

The Effect of Early Retirement Programs, Employee Competence, and Corporate Culture on Company Performance with Knowledge Sharing as a Moderating Variable

Ignatius Oktafa Ika^{1✉}, Novrianus Kofi²

(1,2) Program Studi Pembangunan, Fakultas Ekonomi, STIE Budi Pertiwi, Indonesia

Abstract: This study examines the effects of the early retirement program, employee competence, and organizational culture on company performance, with knowledge sharing as a moderating variable at PT XYZ. The study is grounded in the Resource-Based View (RBV), which emphasizes strategic organizational resources as sources of sustainable competitive advantage. A quantitative approach with an associative research design was employed. Data were collected from 168 employees selected through simple random sampling from a population of 289 employees. The data were analyzed using Structural Equation Modeling-Partial Least Squares (SEM-PLS). The findings indicate that the early retirement program, employee competence, and organizational culture have positive and significant effects on company performance. Furthermore, knowledge sharing significantly moderates the relationship between employee competence and company performance, indicating that knowledge-sharing practices strengthen the contribution of employee competencies to organizational performance. However, knowledge sharing does not significantly moderate the relationships between the early retirement program and organizational culture on company performance. The novelty of this study lies in integrating the three antecedent variables into a single model while examining knowledge sharing as a moderating mechanism. Practically, the findings highlight the importance of continuous competency development, knowledge-sharing practices, and a collaborative organizational culture. Companies should also implement systematic knowledge-transfer mechanisms when managing early retirement programs to minimize the loss of critical organizational knowledge and support sustainable company performance.

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INTRODUCTION

One human resources policy widely implemented by companies to improve operational efficiency is the early retirement program. An early retirement program is a policy that offers employees the opportunity to end their employment before reaching the normal retirement age in exchange for certain compensation. These programs are seen as a way to reduce payroll, benefits, and other operational costs, thereby improving company efficiency. However, early retirement programs also have unintended consequences, such as the loss of organizational knowledge, critical skills, and institutional memory possessed by senior employees, which can lead to a decline in company performance if not managed properly.

Furthermore, Recent studies indicate that organizations implementing early retirement programs face significant risks of losing critical organizational knowledge and experienced employees. Therefore, companies need structured knowledge-retention and succession planning strategies to maintain organizational performance (AlKaabi & Davies, 2022) ; (Biron et al., 2024). As a result, companies risk

losing employees who possess high competence, extensive experience, and strategic capabilities that are crucial to the organization. Recent studies indicate that organizations often face difficulties in identifying and retaining the valuable tacit knowledge possessed by experienced employees before they retire or leave the organization. Consequently, employee turnover may result in the loss of critical knowledge, expertise, and organizational networks that are difficult to replace if effective knowledge retention strategies are not implemented (Galan, 2023). This situation indicates that the success of early retirement programs depends not only on the cost savings achieved but also on the company's ability to retain and transfer the knowledge possessed by employees before they leave the organization.

One company that has implemented an early retirement program is PT XYZ. "Private-sector early retirement" refers to private-sector employees who wish to retire earlier than the normal retirement age. The normal retirement age for employees is 55 years. The legal basis for this is Pension Fund Law No. 11 of 1992 and its implementing regulation, Minister of Manpower Regulation No. 2 of 1993. In implementing this early retirement program, PT XYZ has established the following policies, among others: Early retirement is available during the 2023–2024 period; the retirement maturity period is 10 years, falling in 2033–2034; 24 years of service or reaching the age of 45 at the time of early retirement; the calculation of years of service begins with the period from 2001 to 2010; and an assumed annual salary increase of 3%–5%. The company reserves the right to select employees for early retirement and to reject employees' applications for early retirement.

In addition to early retirement programs, employee competencies are a key factor determining an organization's success. Employee competence represents an important organizational capability that enhances individual performance and facilitates knowledge sharing across organizational units. Competence, together with employee motivation and opportunities for interaction, contributes significantly to organizational performance (Gooderham et al., 2022). Competencies encompass the knowledge, skills, abilities, and behaviors that enable individuals to perform their tasks effectively. The higher an employee's competencies, the greater their contribution to increased productivity, innovation, and decision-making quality which ultimately enhances company performance. From an RBV perspective, employee competencies are strategic resources that can serve as a source of sustainable competitive advantage for the company.

