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The Effect of Change Management on Employee Performance with Adaptive Leadership as a Moderation Variable at PT XYZ

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ABSTRACT

This study was motivated by the suboptimal employee performance during the organizational change process at PT XYZ. The objectives of this study were to examine the effect of change management on employee performance, the effect of adaptive leadership on employee performance, and the moderating role of adaptive leadership in the relationship between change management and employee performance. This research employed a quantitative approach using a survey method involving 32 employees selected through a saturated sampling technique. Data were collected using questionnaires and analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 4. The results indicate that change management has a positive and significant effect on employee performance. Adaptive leadership also has a positive and significant effect on employee performance. Furthermore, adaptive leadership significantly moderates the relationship between change management and employee performance. These findings suggest that the implementation of effective change management, supported by adaptive leadership, can enhance employee performance more optimally at PT XYZ.

Keywords: Change Management, Adaptive Leadership, Employee Performance, Moderating Variable, SEM-PLS.

1. INTRODUCTION

Human resources are a key element in a company's success because all activities, from planning to project completion, are heavily influenced by the quality of employee performance. Employees who have high commitment tend to produce better performance so as to support the achievement of organizational goals (Mansur et al., 2026). Improving performance also has a direct impact on operational effectiveness, achievement of strategic targets, timeliness of project completion, efficiency in the use of resources, and reducing the risk of errors and work accidents (Abubakar & Tolofar, 2024). However, maintaining optimal performance in the construction sector is not easy because it is influenced by individual abilities, motivation, leadership, organizational systems, and work environment (Armstrong, 2014).

In an organization that continues to undergo changes, change management is an important factor to ensure that the transition process runs effectively. The success of change does not only depend on organizational decisions, but also on the ability to manage the stages of planning, communication, implementation, and evaluation systematically (Mitra & Soni, 2024). Organizations that involve employee participation in the change process have been proven to be able to improve performance better than organizations that implement changes top-down (Abubakar et al., 2024). In addition, effective change management will further improve performance when employees have the ability to adapt to the new work system (Andriyani et al., 2024).

In addition to change management, adaptive leadership also plays an important role in supporting the success of organizational transitions. Leaders who are able to adapt their leadership style to change have been shown to increase employees' adaptive performance so that they are better prepared to face uncertainty (Bonini et al., 2024). Adaptive leadership also encourages more effective communication, accelerates decision-making, and strengthens team collaboration in the face of rapid change (Pramesti & Chusniyah, 2025). Adaptive leadership not only affects employee performance, but the potential to strengthen the relationship between change management and employee performance during the organizational transition process.

Although various studies show that change management has a positive effect on employee performance, most still focus on direct influence. Research on adaptive leadership also generally places it as an independent variable, so studies that test its role as a moderation variable in the relationship between change management and employee performance are still limited, especially in construction services companies (Bonini et al., 2024). Most of the previous research was conducted on the government, education, and manufacturing sectors that have different characteristics from the more dynamic construction industry because they are influenced by changes in project specifications, field conditions, and K3 demands. This gap is an important basis for the implementation of this research.

The research was conducted on PT XYZ which since the beginning of 2025 has carried out an organizational transition to increase operational effectiveness. The changes made include the change of directors, the improvement and standardization of Standard Operating Procedures (SOPs), the restructuring of inter-division coordination, the redistribution of tasks and authorities, the improvement of the project supervision system through weekly progress reports, and the strengthening of communication between project leaders and field teams. All of these policies aim to accelerate decision-making, increase accountability, and support the achievement of project targets. During the transition period, Human Resource (HRD) evaluates Key Performance Indicators (KPIs) on a quarterly basis as the basis for monitoring employee performance development.

The results of the observation show that the implementation of changes still faces various obstacles. The socialization of the new SOP has not been fully implemented in all lines so that some foremen and technicians are still using the old procedures. The involvement of field employees in the preparation of SOPs is also still limited because the planning process is more dominated by management, while internal training is only carried out once so that some employees still need assistance. The level of readiness to face change also differs between divisions, where the Field and Operations Division tends to be slower to adapt than divisions that have more procedural work. In addition, the implementation of SOPs in the material verification process and daily progress reporting is still inconsistent.

