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THE MODERATION EFFECT OF INNOVATION OF INFORMATION SYSTEM BETWEEN EXTERN INNOVATION STRATEGY AND COMPANY'S PERFORMANCE

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Abstract:

Innovation strategy is a dynamic strategy now a day. Quick changes in externality have led companies to have smart innovation strategy with well method and accurate innovation of information system. This study was conducted toward 138 big and medium manufacturing companies in Daerah Istimewa Yogyakarta Province, Indonesia. It was aimed to get to know how far externality of innovation strategy influenced on company's performance and information system innovation as moderating. Analysis method that used was multiple regression analysis. The results showed that company's performance could be explained by the collaborative activity and innovation encouragement, however there's no significant influence on the innovation source. Regression analysis of Moderation with information system showed that not all variables significantly interacted on company's performance.

Key words: economic source, collaborative activity, innovation strategy, innovation encouragement, innovation of information system, company's performance.