Another factor that contributes to a company's success is corporate culture. Recent studies demonstrate that organizational culture strengthens employee commitment, collaboration, and organizational performance by fostering a supportive working environment and shared values (Aguilar-Rodríguez et al., 2023). A strong corporate culture fosters shared values, enhances employee commitment, strengthens collaboration, and encourages behaviors that support the achievement of organizational goals. Conversely, a weak organizational culture can hinder the learning, collaboration, and innovation processes necessary to improve company performance.

In the context of early retirement programs, corporate culture plays a crucial role because a culture that supports learning and collaboration facilitates the transfer of knowledge from senior employees to younger ones. The loss of experienced employees due to early retirement programs does not necessarily have a negative impact if the company has a culture capable of ensuring the continuity of organizational knowledge through various mechanisms for learning and knowledge sharing.

In this regard, knowledge sharing has become an increasingly important factor in modern organizations. Knowledge sharing is increasingly viewed as a strategic organizational capability that facilitates the transfer of expertise, strengthens collaboration, and improves organizational effectiveness. Collaborative organizational culture and employee competence significantly enhance knowledge-sharing behavior (Gooderham et al., 2022). Through knowledge sharing, the knowledge possessed by individuals can be transformed into an organizational asset, ensuring it is not lost when employees leave or retire.

The role of knowledge sharing becomes even more relevant when companies implement early retirement programs. Senior employees generally possess tacit knowledge acquired through years of experience, which is difficult to document formally. If knowledge sharing is carried out effectively, this knowledge can be transferred to the next generation, thereby minimizing the negative impact of early retirement on company performance. Conversely, a lack of knowledge-sharing practices can amplify the negative impact of losing experienced employees on company performance. Therefore, knowledge sharing is considered a suitable moderator variable that can either strengthen or weaken the relationship between early retirement programs, competencies, corporate culture, and company performance.

Previous research indicates that the effects of early retirement programs, employee competence, and organizational culture on company performance remain inconclusive. Studies by Shabat (2020) and Dolls & Krolage (2019) suggest that early retirement programs can improve organizational efficiency through labor cost reduction and workforce restructuring. In contrast, Park (2022) and Grenčíková et al. (2026) found that early retirement may reduce productivity and organizational performance because organizations risk losing experienced employees, critical competencies, and valuable institutional knowledge. These contradictory findings indicate that the impact of early retirement programs on company performance is highly dependent on how organizations manage the knowledge and competencies of employees affected by retirement. Meanwhile, studies by Sari et al. (2023) and Sitorus et al. (2022) demonstrate that employee competence and organizational culture positively contribute to organizational performance. However, these studies primarily examine their direct effects and provide limited insight into the conditions under which these relationships can be strengthened through knowledge-sharing practices.

Knowledge sharing is particularly important in the context of early retirement because experienced employees possess tacit knowledge, practical expertise, and organizational memory that may be lost when they leave the organization. Through knowledge sharing, individual knowledge and competencies can be transferred to other employees and transformed into organizational resources. Therefore, knowledge sharing can potentially function as a moderating mechanism that strengthens the contribution of employee competence and organizational resources to company performance. Although previous studies have demonstrated the importance of knowledge sharing for organizational performance Yasin et al. (2023), Zamfir (2022), and Purmono (2024), limited research has integrated early retirement programs, employee competence, and organizational culture into a single model while examining knowledge sharing specifically as a moderator. Most previous studies have focused on direct or mediating relationships. Consequently, it remains unclear whether knowledge sharing strengthens or weakens the relationships between these human resource factors and company performance. This study addresses this gap by examining knowledge sharing as a moderating variable in the relationships between early retirement programs, employee competence, organizational culture, and company performance at PT XYZ.