Another problem can be seen in the coordination mechanism between divisions that has not been carried out according to procedures, especially between the Operational Division and the Field Division. As a result, changes in work specifications from service users are not always communicated quickly to the implementation team, causing rework and project delays. On the other hand, the intensity of the leader's direction is also different for each project. Teams led with active communication show better adaptability, while in projects with less intensive coordination employees tend to wait for instructions without taking the initiative to adjust. This condition indicates that the effectiveness of change management implementation in construction companies is not only influenced by organizational policies, but also by adaptive leadership ability in directing and supporting employees during the change process.

Based on the results of an interview with HRD of PT XYZ, the company has implemented various efforts to support the organizational change process, including project coordination meetings before and during the implementation of work, internal training related to new SOPs, and individual assistance for employees who are still experiencing difficulties adapting. HRD explained that the biggest performance challenges occurred in the Field and Operations Divisions because the two divisions faced high work dynamics and had to respond to changes in project conditions in real-time. In addition, the ability of leaders to manage changes at the operational level is considered uneven, affecting the effectiveness of change implementation. The results of KPI evaluation during the first year of the transition period show a gradual improvement in performance, but the realization is still below the set target (HR data of PT XYZ, 2025).

The KPI evaluation shows that the company's achievement increased from 79% in the first quarter to 87% in the fourth quarter. Although this trend indicates positive developments as a result of the change program, the company's target of 90% has not been achieved. During this period, there was still a gap in performance between 3% and 11%. In addition, the pace of improvement that began to slow down in the second semester indicates that there are still obstacles in the change process that have not been optimally overcome through the programs that have been implemented (HR Data of PT XYZ, 2025).

The KPI evaluation in each division shows that the Field Division and the Operations Division have the largest performance gap compared to other divisions. These conditions are related to the characteristics of the work that require rapid adjustment to changes in design, field conditions, weather, management of heavy equipment, materials, and labor during the implementation of the project. The observation findings also show that the two divisions are still facing inconsistencies in the implementation of SOPs and coordination between divisions that are not optimal. Meanwhile, the Marketing and HR Division has also not met the target despite having a smaller difference, indicating that the process of adaptation to the new work system is still ongoing in most organizational units. On the other hand, the Finance Division showed the achievement that was closest to the target because the work characteristics were more procedural and relatively unaffected by changes in project conditions (HR Data of PT XYZ, 2025).

Overall, KPI data, observation results, and interviews show that there is a gap between the implementation of the change program and the company's performance targets. This condition indicates that the effectiveness of change management at PT XYZ still needs improvement. In addition, the ability of leaders to implement adaptive leadership is an important factor that distinguishes the success of implementing change in each division. On the other hand, there is still limited research that discusses the role of adaptive leadership as a moderation variable in the relationship between change management and employee performance, particularly in construction service companies.

Based on these conditions, this study was conducted to analyze the influence of change management on employee performance with adaptive leadership as a moderation variable in PT XYZ. This research is expected to make an empirical contribution to the development of human resource management science and become a practical reference for construction companies in designing more effective organizational change strategies through the application of adaptive leadership.

The purpose of this study is to analyze the influence of change management on employee performance at PT XYZ, analyze the influence of adaptive leadership on employee performance, and analyze the role of adaptive leadership as a moderation variable in the relationship between change management and employee performance at PT XYZ.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Change Management

Change management is a process that organizations systematically carry out to manage the transition from the old condition to the new condition through planning, implementing, and controlling changes so that organizational goals can be achieved effectively. The success of this process is not only determined by changes in the organizational system or structure, but also by the organization's ability to manage the human aspect, especially through effective communication, employee involvement, and individual readiness to adapt to change (Mabasa & Flotman, 2022). In addition, change management includes adjusting strategies, organizational structures, and work systems to stay relevant to the dynamics of the business environment, supported by communication, employee participation, management commitment, and evaluation of change outcomes (Ratnasari et al., 2020). The readiness of organizations and individuals is also an important factor so that transformation can take place without reducing productivity (Sari et al., 2022). In the context of modern organizations, change management also emphasizes the formation of a flexible and collaborative work culture to support employee adaptability in the digital era (Najwa et al., 2025). The implementation of effective change management has also been proven to be able to improve employee performance, including in dealing with crises such as the COVID-19 pandemic through the implementation of digitalization and new work patterns (Adiastra et al., 2023).

