

Management by Objectives (MBO) Development Model and Knowledge Quality in Efforts to Improve Human Resource Performance at Muhammadiyah Lazis (Lazismu) Central Java

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Abstract. A finding shows that ambidexterity causally triggers the activity of connecting knowledge sources inside and outside the organization, thereby increasing the quality of content circulating within the organization that substantively enriches the dimensions of accuracy, completeness, and relevance of knowledge that are the core definition of knowledge quality in knowledge management literature, especially when organizations rely on connectivity and social networks to balance exploration and exploitation. This research is explanatory research. This design was chosen to test the causal relationship between latent variables that have been formulated in the framework of thought, namely Management by Objectives (MBO) and Ambidexterity as exogenous variables, Knowledge Quality as a mediating variable, and HR Performance as an endogenous variable. Management by Objectives does not have a significant effect on Human Resource Performance at Lazismu throughout Central Java. This is indicated by the path coefficient value of 0.053, t-statistics of 0.316, and p-value of 0.752. This finding indicates that the implementation of good Management by Objectives has not been able to directly improve human resource performance in the Lazismu environment. In other words, clarity of objectives, participation in goal setting, linking individual goals to organizational objectives, assessment standards, and objective evaluation have not directly led to increased productivity, work quality, timeliness, and achievement of zakat, infaq, alms, and social and religious fund collection targets at Lazismu Central Java. Management by Objectives has a positive and significant effect on Knowledge Quality at Lazismu throughout Central Java. This is proven by a path coefficient of 0.385, a t-statistic of 2.448, and a p-value of 0.015.

Keywords: Ambidexterity; Knowledge; Quality; Variables.

1. Introduction

Today's global context presents organizations with a variety of complex challenges, including deepening economic globalization, accelerating technological change, and rising societal expectations. These conditions require organizations to continuously adapt to survive and thrive in a competitive and uncertain environment.(Cao et al., 2024).

Furthermore, changing workforce demographics are also a critical issue facing modern organizations. Generational shifts, increasingly diverse workforce needs, and the demand for an inclusive work environment present unique challenges that must be addressed to ensure organizations maintain stability and productivity.(Ashfaq, 2018).

In facing these global challenges, managerial approaches such as Management by Objectives (MBO) have proven effective in systematically managing organizational goals. The MBO approach emphasizes the importance of clear goal setting, active employee participation in the goal-setting process, and transparent ongoing evaluation to ensure the effective achievement of organizational goals.(Mio et al., 2015).

Furthermore, the success of MBO implementation also depends on the organization's ability to provide a fair and transparent evaluation system. Regular evaluations help organizations identify obstacles and provide constructive feedback to employees, enabling effective continuous improvement.(Mio et al., 2015).

In addition to managerial approaches such as MBO, knowledge quality is also a critical variable in determining organizational success. High-quality knowledge enables organizations to make accurate and effective decisions and fosters continuous innovation in addressing global challenges.(Yoo et al., 2011).

A finding that suggests that ambidexterity causally triggers the activity of connecting knowledge sources inside and outside the organization, thereby increasing the quality of content circulating within the organization that substantively enriches the dimensions of knowledge accuracy, completeness, and relevance that are central to the definition of knowledge quality in the knowledge management literature, especially when organizations rely on connectivity and social networks to balance exploration–exploitation.(Joseph et al., 2023).

In line with this, empirical evidence in research on the role of knowledge quality in organizations suggests that when teams undertake both exploratory and exploitative activities simultaneously, it facilitates a better understanding of organizational knowledge for others and thus improves the overall quality of knowledge in the organization.(Dzenopoljac et al., 2024).

Previous research has shown that absorptive capacity, an organization's ability to acquire, assimilate, and apply new knowledge, plays a crucial role in improving the quality of organizational knowledge. With a high absorptive capacity, an organization is able to effectively absorb and utilize new knowledge relevant to its operational and strategic needs.(Yoo et al., 2011).

Another equally important aspect is functional diversity within an organization. This diversity enables the integration of cross-disciplinary knowledge, which ultimately enhances creativity

and innovation within the organization. Collaboration across different fields provides new perspectives in solving complex problems.(Dzenopoljac et al., 2024).

Furthermore, effective knowledge networks, both internal and external to the organization, contribute significantly to improving the quality of knowledge. Through extensive networks, organizations can gain access to new knowledge and various other resources that can strengthen their competitiveness in the marketplace.(Yoo et al., 2011).

Human resource (HR) performance is a critical indicator in assessing an organization's overall success. High HR performance demonstrates the organization's ability to effectively manage and optimize employee potential to achieve its strategic goals.(Hyde et al., 2013).

Previous research confirms that a learning culture within an organization plays a significant role in improving HR performance. Organizations that are able to create a conducive learning environment will encourage employees to continuously develop competencies and skills relevant to their duties.(Cao et al., 2024).

In addition to a learning culture, factors such as job satisfaction, intrinsic motivation, and appropriate rewards and recognition also play a significant role in determining HR performance. Organizations that are able to meet these requirements tend to experience increased productivity and higher employee retention.(Hyde et al., 2013).

Effective human resource management through appropriate training and development is also crucial. Systematic training and development can improve employees' technical and non-technical competencies, which ultimately has a direct impact on both individual and overall organizational team performance.(Hyde et al., 2013).