RESEARCH METHOD

This study employs a quantitative approach with an associative research design to examine the effects of early retirement programs, competencies, and corporate culture on company performance, with knowledge sharing as a moderator variable. The quantitative approach was chosen because it allows for the objective testing of relationships among variables through statistical analysis (Creswell & Creswell, 2017). The study population consisted of 289 employees of PT XYZ. The sample size was determined using the Slovin formula at a 5% error rate, resulting in 168 respondents. The sampling technique employed probability sampling using the simple random sampling method, which provides an equal chance for every member of the population to be selected as a respondent. The research data consisted of primary data obtained through the distribution of questionnaires and secondary data derived from company documents. The research instrument used a 1–5 Likert scale, which is

commonly used to measure respondents' perceptions, attitudes, and behaviors in management and organizational research (Sekaran & Bougie, 2016). The questionnaire items were developed by adapting indicators from previous studies and relevant theoretical concepts for each research variable. The indicators for the early retirement program, employee competence, organizational culture, company performance, and knowledge sharing were selected based on their relevance to the research objectives and the organizational context of PT XYZ. The adapted indicators were then translated into questionnaire statements using clear and context-appropriate wording. Before data collection, the instrument was reviewed to ensure that each statement was understandable and relevant to the intended construct. The finalized questionnaire was subsequently distributed to the selected respondents using a 1–5 Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). Data analysis was conducted using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with the assistance of SmartPLS software. Furthermore, SEM-PLS has the advantage of accommodating data that does not necessarily have to be normally distributed and can be applied to relatively moderate sample sizes, making it suitable for the characteristics of this study (Hair et al., 2021); (Sarstedt et al., 2021).

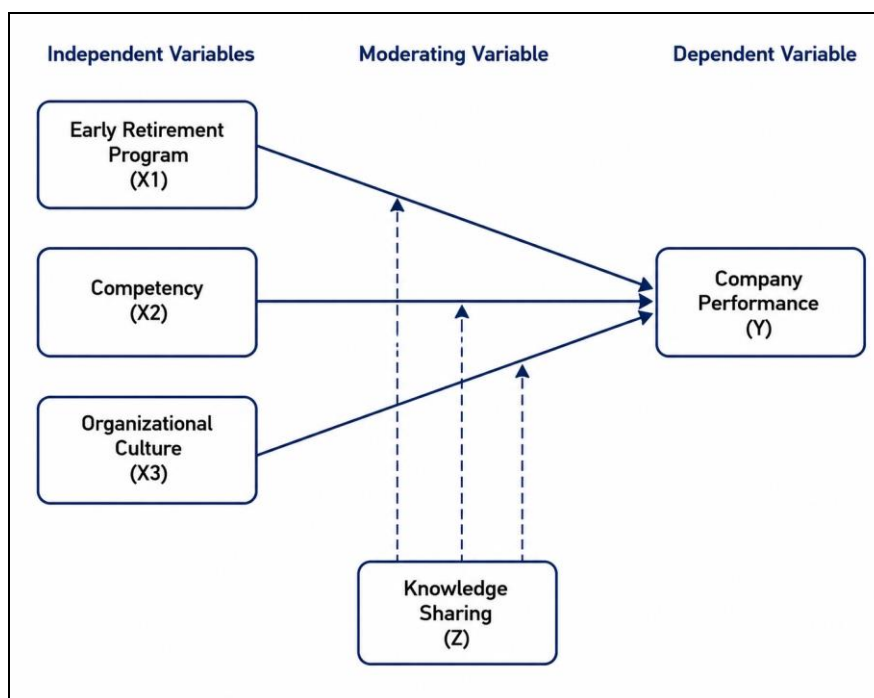


Figure 1. Research Framework

Based on the research framework diagram above, the hypotheses in this study are as follows:

- H1: Early retirement programs affect company performance
- H2: Employee competence has a positive effect on company performance
- H3: Corporate culture has a positive effect on company performance
- H4: Knowledge sharing moderates the effects of early retirement programs, employee competence, and organizational culture on company performance