Change management indicators basically describe the organization's readiness to carry out the transformation process effectively. Mabasa and Flotman (2022) stated that the main indicators include clarity of change communication, employee involvement, training and development, employee readiness to face changes, clarity of new work procedures (SOPs), and management support. Meanwhile, Ratnasari et al. (2020) added the importance of change communication, employee participation, management support, and change evaluation as the basis for improving implementation. According to Sari et al. (2022), the success of change is also influenced by readiness to face change, open communication, employee participation, and leadership support. In addition, Najwa et al. (2025) emphasized that policy flexibility, organizational culture that supports innovation, employee adaptability, and evaluation of the effectiveness of change are important indicators to ensure that organizations are able to adapt sustainably to environmental changes.

2.2 Online

Adaptive leadership is a leadership approach that emphasizes the ability of leaders to adjust behavior, strategies, and decision-making according to changes in the organizational environment. Heifetz (2018) explains that adaptive leadership is the ability to mobilize individuals to be able to face challenges, adapt, and thrive in the midst of change. In the era of the industrial revolution 4.0, adaptive leadership is an important factor in building an agile organization, which is an organization that is able to move quickly, agilely, and responsive to change without losing strategic direction (Stafrezar, 2023). In line with that, Nöthel et al. (2023) stated that adaptive leadership is demonstrated through the ability of leaders to adjust leadership behaviors and approaches based on the demands of the situation, so that organizations are able to deal with uncertainty through flexibility and support for the employee adaptation process. In addition, adaptive leadership also contributes to creating meaningful work, increasing work motivation, and strengthening employee adaptive performance through empowerment and emotional support (Widarta et al., 2024). Thus, adaptive leadership can be understood as the ability of leaders to manage change through a flexible, communicative, and learning- and innovation-oriented approach.

Adaptive leadership indicators show a leader's ability to cope with change while helping organizations adapt effectively. Stafrezar (2023) explained that these indicators include empathy for employee needs, participatory leadership, the ability to encourage innovation, and the ability to manage uncertainty so that the organization remains stable. Arfianty et al. (2021) added that adaptive leadership is also reflected in the ability to respond quickly to change, help employees adapt, provide support and motivation, apply flexibility in decision-making, convey clear directions, and build trust with employees. Meanwhile, Nöthel et al. (2023) emphasized three main indicators, namely the ability to understand the demands of the change situation, support and guide employees during the adaptation process, and the flexibility of leaders' behavior in adjusting leadership styles and decisions according to the development of the situation. Thus, adaptive leadership focuses not only on the leader's ability to deal with change, but also on efforts to create a work environment that supports the organization's adaptation process in a sustainable manner.

2.3 Employee Performance

Employee performance is the achievement of individual work in carrying out the tasks and responsibilities given by the organization. Performance appraisals are not only based on the amount of work completed, but also include the quality of results, efficiency, effectiveness, and timeliness in completing the work. Mangkunegara (2017) explained that performance is the result of employee work which is assessed from the aspects of quality and quantity in accordance with the responsibilities carried out.

In addition to being influenced by individual abilities, performance is also influenced by various organizational factors such as leadership, motivation, and work environment. Performance assessment can be carried out through work results, work quality, and the ability to complete tasks according to the set time (Salam et al., 2024). Thus, performance achievement not only indicates individual success, but also describes the effectiveness of the execution of work in the organization.

The development of an increasingly dynamic work environment requires employees to have the ability to adapt to change.

Maulana et al. (2024) stated that it is not enough to measure performance only to focus on output, but also to consider the readiness of employees in dealing with changes in organizational systems, technology, and policies. Individuals who are able to adapt tend to show better work performance because they can adapt quickly to changes that occur.

This is in line with Putri Manuk et al. (2023) who emphasized that leadership, commitment, and readiness to accept change are important factors in improving performance. Openness to innovation will encourage improvement in work outcomes while strengthening employees' contributions to the organization. Meanwhile, Adiastra et al. (2023) explained that performance is a combination of quality, quantity, and timeliness that reflects the effectiveness and professionalism of employees in carrying out their work.