However, despite these positive findings, there is controversy surrounding the effectiveness of MBO implementation and knowledge quality management. Some studies demonstrate positive outcomes for knowledge quality from MBO implementation, while others suggest that without supporting mechanisms such as effective feedback management, MBO implementation can potentially lead to internal conflict and reduce the quality of interactions within an organization.(Jiangnan et al., 2025).

This controversy indicates that MBO implementation does not always produce consistent results across organizational contexts. Therefore, more in-depth empirical studies are needed to identify the factors that influence the effectiveness of MBO implementation.(Ghannam, 2025).

2. Research Methods

This research is explanatory research. This design was chosen to test the causal relationship between latent variables that have been formulated in the framework of thought, namely Management by Objectives (MBO) and Ambidexterity as exogenous variables, Knowledge Quality as a mediating variable, and HR Performance as an endogenous variable. Alfatih

(2021)states that explanatory research is research to examine the influence or causal relationship of two or more variables. This causal relationship means a cause-and-effect relationship, namely that one variable influences another variable. The variables in this study include: management by objectives (MBO), knowledge quality, and human resource performance. Data analysis was conducted using Partial Least Squares–Structural Equation Modeling (PLS-SEM) because it is suitable for models with multiple constructs and reflective indicators, tolerant of non-normally distributed data, and effective in predictive contexts and mediation testing. Data Source and Type are one of the most important factors in a study that must be considered in determining the data collection method. The goal is to find out the respondents' answers to the data provided in the form of a questionnaire containing questions related to solutions to the problems faced. Data collection in this study uses two main types of data, namely primary data and secondary data. Primary data was collected directly from respondents through questionnaires, while secondary data was obtained from internal institutional documents, academic literature, and relevant previous research results.

3. Results and Discussion

3.1. Research result

1) Respondent Profile Description

Respondents in this study were the Chairperson and Secretary of the Board of Directors and Executive Managers at Lazismu throughout Central Java. The sampling technique used the Purposive Non-Random Sampling method which was distributed to 105 respondents. The distribution of the questionnaire began January 6, 2026, to January 20, 2026. Respondents were asked to fill in their identity when filling out the questionnaire which included gender, generation, last education, origin of Regency/City, length of service and provide answers to statements in the research variables. This respondent profile description is needed to provide a general overview of the characteristics of the research subjects, so that it can help in understanding the empirical context of the research on management by objectives, ambidexterity, knowledge quality, and HR performance at Lazismu throughout Central Java. The following are the details of the questionnaire:

Table Distribution of Questionnaires

Information	Amount	Percentage (%)
Distributed	105	100%
Return Questionnaire	87	87%
Questionnaire Not Returned	18	13%

Source: Processed Results, 2026

Based on Table the number of questionnaires distributed in this study was 105 copies, or 100% of the predetermined target respondents. Of these, 87 questionnaires, or 87%, were successfully returned and processed, while 18 questionnaires, or 13%, were not returned. The 87% questionnaire return rate indicates that respondent participation in this study was quite good, so the data obtained is considered sufficiently representative to describe the conditions

of the respondents who were the research objects. This high response rate also reflects the adequate attention and involvement of regional Lazismu managers in the research themes related to organizational goal management, ambidexterity, knowledge quality, and human resource performance. Then, the returned data was processed using the smart PLS application.

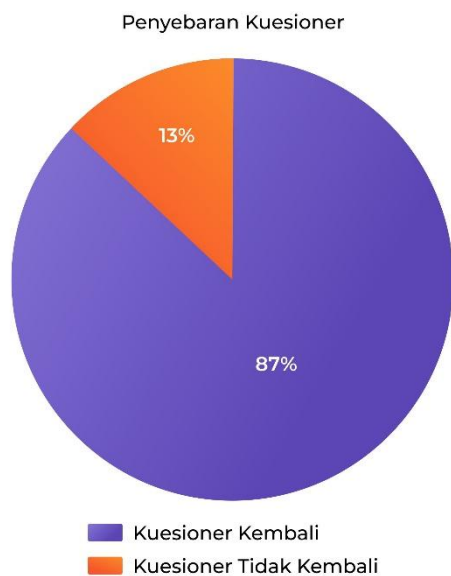


Figure Questionnaire Distribution Graph

Meanwhile, the characteristics of respondents based on gender, generation, last education, regional origin and length of service are explained in the tables below:

Table Respondent Gender Profile

Information	Frequency	Percentage (%)
Man	85	97.70%
Woman	2	2.30%
Amount	87	100%

Source: Processed Results, 2026

Based on Table the majority of respondents in this study were male, amounting to 85 people or 97.70%, while female respondents numbered 2 people or 2.30%. This composition indicates that the management and leadership structure in Lazismu throughout Central Java is still dominated by men, particularly in the positions of Chairperson, Secretary of the Board of Directors, and Executive Manager which were the targets of the study. The dominance of male respondents may reflect the real conditions of the organization at the regional level, where strategic institutional positions are more often filled by men. Nevertheless, this distribution still provides a relevant picture of the characteristics of respondents in the context of the study, especially in understanding how managerial practices and HR performance are carried out within the organizational environment of the Zakat Collection

Institution.

