073	9.786	***
OL	<---	CI	.107	.037	2.904	.004
OL	<---	OC	.267	.074	3.585	***
KM	<---	OF	.160	.085	1.880	.060
KM	<---	CI	.415	.044	9.402	***
KM	<---	OC	.306	.083	3.699	***
KM	<---	OL	.198	.069	2.854	.004
IM	<---	OF	.369	.047	7.902	***
IM	<---	CI	.059	.023	2.500	.012
IM	<---	OC	.294	.045	6.562	***
IM	<---	OL	.082	.035	2.369	.018
IM	<---	KM	.119	.030	4.042	***

Discussion, Conclusion, Practical Implications, Limitations & Future Research

Discussion

The first hypothesis test in this study showed that there was a direct influence between organisational forgetting and the innovation mindset. It is in accordance with the theory and facts in the field stating that organisational forgetting is one of the factors in obtaining new information and behaviour. Therefore, organisational forgetting can be a mechanism that can support change and innovation in the company. Organisational forgetting is stated as the key to innovation (Huang, Chen, Zhang, & Ye, 2017). While the facts in the field shows that when there is a knowledge that is forgotten or abandoned, then the knowledge will be replaced with new knowledge so that innovation will emerge to be able to have new knowledge.

The second hypothesis test in the study showed that there was a direct influence of organisational culture on the innovation mindset. Culture is the foundation of the organisational system based on existing values, including on how to run the business. The results of the research conducted by Tian, Deng, Zhang, & Salmador (2018) argues that organisational culture seems to be an important factor in the success of any organisation, located at the heart of organisational innovation (Tushman, 1997). Another study also found that there was a complex and privileged relationship between culture and innovation.

The third hypothesis test in this study showed that there was a direct influence of competitive intelligence on innovation mindset. The effect of competitive intelligence on innovation mindset is positive. If competitive intelligence is enhanced then it will directly improve the innovation mindset. The direct influence of competitive intelligence on innovation mindset in this research has been in accordance with the research conducted by Tarek, Adel, & Sami (2016) which states that there is a direct influence of competitive intelligence against innovation with the positive influence properties. Similarly, the study conducted by Guimaraes (2011) states that competitive intelligence is the most influential factor in business innovation.

The fourth hypothesis test in this study showed that there was a direct influence of knowledge management on the innovation mindset. The ability of innovation owned by individuals depends on the level of exploitation of tacit knowledge in the organisation (Deyong, Xiangyun, & Qiuyue, 2007). Knowledge management shows the movement towards the focus on tacit knowledge management (Abdi & Senin, 2014). This indicates that there is a link between knowledge management and innovation. Previous research shows that there is an influence between knowledge management and innovation, such as the research conducted by Boghani (2000) which affirms that knowledge management is a crucial factor in increasing innovation.

The fifth hypothesis test in this study shows that there is a direct influence of organisational learning on the innovation mindset. The results of this study have been in accordance with the research conducted by Vijande & Sanchez (2017) which suggests that organisational learning will build innovation and increase contributions for achieving competitive advantage in the field of innovation. The facts in the field also showed that with the training to the employees, the employees will be able to perform various innovations both in product development and improvement of the company's work system.

The sixth hypothesis test in this study shows that there is no direct influence of the organisational forgetting on knowledge management. Organisational forgetting is raised or not, then knowledge management will not undergo significant changes directly. The results of this research are suspected to be no effect because organisational forgetting is an attempt to create new changes either intentionally or accidentally. In practice, especially in the electrical manufacturing companies in Indonesia, the field is less carried out especially in the new rules or changes. Knowledge management is not running which certainly required the company's efforts in collecting, sharing and implementing knowledge that is in the company both tacit knowledge and explicit knowledge.

The seventh hypothesis test in this study shows that there is a direct influence of the organisational forgetting against organisational learning. The research results of the direct

influence of organisational forgetting on organisational learning has been in accordance with several previous research studies. Some researchers have stated that forgetting (OF) is a necessary requirement to gain learning for the organisation (Sorizehi, Kamalipur, Qhalandarzehi, & Rigi, 2014). Research conducted by Sorizehi, Kamalipur, Qhalandarzehi & Rigi (2014) shows that there is a positive relationship between organisational forgetting and organisational learning.

The eighth hypothesis test in this study showed that there was a direct influence of organisational culture on knowledge management. Research conducted by Suppiah (2010) shows that organisational culture has a positive effect on tacit knowledge that is part of knowledge management. Alhaji, Amirudin, & Abdullah (2013) argue that the process of knowledge management is a conventional technique involving infrastructure, technical as well as device management, and design that leads to create, transfer, and understand ideas other than skills around a construction organisation.

The ninth hypothesis test in this study shows that there is a direct influence of organisation culture on organisation learning. Research conducted by Danaeefard, Salehi, Hasiri & Noruzi (2011), shows that some variables can affect learning organisations, one of which is organisational culture.

The tenth hypothesis test in this study demonstrated that there was a direct influence of competitive intelligence on knowledge management. Competitive intelligence is regarded as the complementary relationship between knowledge and information relating to the process that generates and converts information into knowledge. Knowledge management is the process to organise and distribute the collective knowledge of an organisation so that the right information is delivered to the right people at the right time (Robbins & Judge, 2010). The administration shows that information and knowledge have been organised by various divisions so that an information can be submitted to each division appropriately. Research conducted by Chevallier, Laarraf, Lacam, Miloudi, & Salvetat (2016) shows that there is a causal relationship or an influence between competitive intelligence on knowledge management.