Based on these various opinions, employee performance can be understood as an individual's ability to produce work that meets organizational targets through quality, quantity, timeliness, adaptability, and responsibility for the tasks given. Therefore, performance is one of the main indicators in assessing individual success and organizational effectiveness (Salam et al., 2024).

Employee performance measurement is carried out through a number of indicators that describe an individual's ability to achieve organizational goals. Salam et al. (2024) stated that the main performance indicators include work quality, quantity of work, punctuality, work effectiveness, ability to cooperate or coordinate with colleagues, and compliance with work procedures (SOPs). These indicators show the extent to which employees are able to produce work according to organizational standards by making optimal use of resources.

Maulana et al. (2024) added that performance appraisals also need to consider the ability to adapt to organizational changes. Therefore, the indicators used include not only work productivity and punctuality, but also readiness to face changes, the ability to adapt to new systems and technologies, and employee loyalty in supporting organizational goals.

According to Putri Manuk et al. (2023), good performance is reflected in the readiness of individuals to accept change, commitment to the organization, initiative and independence in work, and the ability to achieve preset work targets. These indicators show that employee success is not only determined by work results, but also by a proactive attitude and involvement in the organizational change process.

Meanwhile, Adiastra et al. (2023) explained that performance indicators include work quality, quantity of work results, timeliness, and teamwork. The four indicators describe the ability of employees to produce accurate work, meet targets, complete tasks on schedule, and build effective coordination with team members to achieve organizational goals.

3. RESEARCH MEHODOLOGY

This study uses a quantitative method, which is an approach that utilizes data in the form of numbers and is analyzed using statistics to test the hypothesis that has been formulated. This method is applied to a specific population or sample by collecting data through research instruments that are systematically compiled. The characteristics of quantitative research are planned, structured, and produce relatively consistent findings so that it is suitable to objectively test the relationship between variables (Sugiyono, 2013).

The research was carried out at PT XYZ which is located in Wadung, Jenu District, Tuban Regency, East Java Province. This location was chosen because it is a research object that is in accordance with the research objectives.

Population is a whole subject or object of research that has certain characteristics to be studied and conclusions drawn (Sugiyono, 2013). The population in this study is all employees of PT XYZ totaling 32 people, consisting of the HR Department as many as 2 people, Finance 3 people, Marketing 2 people, Operations 3 people, K3 people people, and Field 19 people (PT XYZ, 2026). Given that the population is relatively small and all members can be reached, this study uses a Non-Probability sampling technique with a saturated sampling method (total sampling), so that all population members are used as research samples. The use of this technique aims to obtain a more comprehensive picture with a relatively small error rate (Sugiyono, 2013). Furthermore, the data was analyzed using Structural Equation Modeling based on Partial Least Square (SEM-PLS).

Data collection was carried out using questionnaires as the main research instrument. Questionnaires were given to all respondents through Google Form (G-form) with questions that had been prepared based on research indicators and using the Likert scale as the basis for assessment. The use of questionnaires is considered effective because it makes it easier for researchers to obtain data on the variables being studied according to the respondents' perceptions (Sugiyono, 2013).

This study uses primary data, namely data obtained directly from research sources (Sugiyono, 2013). Primary data was collected through the distribution of questionnaires to all employees of PT XYZ totaling 32 people so that the information obtained came directly from the research respondents.

Data analysis was carried out after all data from respondents were collected. The goal is to describe the characteristics of each variable, answer the problem formulation, and test the research hypothesis that has been set (Sugiyono, 2013). This study uses inferential statistics, which is an analysis technique used to draw conclusions from sample data so that it can be generalized to populations with a certain level of confidence.

4. RESULTS AND DISCUSSION

4.1 Research Results

The research data was obtained through the distribution of questionnaires that were collected completely from 32 respondents. Respondent characteristics were analyzed based on gender, age, last education, and length of service to provide an overview of the profile of respondents involved in the study.