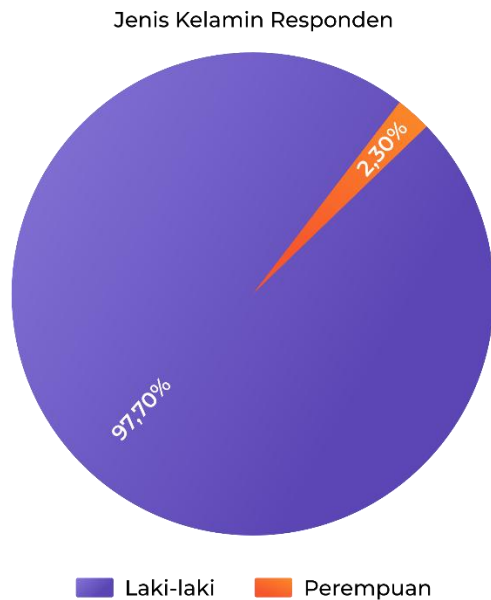


Figure Respondent Gender Graph

Table Respondents' Job Profile

Information	Frequency	Percentage (%)
Chairman of the Board of Directors	26	30%
Secretary of the Board of Directors	28	32%
Executive Manager	33	38%
Amount	87	100%

Source: Processed Results, 2026

Based on Table respondents in this study were grouped based on structural positions in Lazismu in regencies/cities throughout Central Java. The distribution of respondents indicates that Executive Managers constitute the largest group, comprising 33 people, or 38% of the total. Furthermore, there were 28 Secretaries of the Board of Directors, or 32%, and 26 Chairmen of the Board of Directors, or 30%. The relatively balanced composition between these three positions reflects the study's involvement of all levels of leadership, who play strategic roles in organizational management.

The diversity of respondents' positions is important in this study because each position has a different perspective and authority in assessing the implementation of Management by Objectives (MBO), ambidexterity, knowledge quality, and human resource performance. The Chairman of the Board of Directors has the highest authority in determining strategic policies and evaluating the institution's performance at a macro level. The Secretary of the Board of Directors plays a role in administrative coordination and policy documentation, thus possessing a deep understanding of the alignment of organizational goals with

implementation in the field. Meanwhile, the Executive Manager is the operational spearhead, directly overseeing the implementation of daily tasks and the achievement of targets for the collection and utilization of zakat, infaq, alms, and religious social funds.

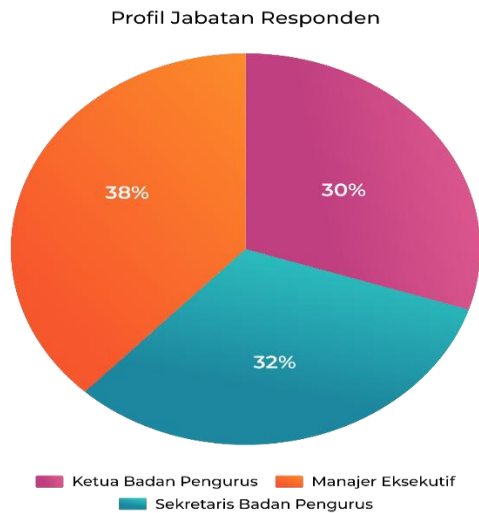


Figure Position Graph

Table Respondent Generation Profile

Information	Frequency	Percentage (%)
Baby Boomers	8	9.20%
Gen X	39	44.83%
Millennials/Gen Y	33	37.93%
Gen Z	7	8.05%
Amount	87	100%

Source: Processed Results, 2026

Based on Table the research respondents were dominated by Generation X with 39 people or 44.83%, followed by Millennials/Generation Y with 33 people or 37.93%, Baby Boomers with 8 people or 9.20%, and Generation Z with 7 people or 8.05%. This data shows that the majority of respondents are in the productive age group and are mature in terms of organizational experience, especially Generation X and Generation Y. This generational composition is relevant in this study because the more mature generational group generally has stronger experience in organizational management, while the younger generation tends to have a higher adaptability to change, innovation, and learning. Thus, the profile of this generation of respondents shows a combination of experience, flexibility, and readiness to face change that can support the implementation of management by objectives, ambidexterity, and improving the quality of knowledge in the organization.

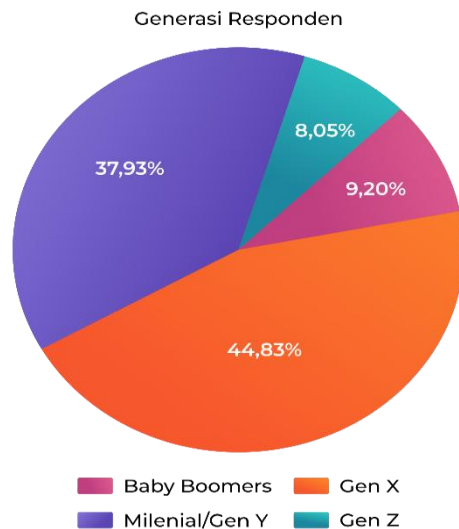


Figure Respondent Generation Graph

Table Respondents' Last Education Profile

Information	Frequency	Percentage (%)
High School	5	5.75%
D3	8	9.20%
S1	56	64.37%
S2	17	19.54%
S3	1	1.15%
Amount	87	100%

Source: Processed Results, 2026

Based on Table the majority of respondents had a bachelor's degree (56 people or 64.37%), followed by 17 respondents with a master's degree (19.54%), 8 respondents with a diploma (D3) or 9.20%, 5 respondents with a high school degree (5.75%), and 1 respondent with a doctorate (1.15%). These results indicate that the majority of respondents have a higher educational background, especially at the undergraduate and postgraduate levels. This condition indicates that the respondents have sufficient academic capacity and conceptual abilities in understanding organizational goals, developing work plans, making decisions, and carrying out managerial tasks within the organization. This relatively high level of education is also an important asset for organizations in encouraging the formation of quality knowledge and more effective HR performance management, because the higher a person's education, the greater the opportunity for them to understand, absorb, and apply knowledge optimally in carrying out organizational tasks.