RESULTS AND DISCUSSION

Testing the Measurement Model (Outer Model)

The results of the measurement model (or outer model) testing were conducted to assess the model's validity and reliability. The outer model with reflective indicators was evaluated through tests of convergent validity and discriminant validity of its indicators, as well as composite reliability for the indicator blocks. The results of the convergent validity test, including the AVE, are presented in the following table:

Table 1. Validity Test Results - AVE

Variable	Average (AVE)	Description
Early Retirement Program	0,756	Valid
Competence	0,761	Valid
Organizational Culture	0,751	Valid
Knowledge Sharing	0,799	Valid

Source: Results Processed Using SmartPLS (2026)

The results of the convergent validity test show that all research variables have an Average Variance Extracted (AVE) value above 0.50, namely Early Retirement Program at 0.756, Competence at 0.761, Organizational Culture at 0.751, and Knowledge Sharing at 0.799. Thus, all constructs met the criteria for convergent validity and were deemed valid; consequently, the indicators used are capable of adequately representing each research variable and are suitable for further analysis.

Tabel 2. Results of the Discriminant Validity Test (Fornell-Larcker Criterion)

Variable	Organizational Culture	Company Performance	Knowledge Sharing	Competencies	Early Retirement Program
Organizational Culture	0,866				
Company Performance	0,329	0,872			
Knowledge Sharing	0,547	0,325	0,894		
Competencies	0,384	0,471	0,600	0,872	
Early Retirement Program	-0,009	0,171	0,050	0,026	0,870

Source: Results Processed with SmartPLS (2026)

The results of the discriminant validity test using the Fornell-Larcker Criterion indicate that all constructs met the criteria for discriminant validity. This is demonstrated by the root-mean-square AVE values for each variable Organizational Culture (0.866), Company Performance (0.872), Knowledge Sharing (0.894), Competence (0.872), and Early Retirement Program (0.870) which are higher than their correlation coefficients with other constructs. Thus, each variable has distinct characteristics and is able to explain its respective construct better than the other constructs. These results indicate that the measurement model has good discriminant validity and is therefore suitable for proceeding to structural equation modeling.

Table 3. Results of Composite Reliability and Cronbach's Alpha Tests

Variable	Composite Reliability	Cronbach's Alpha
Early Retirement Program	0,969	0,756
Competencies	0,979	0,761
Organizational Culture	0,982	0,751
Knowledge Sharing	0,965	0,799
Company Performance	0,962	0,760

Source: Results Processed Using SmartPLS (2026)

The reliability test results show that all research variables have a Composite Reliability value above 0.70 and a Cronbach's Alpha value above 0.60. The Early Retirement Program variable had a

Composite Reliability of 0.969 and a Cronbach's Alpha of 0.756; Competence had values of 0.979 and 0.761; Organizational Culture had values of 0.982 and 0.751; Knowledge Sharing at 0.965 and 0.799, and Company Performance at 0.962 and 0.760. Thus, all constructs were deemed reliable because they exhibited good levels of internal consistency, meaning the research instrument is capable of measuring the variables consistently and can be used for further analysis.

Testing the Measurement Model (Inner Model)

Once the measurement model (outer model) has been determined to be valid and reliable, the next step is to test the structural model (inner model) to assess the model's ability to explain the relationships among variables and to test the proposed research hypotheses.

Table 4. R-Square (R^2) Calculation Results

	R Square	Adjusted R Square
Company Performance	0,387	0,360

Source: Results Processed Using SmartPLS (2026)

It can be seen that the Company Performance variable has an R-Square value of 0.387 and an Adjusted R-Square value of 0.360. These values indicate that the variables Early Retirement Program, Competence, Organizational Culture, and their interaction with Knowledge Sharing account for 38.7% of the variation in Company Performance, while the remaining 61.3% is explained by other variables outside the research model. Thus, the research model has a moderate explanatory power in explaining changes in Company Performance. Meanwhile, the Adjusted R-Square value of 0.360 indicates that, after accounting for the number of variables in the model, the model's predictive ability regarding Company Performance remains at a fairly good level.