All respondents consisted of men and women. Based on age group, respondents were in the range of 18–53 years. The largest distribution was found in the age groups of 24–29 years and 30–35 years, which amounted to 8 people (25%) each. Furthermore, the age group of 36-41 years amounted to 6 people (21.9%), the age of 18-23 years was 7 people (18.8%), while the age of 42-47 years amounted to 3 people (9.4%). There were no respondents in the age range of 48–53 years. Thus, the majority of respondents in this study are at the productive age, which is 24–35 years old.

Based on the latest education level, most of the respondents were 20 high school/vocational/equivalent graduates (62.5%). Respondents with D4/S1 education amounted to 10 people (31.3%), while D3 graduates were only 2 people (6.3%). The composition shows that the majority of the workforce who are respondents have an educational background at the high school/vocational/equivalent level.

The characteristics of the respondents based on the length of service showed that most of them had worked for >1–≤5 years, which was 22 people (68.8%). Respondents with a working period of ≤1 year amounted to 9 people (28.1%), while respondents with a working period of >5–≤10 years were only 1 person (3.1%). The data indicates that most of the respondents have had sufficient work experience in carrying out tasks in the company.

Descriptive statistical analysis in this study was carried out using mean values to describe the tendency of respondents' answers to each statement item. The determination of assessment categories refers to the class interval calculated from the difference between the highest score (5) and the lowest score (1) with three assessment categories, so that an interval of 1.33 is obtained. Based on Ferdinand (2014), the score range of 1.00–2.33 is categorized as low, 2.34–3.67 is categorized as medium, while 3.68–5.00 is categorized as high. These criteria are used as a basis for interpreting the mean value of each research variable.

Change management variables are measured through four indicators, namely clarity of change communication, training and mentoring, employee readiness, and clarity of SOPs. The results of the analysis show that this variable obtained a mean value of 2.99 which is in the medium category. These results indicate that the implementation of change management has been quite good, although it still needs to be refined so that the change process can be implemented more effectively by all employees.

Based on each indicator, the clarity of the SOP obtained the highest mean value of 3.02. This shows that work procedures during the change process are considered clear enough so that they can be a guideline for employees in carrying out their work. In contrast, the employee readiness indicator obtained the lowest mean value of 2.96, although it is still in the medium category. These findings show that individual readiness to face change still needs to be improved, especially in terms of adaptability and readiness to accept organizational change.

Adaptive leadership variables are measured using three indicators, namely understanding the demands of the situation, supporting adaptation, and behavioral flexibility. The results of data processing showed that this variable had a mean value of 3.03 which was in the medium category. This shows that respondents consider the implementation of adaptive leadership to be good enough to support the implementation of work in the midst of organizational change.

Judging from each indicator, behavioral flexibility obtained the highest mean value of 3.05. These results show that leaders are considered quite capable of adjusting behavior and providing direction in accordance with the conditions faced so as to help the implementation of work. Meanwhile, indicators understanding the demands of the situation obtained the lowest mean value of 3.00, but remained in the medium category. This condition indicates that the leader's ability to support the process of adapting to change is quite good, but it can still be improved to be more effective in dealing with organizational dynamics.

Employee performance variables are measured through quantity, quality, timeliness, and SOP compliance. The results of the analysis showed that this variable obtained a mean value of 3.20 which is in the medium category. This shows that in general, employee performance has been at a fairly good level in carrying out their duties and responsibilities, although there are still opportunities to improve the quality of work results.

Judging from each indicator, punctuality obtained the highest mean value of 3.28. These results show that employees are considered capable enough to complete work according to the set time. On the other hand, the quality indicator obtained the lowest mean value of 3.19, but remained in the medium category. These findings indicate that the quality of work still needs to be improved so that the results of the work produced are more accurate and in accordance with company standards.

The last stage is a hypothesis test using the Bootstrapping Resampling method. This test aims to determine the significance of the relationship between variables through the comparison of the calculated T value with the T table. If T calculates > T table, then H0 is rejected and H1 is accepted, so that the relationship between variables is declared significant. Conversely, if T calculates < T table, then H0 is accepted and H1 is rejected, indicating that the relationship between variables is not significant.