Pendidikan Terakhir Responden

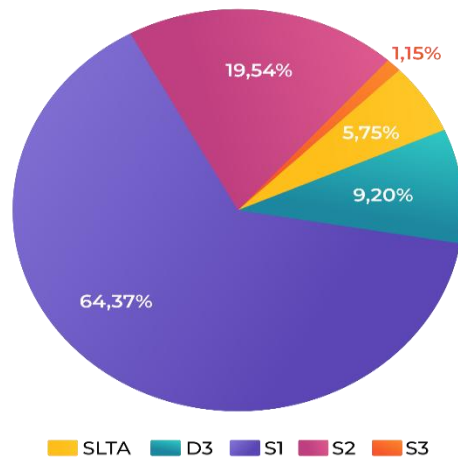


Figure Graph of Respondents' Last Education

Table Profile of Respondents' Regions of Origin of Lazismu

Information	Frequency	Percentage (%)
Banjarnegara Regency	2	2.30%
Banyumas Regency	2	2.30%
Batang Regency	2	2.30%
Blora Regency	3	3.45%
Boyolali Regency	2	2.30%
Brebes Regency	3	3.45%
Cilacap Regency	3	3.45%
Demak Regency	3	3.45%
Grobogan Regency	2	2.30%
Jepara Regency	2	2.30%
Karanganyar Regency	3	3.45%
Kebumen Regency	2	2.30%
Kendal Regency	3	3.45%
Klaten Regency	3	3.45%
Kudus Regency	2	2.30%
Magelang Regency	2	2.30%
Pati Regency	2	2.30%
Pekalongan Regency	3	3.45%
Pemalang Regency	2	2.30%
Purbalingga Regency	3	3.45%
Purworejo Regency	2	2.30%
Rembang Regency	3	3.45%
Semarang Regency	3	3.45%
Sragen Regency	3	3.45%
Sukoharjo Regency	3	3.45%
Tegal Regency	3	3.45%
Temanggung Regency	1	1.15%

Wonogiri Regency	2	2.30%
Wonosobo Regency	2	2.30%
Magelang City	3	3.45%
Pekalongan City	3	3.45%
Salatiga City	3	3.45%
Semarang City	2	2.30%
Surakarta City	3	3.45%
Tegal City	2	2.30%
Amount	87	100%

Source: Processed Results, 2026

Based on Table the respondents in this study came from various Lazismu regions spread across regencies and cities throughout Central Java, with a total of 87 respondents from 35 regions. This distribution of respondents indicates that the study has a broad and relatively even coverage area, thus providing a more comprehensive picture of the condition of the Lazismu organization at the regional level. Some regions had as many as 3 respondents (3.45%), others had 2 respondents (2.30%), and there were also regions represented by 1 person (1.15%). This wide distribution of respondents is one of the strengths of the study because it allows the data obtained not to be concentrated only on one or two specific regions, but rather to represent the condition of Lazismu organizational management more comprehensively in Central Java. Thus, the results of the study are expected to be able to reflect managerial practices, knowledge management, and HR performance in the context of regional Lazismu organizations more comprehensively.



Figure Profile of Respondents' Regions of Origin of Lazismu

Inner model testing aims to evaluate the relationships between latent variables in a research model, including testing the direct and indirect influences between constructs. This testing begins with a goodness of fit test, which is used to assess how well the constructed model describes the existing data. One indicator frequently used in goodness of fit testing is R-squared (R^2), which indicates the extent to which the independent variables can explain the variability of the dependent variable. The higher the R^2 value, the better the model explains the data.

Furthermore, multicollinearity testing is necessary to ensure that there is no excessive correlation between the independent variables in the model, which could affect the accuracy of the regression coefficient estimates. Multicollinearity testing is usually performed by calculating the Variance Inflation Factor (VIF), where a VIF value higher than 5 or 10 indicates a multicollinearity problem that needs to be corrected. By conducting goodness of fit and multicollinearity tests, researchers can ensure that the inner model used is valid and reliable in explaining the relationships between the variables studied. Figure 4.7 shows the results of the SEM PLS model estimation using the bootstrapping technique to generate the values used in the inner model testing.

