

The Influence of Knowledge Management Capability, Business Continuity Readiness and Innovation Capability on Organizational Resilience in the Health Sector

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Abstract

Within the context of the healthcare industry, the purpose of this study is to evaluate the influence that Knowledge Management Competence (KMC), Business Continuity Readiness (BCR), and Innovation Capability (IC) have on Organizational Resilience (OR). Both the quantitative methodology and the survey method were used in order to collect responses from individuals who were administrative personnel and health care professionals working for a variety of health care organizations. The selection of the sample was based on the purposive sampling approach, and the data were collected via the use of online questionnaires. The information was subjected to a number of different linear regression analyses. The findings provide credence to the notion that the capabilities of Knowledge Management Capability, Business Continuity Readiness, and Innovation Capability all have a substantial and favorable impact on the resilience of an organization, partly and concurrently. According to the findings of this research, the relationship between the coefficient of variation of organizational resilience and three distinct factors may be explained by the fact that business continuity readiness is the single most important factor in organizational resilience. According to the findings of the research, the foundation for the construction of a health care organization that is more resilient and flexible is the development of capabilities for knowledge management, preparedness for business continuity, and innovation. This is done in an effort to guarantee the quality of services in the face of a variety of changes and emergency situations.

Keywords: Knowledge Management Capability, Business Continuity Readiness, Innovation Capability, Organizational Resilience

INTRODUCTION

The healthcare industry is in a state of continuous change, becoming increasingly complex and vulnerable to global crises such as pandemics, natural disasters, cyber attacks, and supply chain disruptions (Hillmann & Guenther, 2021; Febriyanti & Hendratni, 2023). These factors contribute to the difficulties healthcare organizations face in their efforts to maintain operational continuity. Hospitals, clinics, labs and other health institutions have to not only provide excellent service but also react promptly to different changes and uncertainties (Barasa et al., 2018). In this sense, organizational resilience is a very important strategic competence, since it reflects the ability of an organization to anticipate, respond, adapt and recover from different types of disruptions, without compromising the quality of services to the public. Organizational resilience refers to the capacity of health care organizations to maintain core operations, protect patient safety, preserve the public's trust, and continue to deliver health care services under a range of conditions (Widianti et al., 2024; Hendratni et al., 2018).

In the health industry, knowledge management capability is considered as one of the determinants that affect organizational resilience. Knowledge management capability is the capability of an organization to successfully acquire, create, store, share and apply knowledge to achieve organizational objectives (Migdadi, 2022). Knowledge is considered as a critical resource in health care sector due to its association with quality of service, patient safety, clinical decision making and the ability of the organization to respond to the many changes (Hurtado-Palomino et al., 2022). Additionally, the healthcare industry recognizes the importance of Business Continuity Readiness as a critical contributor to the resilience of the organization. The capacity of an organization to continue executing essential business tasks in the aftermath of a disruption or catastrophe is referred to as business continuity preparedness (Widianti et al., 2024; Judijanto et al., 2024; Angraini & Khairunnisa, 2025). The preparation includes business continuity planning, risk management, resource readiness, emergency communications systems and operational recovery processes. In health sector, continuity of service is of utmost importance in terms of safety and health of the people (Moskova & Bugarova, 2023). Innovation Capability is another aspect which is believed to have an impact on Organizational Resilience in the healthcare industry (Damanik et al., 2025; Estede et al., 2025). Innovation capacity is the ability of an organization to generate new ideas, processes and technologies and to develop and apply these innovations to improve the performance of the company (Relifra et al., 2025; Hendratni et al., 2025; Apriani et al., 2025). Innovation is a crucial part of being able to provide better answers to the many challenges that companies face in an ever-changing healthcare environment (Solehuddin et al., 2023; Harahap et al., 2025).

Recent studies indicate that healthcare organizations are increasingly required to integrate strategic management practices with organizational learning to remain resilient in highly dynamic environments. Rapid technological advancements, digital transformation, and evolving patient expectations have significantly changed the way healthcare services are delivered. These developments require healthcare institutions not only to invest in advanced medical technologies but also to strengthen organizational capabilities that enable continuous learning, adaptation, and effective decision-making. Consequently, resilience is

no longer viewed solely as an emergency response capability but as a strategic organizational attribute that supports sustainable healthcare performance under both stable and turbulent conditions.