Next, a Goodness of Fit (GoF) test was conducted to evaluate the overall fit of the model by combining the quality of the measurement model (outer model) and the structural model (inner model). According to Hair et al. (2021) and Sarstedt et al. (2021), the evaluation of the structural model in PLS-SEM should primarily focus on the coefficient of determination (R^2), predictive relevance (Q^2), effect size (f^2), and model predictive performance rather than relying on a global Goodness-of-Fit (GoF) index, as the GoF measure is no longer recommended for assessing PLS-SEM models.

$$GoF = \sqrt{AVE_{rata-rata} \times R^2}$$

Based on the test results, the AVE values for each variable are Early Retirement Program (0.756), Competence (0.761), Organizational Culture (0.751), and Knowledge Sharing (0.799). Thus, the average AVE is:

$$Average AVE = \frac{0,756 + 0,761 + 0,751 + 0,799}{4} = 0,767$$

Meanwhile, the R-squared value for company performance is 0.387. Therefore, the GoF value can be calculated as follows:

$$GoF = \sqrt{(0,767 \times 0,387)}$$

$$GoF = \sqrt{0,2968}$$

$$GoF = 0,545$$

The calculated GoF value was 0.545, which exceeds the threshold of 0.36 and indicates a high overall model fit. However, recent PLS-SEM literature recommends interpreting model quality primarily through R^2 , Q^2 , effect size (f^2), and predictive performance rather than relying solely on the GoF index (Hair et al., 2021) ; (Sarstedt et al., 2021). These results suggest that the research model has a good level of fit and is capable of adequately explaining the relationships among the Early Retirement

Program, Competence, Organizational Culture, Knowledge Sharing, and Company Performance. Thus, the model developed in this study can be considered of good quality for use in hypothesis testing.

Furthermore, the estimated path coefficients can be considered significant if the T-table value for significance is greater than 1.96 at a 5% significance level ($\alpha = 0.05$). After analyzing the collected data, we were able to draw conclusions regarding the research hypotheses. The T-statistic value where the research hypothesis is considered accepted if the T-statistic value is greater than the critical T-value was used to test the hypotheses in this study.

Table 5. Hypothesis Test Results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Description
Pension Program → Company Performance	0,232	0,233	0,073	3,180	0,002	significant
Competence → Company Performance	0,307	0,310	0,087	3,526	0,000	significant
Organizational Culture → Company Performance	0,260	0,268	0,074	3,534	0,000	significant
Moderating Effect 1 → Company Performance	0,076	0,076	0,069	1,105	0,270	not significant
Moderating Effect 2 → Company Performance	0,221	0,216	0,083	2,679	0,008	significant
Moderating Effect 3 → Company Performance	0,117	0,112	0,071	1,638	0,102	not significant

Source: Results Processed Using SmartPLS (2026)

The results of the research hypothesis testing are presented in the figure below:

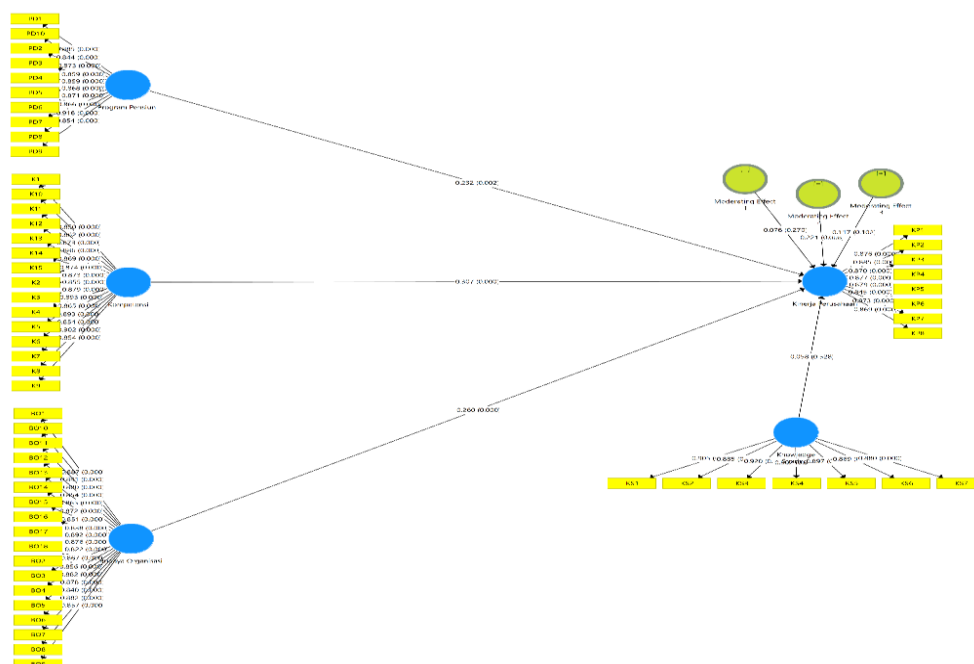


Figure 2. Hasil Pengujian Hipotesis

Discussion

The Impact of Early Retirement Programs on Company Performance

The results of the hypothesis testing indicate that the early retirement program has a positive and significant effect on company performance, with a path coefficient of 0.232 and a p-value of 0.002 (< 0.05). These findings suggest that the implementation of an effectively managed early retirement program can improve organizational efficiency by optimizing the workforce structure and reducing operating costs. From the perspective of the Resource-Based View (RBV), a company will gain a competitive advantage if it is able to allocate resources effectively and efficiently. An early retirement program is a human resource management strategy that enables a company to adjust its workforce composition, thereby optimizing resource utilization. Reducing the workforce that is no longer productive can improve organizational efficiency, reduce operational costs, and enhance company productivity.

The findings of this study are consistent with AlKaabi & Davies (2022), who reported that well-designed early retirement programs can enhance organizational efficiency by supporting strategic workforce planning, optimizing human resource allocation, and facilitating organizational restructuring. These findings are further supported by Galan (2023), who emphasized that workforce transitions, including early retirement, can improve organizational effectiveness when accompanied by appropriate knowledge retention and workforce management strategies, thereby minimizing the loss of critical organizational knowledge. Furthermore, the results of this study also support the research by Shabat (2020), which explains that early retirement programs can be used as a tool for human resource restructuring to improve organizational effectiveness.

However, it is important to note that the success of early retirement programs heavily depends on their management. If not carefully planned, early retirement programs risk leading to the loss of employees with strategic competencies and knowledge, which could negatively impact company performance. This is in line with the argument put forward by Park (2022), who state that early retirement can reduce organizational performance if the company loses experienced employees who make significant contributions to the company's productivity. Therefore, the successful implementation of an early retirement program must be balanced with appropriate human resource management strategies to ensure that the efficiency gains outweigh the potential loss of organizational competencies.

The Impact of Employee Competence on Company Performance

The research results also show that competence has a positive and significant effect on company performance, with a path coefficient of 0.307 and a p-value of 0.000 (< 0.05). These results indicate that the higher an employee's competencies, the higher the company's performance. Competencies which encompass knowledge, skills, abilities, and individual characteristics enable employees to complete tasks more effectively and productively. From the perspective of the Resource-Based View (RBV), competencies are valuable strategic assets because they are difficult for competitors to imitate and can create sustainable competitive advantage. Employees with high competencies not only increase individual productivity but also contribute to improving the overall effectiveness of the organization.

This finding is consistent with the research by Sari et al. (2023), which found that human resource competencies have a positive effect on organizational performance. Similar results were also found by Sitorus et al. (2022), who stated that competencies are a key factor in improving organizational effectiveness and performance. Furthermore, research by Wahyudi et al. (2022) demonstrated that competencies have a positive impact on employee performance because they enhance productivity and the quality of task execution. Thus, the higher an employee's competencies, the greater their contribution to improving the company's performance.