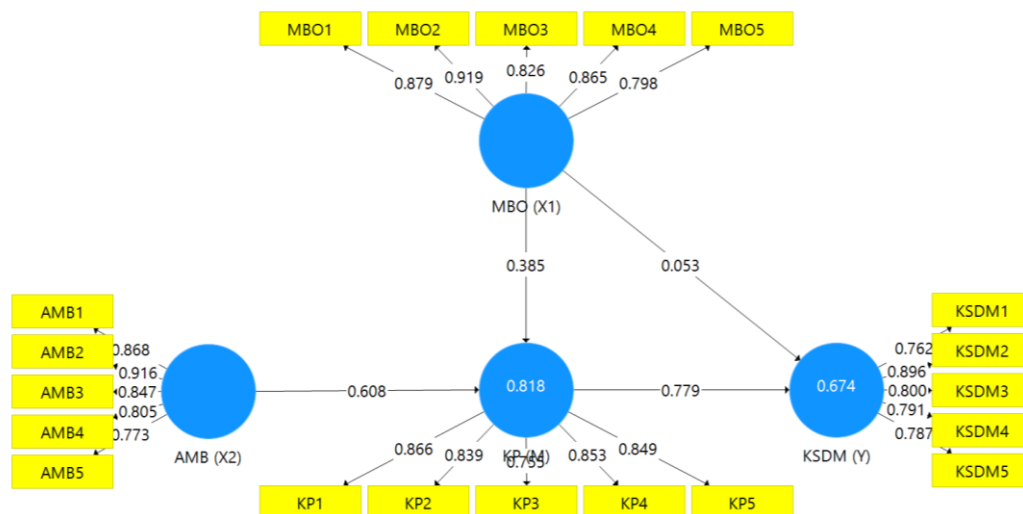


Figure SEM PLS Bootstrapping Model Estimation Results

The SEM-PLS model estimation results in the figure show that all paths between variables are significant at the 5% level, as indicated by a p-value <0.05 . The overall results of the inner model test can be seen in the following discussion:

a. Goodness of Fit Model Testing

Table Goodness of Fit Model

	R-Square	Q-Square	SRMR
Quality of Knowledge (M)	0.818	0.558	0.118
HR Performance (Y)	0.674	0.416	

Source: Tested Primary Data, 2026

The results of the goodness of fit model test show that the Knowledge Quality construct (M) has an R Square value of 0.818 which is in the strong category, with a Q Square of 0.558 which is included in the big predictive relevance category. Furthermore, the Human Resource Performance construct (Y) has an R Square value of 0.674 which is in the moderate category, with a Q Square of 0.416 which is included in the big predictive relevance category. Meanwhile, the model's SRMR value of 0.118 (>0.10) indicates that the model is in the less fit category or has not fully met the required fit criteria. Based on the overall test results, although the SRMR value is still above the recommended threshold, the R Square and Q Square values show that the model has strong explanatory power and excellent predictive ability. Therefore, it can be concluded that the SEM PLS model in this study as a whole has a goodness of fit that is quite adequate and is suitable for use to test the relationship between variables as the proposed hypothesis.

b. Multicollinearity Testing

Table VIF Inner Model

	Ambidextrous (X2)	Quality of Knowledge (M)	HR Performance (Y)	Management by Objectives (X1)
Ambidextrous (X2)	1,709			
Quality of Knowledge (M)		2,515		
HR Performance (Y)			2,515	
Management by Objectives (X1)				1,709

Source: Tested Primary Data, 2026

The analysis results in the Inner Model VIF Table indicate that there is no high multicollinearity between constructs in the model. The highest Inner VIF value is 2.515, namely in the relationship between Knowledge Quality (M) and HR Performance (Y) and between Management by Objectives (X1) and HR Performance (Y). Although this is the largest Inner VIF value, this value is still far below the threshold of 5.00, which means there is no multicollinearity between constructs in the estimated SEM model. Thus, it can be concluded that all constructs in this study are free from multicollinearity problems. This indicates that the independent variables in the model do not distort each other's influence. This condition also confirms that model estimation can be carried out more accurately. Therefore, the results of the structural analysis can be interpreted more confidently.

Table Hypothesis Testing Results

	Hypothesis	Results	Information
H1	If Management by Objectives (MBO) runs	Beta coefficient =	Not accepted

	well, then Human Resource Performance will increase.	0.385 T-Statistics = 0.316 P Value = 0.752	Source: Tested
H2	Management by Objectives (MBO) runs intensively, then the Quality of Knowledge will increase.	Beta coefficient = 0.053 T-Statistics = 2.448 P Value = 0.015	Accepted
H3	If ambidexterity can be optimal, then the Quality of Knowledge will increase.	Beta coefficient = 0.608 T-Statistics = 3.895 P Value = 0.000	Accepted
H4	The better the quality of knowledge, the better the performance of human resources.	Beta coefficient = 0.779 T-Statistics = 4.599 P Value = 0.000	Accepted

Primary Data, 2026

The results of the hypothesis testing in Table 4.19 indicate that all hypotheses were accepted in this study. The explanation is as follows:

1) Hypothesis 1 was rejected ($p\text{-value} = 0.752 > 0.05$; path coefficient = 0.385; T-statistic = $0.316 < 1.96$). This means that the initial assumption of the study that Management by Objectives (MBO) has a positive effect on Human Resource Performance was not statistically proven. Although the direction of the coefficient is positive, the low T-statistic value and insignificant p-value indicate that empirically MBO has not been able to directly encourage improvements in HR performance in the context of this study. The managerial implication is that the implementation of MBO needs to be reviewed or combined with other factors such as improving the quality of knowledge in order to have an impact on performance.