Despite the growing importance of organizational resilience, many healthcare organizations continue to experience difficulties in translating organizational knowledge into effective operational responses during crises. Valuable knowledge often remains fragmented across departments, limiting collaboration and reducing the organization's ability to respond quickly to unexpected events. Effective knowledge management capability facilitates knowledge sharing among healthcare professionals, enhances evidence-based decision-making, and promotes organizational learning from previous experiences. Through systematic knowledge management processes, healthcare organizations can improve their preparedness for future disruptions while continuously enhancing service quality and operational efficiency.

Business continuity readiness has also become increasingly significant following recent global disruptions that exposed vulnerabilities in healthcare systems worldwide. Many healthcare providers experienced shortages of medical supplies, workforce limitations, and disruptions in critical information systems, demonstrating that emergency preparedness alone is insufficient. Comprehensive business continuity readiness requires organizations to develop integrated continuity plans, conduct regular risk assessments, establish crisis communication mechanisms, and continuously evaluate recovery strategies. Such preparedness enables healthcare organizations to minimize operational interruptions and maintain essential healthcare services during periods of uncertainty.

Furthermore, innovation capability has emerged as a fundamental driver of organizational adaptability in the healthcare sector. Healthcare organizations are increasingly adopting digital health technologies, telemedicine, artificial intelligence, electronic medical records, and data analytics to improve healthcare delivery and operational effectiveness. The successful implementation of these innovations depends not only on technological investment but also on the organization's ability to foster a culture that encourages creativity, collaboration, and continuous improvement. Organizations possessing strong innovation capability are generally better equipped to identify emerging opportunities and develop adaptive solutions in response to environmental changes.

Although previous studies have examined the relationships between knowledge management, business continuity, innovation, and organizational resilience, most investigations have focused on these variables independently or within manufacturing, information technology, and other commercial industries. Empirical evidence specifically addressing the combined influence of knowledge management capability, business continuity readiness, and innovation capability on organizational resilience in the healthcare sector remains relatively limited. Considering the unique characteristics of healthcare organizations, including their critical public service responsibilities and highly regulated operational environments, further empirical investigation is necessary to provide a more comprehensive understanding of these relationships.

The aim of this study is to examine the impact of the organizational resilience on health care sector in terms of knowledge management capability, business continuity

readiness and innovation capability. This study is expected to contribute to the existing body of knowledge related to organizational resilience, knowledge management, business continuity management and innovation management in terms of providing an explanation of the elements that influence the capacity of healthcare organizations to deal with change and crises in theory. In addition, the study seeks to add to the understanding of the role of innovation skills, business continuity readiness, and knowledge management in the improvement of organizational resilience. The results of this study are meant to serve as a standard for hospitals, clinics and other healthcare organizations to develop and implement strategies for improving organizational resilience in practice.

METHOD

The current research is quantitative study using survey method to investigate the effect of Knowledge Management Capability, Business Continuity Readiness and Innovation Capability to resilience of organizations in the healthcare sector. The research population included healthcare professionals and managers of hospitals, clinics, and healthcare organizations with a structured organizational management system. The sampling technique used was purposive sampling with the criteria for the respondents being healthcare workers or managerial staff who have worked for at least two years in healthcare institutions, involved in operational activities and organizational decision making, and aware of the implementation of knowledge management, organizational preparedness and innovation in their institutions. The sample size was set at 200 respondents. The data were collected through an online questionnaire by using Google Forms. Knowledge Management Capability was measured with the dimensions of knowledge acquisition, knowledge sharing, knowledge application and knowledge storage. The aspects of risk preparation, disaster response planning, resource readiness and recovery capabilities were used to assess the variable Business Continuity Readiness. The Innovation Capability variable was measured by the aspects of product and service innovation, process innovation, organizational innovation and technology adoption. Meanwhile, the variable of organizational resilience was studied in terms of the dimensions of the adaptive capacity, organizational robustness, recovery capability and organizational flexibility. Before hypothesis testing, the validity and reliability of all the study tools were validated to verify the quality of data collected. The validity was tested by t-test and the instrument reliability was tested by Cronbach's Alpha minimum value of 0.70. Multiple linear regression analysis at 5% significance level was used to test hypotheses to determine the partial and simultaneous effects of Knowledge Management Capability, Business Continuity Readiness and Innovation Capability on Organizational Resilience in healthcare sector.