The Influence of Organizational Culture on Company Performance

Furthermore, organizational culture has a positive and significant effect on company performance, with a path coefficient of 0.260 and a p-value of 0.000 (< 0.05). These results indicate that a strong organizational culture can foster productive work behavior, enhance collaboration, and strengthen employees' commitment to organizational goals. Organizational culture is a system of values, norms, beliefs, and assumptions shared by members of an organization that serves as a guideline for carrying out work activities. From an RBV perspective, organizational culture is an intangible resource that is difficult for other organizations to imitate, thereby serving as a source of competitive advantage.

These findings support the research by Sari et al. (2023), which concluded that organizational culture has a positive effect on organizational performance. Additionally, the study by Aguilar-Rodríguez et al. (2023) demonstrates that organizational culture has a positive and significant relationship with organizational performance. Hasan (2023) study also demonstrates that organizational culture can enhance organizational learning and employee performance. These findings reinforce the results of this study, which indicate that a strong organizational culture can create a conducive work environment, thereby enhancing the company's effectiveness and productivity.

Knowledge Sharing as a Moderator in the Relationship Between Early Retirement Programs and Company Performance

In the moderation effect test, the results showed that knowledge sharing was unable to moderate the effect of early retirement programs on company performance, as indicated by a p-value of 0.270 (> 0.05). This finding indicates that the knowledge-sharing process occurring within the organization has not been able to either strengthen or weaken the relationship between early retirement programs and company performance. This situation may arise because the knowledge possessed by employees entering retirement has not been fully documented or effectively transferred to other employees, so the benefits of knowledge sharing have not been able to mitigate the impact of human resource loss due to early retirement.

Theoretically, knowledge sharing is a crucial mechanism for ensuring the sustainability of organizational knowledge through the exchange of experiences, information, and skills among employees. In the context of early retirement programs, the transfer of knowledge from senior employees to active employees should minimize the loss of the organization's strategic knowledge. Research by Yasin et al. (2023) indicates that knowledge sharing has a positive effect on organizational performance by enhancing innovation capabilities, while Zamfir (2022) states that effective knowledge transfer can improve the quality of organizational decision-making. Additionally, Danko & Crhová (2025) found that knowledge sharing contributes to organizational innovation and operational efficiency.

However, the results of this study indicate that these mechanisms are not yet functioning optimally, so knowledge sharing has not yet been able to serve as a moderator variable. This finding differs from the perspective of (Burmeister et al., 2022), who argued that systematic knowledge transfer is fundamental to maintaining organizational knowledge continuity and preventing the loss of valuable expertise when experienced employees leave the organization.

Knowledge Sharing as a Moderator in the Relationship Between Competence and Company Performance

In contrast to previous findings, knowledge sharing was found to moderate the effect of competence on company performance, with a path coefficient of 0.221 and a p-value of 0.008 (< 0.05). These results indicate that the higher the level of knowledge sharing within an organization, the stronger the effect of competence on improving company performance. The competencies possessed by individuals not only benefit themselves but can also be disseminated to other members of the

organization through the knowledge-sharing process, thereby generating greater added value for the company.

The stronger moderating role of knowledge sharing in the relationship between competence and company performance can be explained by the nature of competence as an individual-level resource that requires interaction and knowledge exchange to generate broader organizational value. Employee competence consists of knowledge, skills, experience, and abilities that are initially embedded in individual employees. Without knowledge sharing, these competencies may remain limited to individual task performance. Knowledge sharing enables employees to exchange expertise, experiences, and work practices with colleagues, allowing individual competencies to be disseminated, combined, and applied collectively. Consequently, knowledge sharing creates a mechanism through which individual competence can be converted into organizational capability, thereby strengthening its contribution to company performance.