2) Hypothesis 2 was accepted ($p\text{-value} = 0.015 < 0.05$; path coefficient = 0.053; T-statistic = $2.448 > 1.96$). This means that the initial hypothesis of the study that Management by Objectives (MBO) has a positive effect on Knowledge Quality is correct. The effect of MBO on Knowledge Quality was proven to be significant, although with a relatively small coefficient. As a managerial implication, efforts to improve knowledge quality in the future can be carried out by strengthening the implementation of MBO, for example through clear goal setting and structured feedback.

3) Hypothesis 3 is accepted ($p\text{ value} = 0.000 < 0.05$; path coefficient = 0.608; T-statistic = $3.895 > 1.96$). This means that the initial assumption of the study that Ambidexterity (Balance Skills) has a positive effect on Knowledge Quality is correct. The effect of Ambidexterity on Knowledge Quality is proven to be significant with a fairly large coefficient. The managerial implication is that improving knowledge quality can be achieved by developing organizational ambidexterity capabilities, namely the balance between exploration and exploitation.

4) Hypothesis 4 is accepted ($p\text{-value} = 0.000 < 0.05$; path coefficient = 0.779; T-statistic = $4.599 > 1.96$). This means that the initial assumption of the study that Knowledge Quality has a positive effect on Human Resource Performance is correct. The influence of Knowledge Quality on HR Performance is proven to be significant with a very strong coefficient. As a managerial implication, improving HR performance in the future can be done by strengthening knowledge quality, either through training, competency development, or effective knowledge management.

3.2. Discussion

1) The Influence of Management by Objectives on Human Resource Performance

The results of the hypothesis testing indicate that Management by Objectives does not have a significant effect on Human Resource Performance. This is indicated by a path coefficient of 0.053, a t-statistic of 0.316, and a p-value of 0.752, so the first hypothesis is rejected. This finding indicates that the implementation of Management by Objectives at Lazismu throughout Central Java has not been able to directly explain the improvement in human resource performance. Although the direction of the relationship formed is positive, the strength of the influence is very low and statistically inadequate to be used as a basis that better MBO implementation will improve HR performance. Thus, in the context of this study, clarity of objectives, participation in goal setting, the linkage of individual objectives to organizational objectives, assessment standards, and objective evaluation have not directly led to improved employee work results.

Theoretically, these results do not fully align with the conceptual expectations established in the literature review. The theoretical framework explains that Management by Objectives is a results-oriented managerial approach that emphasizes clear, measurable, and participatory goal-setting, and serves as a basis for performance evaluation. Ashfaq (2018) emphasize that MBO is based on the SMART principle, active participation of superiors and subordinates, and objective evaluation of goal achievement. Mio et al. also emphasize that MBO links individual goals with the strategic goals of the organization, while Amponsah-Tawiah et al. (2018) views MBO as an approach that emphasizes goal clarity, systematic evaluation, and individual accountability. Based on this theoretical construct, MBO should normatively improve employee performance effectiveness because individuals have a clearer work orientation and more defined measures of success. However, the empirical results of this study indicate that this assumption is not fully confirmed by the direct path between MBO and HR performance.

These findings are relevant to the research gap established in the introduction. The research background explains that there is controversy regarding the effectiveness of the MBO approach and knowledge quality management. However, without supporting mechanisms such as effective feedback management, MBO implementation can actually lead to internal conflict and reduce the quality of interactions within the organization. This controversy indicates that MBO's effectiveness is not always consistent across various organizational contexts. Furthermore, the gap between theory and the reality of implementation in the field

is also emphasized. The application of managerial models such as MBO in various organizations, including Lazismu Central Java, is not yet fully optimal due to obstacles such as unclear goals and an unfair evaluation system. Therefore, the insignificant results of the first hypothesis test in this study actually strengthen the research gap argument formulated previously.

Jiangnan et al. (2025) emphasizes that the quality of knowledge is greatly influenced by interactive processes and feedback mechanisms, so that without the support of these processes, a goal-oriented managerial system will not necessarily produce better quality knowledge or work. Meanwhile, Ghannam (2025) highlights the challenges in performance appraisal practices and HR-performance appraisal activities in contemporary organizations, showing that an evaluation system that is not running optimally can weaken the effectiveness of the relationship between work goals and work results. Therefore, the results of this study should not be interpreted as a failure of the MBO concept, but rather as evidence that MBO requires certain supporting conditions to be able to function effectively in improving HR performance. This means that, in the context of Lazismu throughout Central Java, MBO is not strong enough if it stands alone as a direct determinant of performance.

2) The Influence of Management by Objectives on Knowledge Quality

The results of the study indicate that Management by Objectives has a positive and significant effect on Knowledge Quality. This finding is indicated by a path coefficient of 0.385, a t-statistic value of 2.448, and a p-value of 0.015, so the second hypothesis is declared accepted. This finding indicates that the better the implementation of MBO, the better the quality of knowledge owned and utilized within the organization. In other words, in the context of Lazismu throughout Central Java, MBO has proven to be more effective in shaping the quality of knowledge than directly improving HR performance. This confirms that the system of goal setting, evaluation, and accountability has an important contribution in building a work environment that supports the development of more relevant, more accurate, and more applicable knowledge.