RESULT AND DISCUSSION

Data processing results on respondents from hospitals, clinics and health institutions showed that all study instruments were valid and reliable and certified. The results of the validity test showed that all research indicators have a computed t value > t table at the 5% significance level, so that all statement items are declared valid and feasible to be used in research. The reliability test result indicated that all variables have Cronbach Alpha value more than 0.70 which indicates a very strong level of internal consistency. The results of

multiple linear regression showed that The Knowledge Management Capability, Business Continuity Readiness and Innovation Capability had a significant simultaneous effect on Organizational Resilience. The value of the coefficient of determination (0.581) showed that 58.1% of the variance in the Organizational Resilience could be explained by the three independent variables in this research. The partial test result shows that all independent variables have a positive and significant effect on Organizational Resilience, so that all study hypotheses are declared acceptable.

Knowledge Management Capability was shown to have a favorable and substantial influence on Organizational Resilience in the health sector, according to the findings of the research. According to this research, the extent to which an organization is able to gather, organize, store, convey, and utilize information is directly proportional to the degree to which it is able to deal with a variety of shocks and changes in the environment. Knowledge is an important strategic asset in health care facilities because it improves the quality of service, clinical decision-making, and the efficient coordination of work units. By having the ability to manage information, businesses are able to record their experiences, engage in the exchange of best practices, and speed up the process of learning from the many situations they encounter. In addition, the exchange of information between healthcare workers and administration helps companies to minimize the number of operational blunders, increase the quality of service, and speed up the process of adjusting to changes in law and developments in healthcare technology respectively. Knowledge management competence is thus a crucial foundation for the creation of an organization that is more robust and adaptable, and that is capable of maintaining the continuity of healthcare services under a variety of scenarios.

The result of the research shows that Business Continuity Readiness has a significant and positive effect on the level of resilience of organizations in the health care sector. This variable has the highest value of the regression coefficient and the t value so that it is the most significant element on the effectiveness of the organizational resilience approach. This finding indicates that the capacity to maintain operational continuity and the preparedness to respond to emergencies are important variables when building resilience in healthcare organizations. This readiness includes the capability to identify threats, plan for business continuity, allocate enough resources, create emergency communication systems, and create procedures for fast and effective operational recovery. There is also the ability to provide enough resources. Good business continuity readiness allows healthcare providers to continue delivering critical services during disruptions such as disease outbreaks, natural disasters, information system failures and other events. Preparing for business continuity reduces the effect delays have on patient care and speeds recovery for the organization, enabling it to maintain quality of service. Thus, business continuity preparedness is the most important strategic issue to improve resilience in the healthcare sector.

The outcomes of the research indicate that the capability of innovation has a favorable and substantial influence on the organizational resilience of the healthcare business. According to the findings of the research, the ability of an organization to create and implement innovations may enhance its capacity to adjust to the ever-shifting conditions of its environment. Innovation enables healthcare institutions to create new methods of providing

services, to make the most of digital technology, to enhance their operations, and to employ resources in a more effective manner. In addition, the capacity for innovation enables businesses to develop more effective solutions to issues and uncertainties, which in turn enables them to not only survive but also flourish in the modern business environment. Generally speaking, businesses that have a robust culture of innovation are more responsive to changes in rules, breakthroughs in medical technology, and shifting societal expectations. Because of this, the capacity of innovation is essential for expanding the organizational flexibility, adaptability, and the speed with which the recovery process may be accomplished from a variety of disruptions. Therefore, the ability to innovate is a significant aspect that plays a role in the establishment of sustainable organizational resilience in the healthcare business.

CONCLUSION

It is possible to assert, on the basis of the findings of the research, that the capabilities of knowledge management, business continuity readiness, and innovation have a positive and substantial impact on organizational resilience in the healthcare sector, and that these effects occur concurrently. While this is going on, the three independent variables are responsible for the majority of the variance in organizational resilience. This suggests that the organizational resilience of the healthcare industry is shaped by the convergence of knowledge management capabilities, business continuity readiness, and innovation capabilities. The cross-sectional approach, the data about the opinions of respondents, and the fact that the research only covers companies in the healthcare business are all factors that restrict the scope of the study. For this reason, it is advised that future studies adopt a longitudinal approach and investigate both moderating and mediating variables, such as environmental uncertainty or digital maturity. Mediating factors include organizational agility and crisis management expertise, whereas moderating ones include environmental uncertainty. It is necessary for healthcare organizations to strengthen their knowledge management systems, their preparation for business continuity, and their culture of sustainable innovation in order to increase the longevity of their businesses and maintain the quality of the healthcare services they provide in a variety of circumstances.

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