

**DEVELOPING COMPETITIVE AND PARTNERSHIP STRATEGY  
THROUGH KNOWLEDGE AND INNOVATION MANAGEMENT  
TO THE ACHIEVEMENT OF  
HIGHER EDUCATION'S PERFORMANCE  
(A Research of Private Higher Education in DKI Jakarta)**

**ABSTRACT**

*Private higher education plays an important role in the development of higher education in Indonesia, such as to produce science and technology as well as to produce creative and innovative human resources which considered as the indicator for competitiveness of a nation.*

*Higher education requires both tangible and intangible resources to support the main process (education, research, and community service) and also the supporting process (integrated marketing, operational, finance, and talent management). Although leaders of higher education consider that both tangible and intangible resources are equally important, however during the implementation, they tend to give more attention towards the tangible resources. This results in the incapability for private higher education in DKI Jakarta to fully compete and to implement a strategic partnership which then leads to incapability to obtain optimal performance.*

*The objective of this research is to gather data and information and also to analyze how knowledge and innovation management are important for developing successful partnership and competitive strategic in achieving optimal performance for private higher education in DKI Jakarta. This research is descriptive and verifying and applying the approach of strategic management science. The method of research uses explanatory survey method towards 184 private higher educations as the observation units. The data gathering applies observation, interview, and questioner; meanwhile, the data processing applies Structural Equation Modeling (SEM) – Partial Least Square.*

*The result of research indicates that the performance of higher education can be achieved by implementing knowledge and innovation management through developing competitive and partnership strategy, where partnership strategy plays more role compared with competitive strategy and the capability in managing innovation is dominant in determining the success. Therefore, leaders of higher education in DKI Jakarta have to improve their capability in knowledge and innovation management in order to implement and managing their tangible resources to be the power in generating and improving value for the organization.*

**Keywords :**

*Competitive Strategy, Higher Education's Performance, Innovation Management, Knowledge Management, and Partnership Strategy.*