Theoretically, these findings are consistent with the conceptual framework developed in the research. MBO is positioned not only as a work control mechanism but also as an approach that guides the organizational learning process. Ashfaq (2018) explains that setting goals that are specific, measurable, realistic, and have clear time limits, as well as active participation in formulating goals, can improve employee understanding of their duties and responsibilities. Mio et al. (2015) states that linking individual goals to the strategic goals of the organization creates an environment conducive to the development and dissemination of knowledge. Meanwhile, Amponsah-Tawiah et al. (2018) emphasizes that systematic performance evaluation and individual accountability will encourage employees to continuously update their knowledge to remain relevant to job demands. Based on this theoretical foundation, it is logical that MBO in this study has been shown to influence knowledge quality.

In the context of Lazismu throughout Central Java, the quality of knowledge is crucial because

the organization operates in the management of zakat, infaq, alms, and religious social funds, which require a high level of accuracy, accountability, and responsiveness. The knowledge required is not only administrative, but also strategic knowledge regarding the collection, utilization, reporting, service to muzaki and mustahik, as well as an understanding of relevant regulations. When work objectives are clearly formulated through the MBO approach, the organization's knowledge needs become more focused. Managers become more aware of what needs to be achieved, what knowledge is needed to achieve it, and how that knowledge should be applied in work processes. Thus, MBO helps organizations establish a more focused and meaningful knowledge structure.

These findings also indicate that knowledge quality within an organization does not develop spontaneously, but is influenced by the management system that directs work. When organizational goals are clearly defined, individuals and work units more easily identify relevant information and knowledge needs. In such situations, knowledge is no longer simply a collection of information but transforms into a targeted working capital. The knowledge that develops within the organization becomes more contextual, as it is formed based on the demands of achieving specific goals. Therefore, the influence of MBO on knowledge quality in this study demonstrates that a sound work goal system can create a more effective space for learning and knowledge utilization.

When linked to the operational definition of the variables, knowledge quality in this study includes intrinsic quality, contextual quality, the capacity for completeness of knowledge, the capacity to assimilate new knowledge, and the capacity to apply new knowledge. This means that knowledge quality concerns not only the accuracy and reliability of information, but also the relevance, adequacy, and the organization's ability to transform knowledge into concrete actions. In this regard, MBO helps clarify the work context and increase the organization's focus on specific goals, so that the knowledge developed is more aligned with task requirements. These findings demonstrate that clarity of goals and evaluation systems can function as a framework for organizing the flow of knowledge within an organization.

3) The Influence of Ambidexterity on Knowledge Quality

The results of the hypothesis testing indicate that Ambidexterity has a positive and significant effect on Knowledge Quality. This is indicated by a path coefficient of 0.608, a t-statistic of 3.895, and a p-value of 0.000, thus the third hypothesis is accepted. The relatively large coefficient value indicates that ambidexterity has a strong contribution to the formation of knowledge quality. Thus, the more optimal an organization's ability to balance exploitation and exploration, the higher the quality of knowledge formed within the organization. This finding indicates that quality knowledge arises from an organization's ability to utilize existing knowledge while simultaneously opening up space for new knowledge relevant to work needs.

Conceptually, these results align closely with the theoretical framework used in the research. The literature review explains that ambidexterity is an organization's ability to simultaneously

pursue two orientations: exploitation and exploration. Dzenopoljac et al. (2024) refers to ambidexterity as the simultaneous combination of refinement and efficiency of existing knowledge with flexibility and experimentation with new markets, technologies, or methods. Joseph et al. (2023) explains that ambidexterity is the ability to use mastered knowledge while proactively trying new methods. Asif & de Vries (2015) emphasizes that the essence of ambidexterity lies in the coexistence of efficiency and adaptation. Based on this theoretical foundation, it can be understood that ambidexterity is a crucial prerequisite for organizations to generate knowledge that is not only stable but also relevant and adaptive.

In the context of Lazismu in Central Java, these results demonstrate that knowledge quality cannot be built solely through experience or established procedures. As a religious social fund management institution, Lazismu faces ever-evolving demands, both in terms of collection, reporting, technology utilization, and public service. In such a situation, the organization needs the ability to continue utilizing proven knowledge while simultaneously seeking new ways of working that better meet emerging challenges. Exploitation without exploration will stagnate the organization, while exploration without exploitation will generate a wealth of ideas without a strong operational foundation. Therefore, the ability to balance the two is essential for improving the quality of organizational knowledge.

This finding is also consistent with the definition of knowledge quality used in the study. Knowledge quality is understood as an organization's ability to maintain the accuracy, relevance, and capacity of knowledge to be applied effectively, supported by optimal knowledge exploration and exploitation processes. This definition demonstrates a very close conceptual relationship between ambidexterity and knowledge quality. Therefore, empirical results showing a significant influence of ambidexterity on knowledge quality essentially confirm the theoretical framework that has been formulated. This means that organizations that are able to balance exploration and exploitation tend to produce knowledge that is more accurate, richer, more contextual, and more applicable.