The data analysis in this study uses Structural Equation Modeling based on Partial Least Square (SEM-PLS) with the help of SmartPLS 4. The analysis stage includes the evaluation of the outer model and inner model which begins with the preparation of a research model based on the conceptual framework. This study involves Change Management (X) as an exogenous variable measured through 12 indicators (MP1–MP12), Employee Performance (Y) as an endogenous variable with 8 indicators (KK1–KK8), and Adaptive Leadership (Z) as a moderation variable measured using 6 indicators (KA1–KA6).

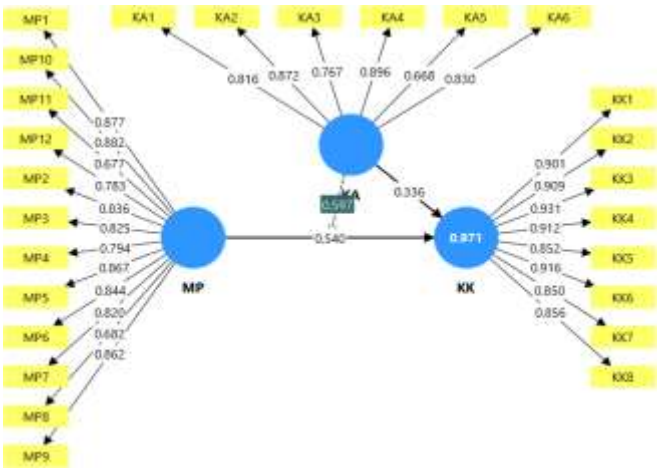


Figure 4.1 Research Model
Source: SmartPLS4 Output (2026)

The evaluation of the outer model is carried out to ensure the quality of the measurement model through testing the validity and reliability of the construct. The aspects evaluated included Convergent Validity, Average Variance Extracted (AVE), Composite Reliability, Cronbach's Alpha, and Heterotrait-Monotrait Ratio (HTMT).

Table 4.1 Outer Loading Results

Variabel	Code	*Loading*	Remarks
Change Management (X)	MP1	0,877	Valid
	MP10	0,882	Valid
	MP11	0,677	Valid
	MP12	0,783	Valid
	MP2	0,836	Valid
	MP3	0,825	Valid
	MP4	0,794	Valid
	MP5	0,867	Valid
	MP6	0,844	Valid
	MP7	0,820	Valid
	MP8	0,682	Valid
	MP9	0,862	Valid
Adaptive Leadership (Z)	KA.1	0,816	Valid
	KA.2	0,872	Valid
	KA.3	0,767	Valid
	KA.4	0,896	Valid
	KA.5	0,668	Valid
	KA.6	0,842	Valid
Employee Performance (Y)	KK.1	0,901	Valid
	KK.2	0,909	Valid
	KK.3	0,931	Valid
	KK.4	0,912	Valid
	KK.5	0,852	Valid
	KK.6	0,916	Valid
	KK.7	0,850	Valid
	KK.8	0,856	Valid

Source: Smart Output pls4 (2026)

The results of the Convergent Validity test showed that all indicators had an outer loading value above the minimum required limit. The loading value is in the range of 0.668–0.931 so that all indicators are declared valid because they have met the loading factor criteria above 0.50, even most of them have exceeded 0.70. Thus, all indicators are able to represent the constructs that are measured and are worth maintaining in the research model.

Table 4.2 AVE Value Results

	Average variance extracted (AVE)
KA	0,659
KK	0,795
MP	0,664

Source: SmartPLS4 Output (2026)

In addition to using outer loading, the validity of the convergence is also evaluated through the Average Variance Extracted (AVE) value. The results of the analysis showed that all constructs had an AVE value above 0.50, namely Adaptive Leadership of 0.659, Employee Performance of 0.795, and Change Management of 0.664. This value shows that each construct is able to explain more than 50% of the variance of its indicators. Therefore, the measurement model is declared to have met the Convergent Validity requirements.

After the convergent validity was met, the construct reliability test was carried out using Composite Reliability (CR) and Cronbach's Alpha.

Table 4.3 Reliability Test Results

	Cronbach's alpha	*Composite reliability (rho_a)*	*Composite reliability (rho_c)*
KA	0,897	0,913	0,920
KK	0,963	0,966	0,969
MP	0,953	0,958	0,959

Source: SmartPLS4 Output (2026)

The results of the analysis showed that all constructs had Cronbach's Alpha, Composite Reliability (rho_a), and Composite Reliability (rho_c) values above 0.70. This value shows that the indicators in each construct have good internal consistency so that all variables in the study are declared reliable and can be used at the next stage of analysis.