The eleventh hypothesis testing in this study showed that there was a direct influence on competitive intelligence on organisation learning. Competitive intelligence's influence on organisation learning is positive, so it can be said if competitive intelligence is improved it will directly improve organisational learning. The results of research correlate with research conducted by Pole, Madsen and Dishman (2000). This study shows that competitive intelligence can have positive effect on organisational learning and organisational change. In addition, the research conducted by Lin and Lee (2005) suggests that a variable called

organisational intelligence or known competitive intelligence affects positively to technological learning performance or organisational learning in a technological approach.

The twelfth hypothesis testing in this study shows that there is a direct influence of organisation learning of knowledge management. Some research results show that there is significant relation and influence between organisational learning to knowledge management (Ho, 2008; Loermans, 2002; Noruzy, Dalfard, Azhdari, Nazari-Shirkoushi, & Rezazadeh, 2012). Organisation learning focuses on learning, which can be associated with information and knowledge, that later information and knowledge can be used as the source for knowledge management.

Research findings are also different from research conducted by Nafei (2017). In research conducted by Nafei (2017) organisational forgetting was said to positively affect knowledge management. While in this research organisation forgetting has no influence on knowledge management. The results of this study have been able to measure the influence of all the independent variables on innovation mindset which can be seen at 87.2%, knowledge management for 65.3% and organisation learning by 70.6%.

Conclusion

The overall factors that can improve innovation mindset such as organisational forgetting, organisational culture, competitive intelligence, organisational learning, and knowledge management can be significantly influenced. However, the findings from this study show that organisational forgetting cannot affect knowledge management. This result is based on the perception of electrical manufacturing employees in Indonesia. The electrical manufacturing company in Indonesia still has a high status quo and it is difficult to get employees to share their knowledge.

Practical Implications

Based on this research, the model used in measuring innovation mindset has been able to reach 87.2%. Only 12.8% of other variables not used in this study can affect the innovation mindset. Therefore, the model is highly recommended for electrical companies when facing problems or efforts to create an innovation mindset. Ways to improve the innovation mindset can be seen in each dimension between variables:

1. Knowledge management can be improved by considering the implementation of knowledge about the meaning of implementation knowledge. Improving the innovation mindset of employees is related to knowledge management. It can be sought before conducting socialisation and the manufacture of modules before implementing knowledge

that is given from the company to employees. The electrical manufacturing companies in Indonesia have also not implemented the manufacture of new modules providing socialisation of employees. This suggestion is because employees are still difficult to acquire the meaning of the knowledge applied by the company.

2. Organisational learning can be improved by considering willing to learn especially spontaneously and improve ability especially regarding expanding skills. In improving innovation mindset of employees related to organisational learning, it can be attempted to increase awareness for the company in making changes by making employees to provide input or criticism related to renewal or change. Electrical manufacturing companies in Indonesia are expected to make the system so that such input or criticism can be conducted periodically (e.g. 3-6 months). The company is also judged to not be able to make decisions effectively. Electrical manufacturing companies need to conduct a fundamental analysis such as can use applications such as expert choice in making company strategy so that it can make decision making precisely.
3. Organisational forgetting can be improved by considering intentional loss of knowledge regarding the rules that are judged ineffective. In improving innovation mindset of employees related to organisational forgetting, it can be sought to replace the rules that are not yet effective. The electrical manufacturing companies in Indonesia have not been able to make the right new rules even yet exist or more the status quo of changes. The electrical manufacturing companies expected to create new rules that suit the needs of the company or change environment. In this effort the creation of new rules is certainly expected to involve members of the organisation, so it is more effective.
4. Organisational culture can be improved by considering assumptions framework regarding employee views should be aligned with the company. In improving innovation mindset of employees related to organisational culture, it can be required to make employees have the same view related value, corporate culture with individual culture. If seen in practice, the electrical manufacturing companies in Indonesia can make cultural liquefaction efforts by outing or the introduction of vision, mission, values or rules in the company.
5. Competitive intelligence can be improved by considering the avoiding blind spot regarding the ability of the company in assessing the strength owned. In improving innovation mindset of employees related to competitive intelligence, it can make the effort to obtain the right power assessment should be conducted based on the study of theories that can be obtained from books or journals.

Limitations

This research certainly has limitations such as using only focusing on organisational forgetting, organisational culture, competitive intelligence, organisational learning, and knowledge management to view contributions in improving innovation mindset. Of course,



there are still many unidentified variables that can improve the innovation mindset. This research has not tested the indirect influence between variables.

Future Research

Further studies are expected to test this model against other industries or similar. This research has only been conducted in the electrical manufacturing industry in Indonesia. Therefore, it is recommended to be used or tried against other manufacturing industries or not in the manufacturing industry. Further studies can also consider the elements of creativity. According to Man (2001) innovation and creativity has not been widely identified between cause and effect. Some definitions say innovation creates creative ideas while other definitions mention the creativity produces innovation. Further researchers are expected recommend adding the creativity variable by reviewing models based on previous studies.

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