In contrast, the effects of early retirement programs and organizational culture on company performance are less dependent on knowledge sharing as a direct reinforcing mechanism. The effect of early retirement programs is primarily related to workforce restructuring, resource allocation, and organizational efficiency, while organizational culture influences performance through shared values, norms, and behavioral patterns. Therefore, knowledge sharing may not necessarily provide an additional moderating effect on these relationships unless it is supported by systematic knowledge-transfer mechanisms and embedded within organizational processes. This explains why, in the present study, knowledge sharing significantly strengthens the competence–performance relationship but does not significantly strengthen the relationships between early retirement programs or organizational culture and company performance.

This finding aligns with the concept that knowledge sharing serves as a means to transform individual competencies into organizational competencies. Through the knowledge-sharing process, employees' experiences and skills can be collectively leveraged, thereby enhancing organizational effectiveness. These findings support Yasin et al. (2023) research, which found that knowledge sharing can improve organizational performance through the utilization of knowledge and innovation. These findings are also consistent with Purmono (2024), who demonstrated that knowledge sharing strengthens the utilization of competencies in creating organizational excellence and improving business performance. Furthermore, research by Danko & Crhová (2025) also indicates that knowledge-sharing practices can improve operational efficiency and organizational innovation through the utilization of individual knowledge.

Knowledge Sharing as a Moderator in the Relationship Between Organizational Culture and Company Performance

Furthermore, the research results indicate that knowledge sharing does not moderate the effect of organizational culture on company performance, with a p-value of 0.102 (> 0.05). This finding suggests that although organizational culture has a direct effect on company performance, existing knowledge-sharing practices are not strong enough to reinforce that relationship. It is possible that the established organizational culture already directly influences employee behavior and performance, so the presence of knowledge sharing does not provide a significant additional effect.

Theoretically, an organizational culture that supports learning and collaboration should be able to create an environment conducive to knowledge sharing. Under such conditions, the process of sharing knowledge can strengthen coordination, innovation, and organizational learning, thereby leading to improved corporate performance. Research by Yasin et al. (2023), Zamfir (2022), and Danko & Crhová (2025) indicates that knowledge sharing makes a positive contribution to enhancing innovation and organizational performance.

However, the results of this study suggest that the role of knowledge sharing as a moderator is contextual and does not always strengthen the relationship between organizational culture and

company performance. Therefore, the effectiveness of knowledge sharing in improving corporate performance depends heavily on the quality of implementation, management support, technological readiness, and the organization's commitment to building a sustainable culture of knowledge sharing. Thus, although organizational culture has been proven to have a direct impact on corporate performance, the practice of knowledge sharing has not yet been able to significantly strengthen that relationship.

CONCLUSION

It can be concluded that early retirement programs, competencies, and organizational culture have a positive and significant effect on the performance of PT XYZ. These results indicate that effective management of early retirement programs, improvements in employee competencies, and the implementation of a strong organizational culture can contribute to improved company performance. Furthermore, the moderation analysis shows that knowledge sharing only moderates the effect of competencies on company performance. This finding indicates that knowledge-sharing practices can strengthen the contribution of employee competencies to improving company performance. However, knowledge sharing does not moderate the relationship between early retirement programs and company performance or between organizational culture and company performance. Thus, the role of knowledge sharing in this study is partial and is more effective in supporting the utilization of employee competencies.

From a managerial perspective, PT XYZ is advised to strengthen employee competencies through structured training, skill development, continuous learning, and knowledge-sharing practices. In implementing early retirement programs, the company should establish a systematic knowledge-transfer mechanism before employees leave the organization. This can be implemented through formal handover plans, documentation of critical knowledge and work procedures, mentoring between retiring employees and their successors, and knowledge-sharing sessions to transfer experience, technical expertise, and organizational know-how. The company should also identify critical positions and knowledge that may be affected by early retirement and ensure that the relevant knowledge is documented and transferred to designated employees before retirement. These measures can help minimize the loss of organizational knowledge and maintain work continuity following employee departures. In addition, PT XYZ should strengthen an organizational culture that promotes collaboration, open communication, and shared goals to support company performance.

For future researchers, the research model can be expanded by incorporating other factors that may influence company performance, such as leadership, organizational commitment, innovation, or talent management, to provide a more comprehensive understanding of the determinants of company performance.

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