Descriptively, ambidexterity in this study was in the high category with a mean of 3.92, while knowledge quality was also in the high category with a mean of 4.00. For ambidexterity, the relatively strongest indicators were in the aspects of continuous improvement and directed learning, while for knowledge quality, the strongest aspects were in the completeness of knowledge and the intrinsic quality of knowledge. This pattern shows that organizations that continuously improve work processes while encouraging learning will be better able to build knowledge that is considered complete, relevant, and reliable. The agreement between the descriptive analysis and the results of the structural test indicates that ambidexterity capabilities do have significance in the empirical context of the Lazismu organization.

4) The Influence of Knowledge Quality on Human Resource Performance

The results of the study indicate that Knowledge Quality has a positive and significant effect on Human Resource Performance. This finding is indicated by a path coefficient of 0.779, a t-statistic value of 4.599, and a p-value of 0.000, so that the fourth hypothesis is declared

accepted. This coefficient is the largest among all the direct paths tested in the model, so it can be emphasized that knowledge quality is the most dominant factor in explaining changes in HR performance at Lazismu throughout Central Java. This finding means that the better the quality of knowledge possessed and used by employees, the better the performance that can be produced by human resources in the organization.

Theoretically, these results are highly consistent with the literature review. Knowledge quality in this study is defined as an organization's ability to maintain the accuracy, relevance, and capacity of knowledge for effective application, supported by optimal knowledge exploration and exploitation processes. Yoo et al. (2011) explains that the quality of knowledge is related to the relevance, accuracy, reliability, and ability of knowledge to be applied to certain situations. Dzenopoljac et al. (2024) adding that the quality of knowledge is closely related to the organization's ability to balance new knowledge and existing knowledge to support innovation and the achievement of strategic goals. Jiangnan et al. (2025) also emphasizes the importance of social interaction, knowledge diversity, and feedback mechanisms in maintaining the quality of organizational knowledge. Based on this theoretical foundation, it's understandable that knowledge quality ultimately becomes a strong determinant of HR performance.

In the context of Lazismu throughout Central Java, these results are highly relevant. As an institution managing zakat, infaq, alms, and religious social funds, the success of its work depends heavily on the extent to which managers understand procedures, regulations, collection targets, reporting mechanisms, and service practices that align with community needs. Quality knowledge will enable employees to carry out their work more accurately, more quickly, and more accountably. Conversely, limited knowledge will increase the risk of errors, inaccurate decisions, poor service quality, and delays in achieving targets. Therefore, good knowledge is not merely a complement to work, but rather the primary foundation that enables optimal human resource performance.

These results are also very much in line with the human resource performance indicators used in the study, namely work productivity, quality of work results, timeliness in completing tasks, achievement of overall collection performance, and achievement of key performance for zakat collection specifically. All of these indicators are fundamentally dependent on the quality of knowledge. Productivity requires an understanding of work procedures and priorities. Quality of work results requires a precise understanding of organizational standards. Timeliness requires the ability to carry out work processes efficiently. Meanwhile, achieving collection targets requires a sound knowledge of strategy, relationships, and program implementation. Therefore, the empirical results of the study, which demonstrate the very strong influence of knowledge quality on human resource performance, have a very solid theoretical and operational basis.

Descriptive analysis also supports these results. Knowledge quality had a mean value of 4.00, while human resource performance had a mean value of 4.07, both of which are in the high

category. For knowledge quality, the strongest indicators were the completeness of knowledge and the intrinsic quality of knowledge, while for human resource performance, the highest indicator was the achievement of the main performance of zakat collection. This trend indicates that when available knowledge is considered sufficiently complete, accurate, and reliable, performance targets are also more likely to be achieved. The agreement between the descriptive and structural results strengthens the conclusion that knowledge quality is indeed a key driver of human resource performance within Lazismu.

Substantively, these findings simultaneously explain the overall logic of the research model. Management by Objectives does not directly impact HR performance, but it significantly impacts knowledge quality. Ambidexterity also significantly impacts knowledge quality. Furthermore, knowledge quality is shown to have a very strong influence on HR performance. This series of relationships indicates that knowledge quality is a central node in the research model. This variable serves as a crucial mechanism explaining how managerial practices and organizational capabilities ultimately lead to improved human resource performance. In other words, the improvement in HR performance in this study is more accurately explained through strengthening knowledge quality than solely through the existence of formal work objectives.

4. Conclusion

Management by Objectives does not have a significant effect on Human Resource Performance at Lazismu throughout Central Java. This is indicated by a path coefficient of 0.053, a t-statistic of 0.316, and a p-value of 0.752. These findings indicate that the proper implementation of Management by Objectives has not been able to directly improve human resource performance within Lazismu. In other words, clarity of objectives, participation in goal setting, linkage of individual objectives to organizational objectives, assessment standards, and objective evaluation have not directly led to increased productivity, quality of work results, timeliness, and achievement of targets for collecting zakat, infaq, alms, and religious social funds at Lazismu Central Java. Management by Objectives has a positive and significant effect on Knowledge Quality at Lazismu throughout Central Java. This is evidenced by a path coefficient of 0.385, a t-statistic of 2.448, and a p-value of 0.015. These findings indicate that the better the implementation of Management by Objectives, the better the quality of knowledge possessed and utilized within the organization. Clear goal setting, active participation, linking individual goals to organizational objectives, clear assessment standards, and objective evaluation have been shown to improve the accuracy, relevance, comprehensiveness, and capacity of knowledge to be applied in work at Lazismu Central Java.

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