Table 4.4 Value (HTMT)

	KA	KK	MP	KA x MP
KA				
KK	0,599			
MP	0,461	0,791		
KA x MP	0,119	0,657	0,138	

Source: SmartPLS4 Output (2026)

Furthermore, discriminant validity was evaluated using the Heterotrait-Monotrait Ratio (HTMT). The HTMT value between constructs is in the range of 0.119–0.791 or all of them are below the maximum limit of 0.90. These results show that each construct is able to be distinguished well from the other constructs so that the research model has met the requirements of discriminant validity.

An internal model evaluation was carried out to assess the ability of the structural model to explain the relationship between variables through R-Square, Predictive Relevance (Q^2), and Model Fit tests.

Table 4.5 Pengujian R-Square

	R-square	*R-square adjusted*
KK	0.974	0.971

Source: SmartPLS4 Output (2026)

The results of the R-Square test showed that the Employee Performance variable had an R^2 value of 0.974 with an Adjusted R^2 of 0.971. These findings indicate that 97.4% of the variation in Employee Performance can be explained by variables in the

model, while about 2.6% are influenced by other factors outside of the study. These values belong to the category of being very strong so that the model has a high clear power.

Table 4.6 Predictive Relevance Testing

	Q²predict	*RMSE*	*IT IS*
KK	0,904	0,337	0,287

Source: SmartPLS4 Output (2026)

The Predictive Relevance (Q²) test yielded a Q² value of 0.904, accompanied by an RMSE value of 0.337 and an MAE of 0.287. Because the value of Q² is greater than zero, the model has good predictive ability of the observational data so that it is able to provide relevant estimates.

Table 4.7 Fit Model Testing

	Saturated model	*Estimated model*
SRMR	0,091	0,093

Source: SmartPLS4 Output (2026)

Model fit (Model Fit) was evaluated using Standardized Root Mean Square Residual (SRMR). The results of the analysis showed an SRMR value of 0.093 in the estimated model. The value is still below the maximum limit of 0.10 so that the structural model can be declared to have an acceptable level of suitability and is suitable for use in hypothesis testing.

Hypothesis testing was carried out using the bootstrapping method on PLS-SEM to determine the significance of the relationship between constructs as well as test the effect of Adaptive Leadership moderation. Decision-making is based on path coefficient values, T-statistics, and P-values resulting from the bootstrapping process.

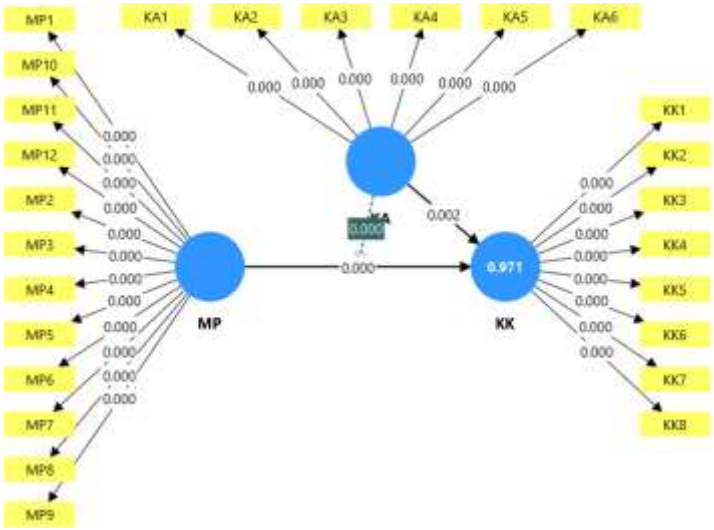


Figure 4.2 Bootstrapping Test Results
Source: SmartPLS Output (2026)

Table 4.8 Nilai Path Coefficients

	Original sample (O)	Sample *mean* (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
KA -> KK	0,336	0,327	0,106	3,154	0,002
KA x MP -> KK	0,597	0,585	0,079	7,550	0,000
MP -> KK	0,540	0,538	0,084	6,389	0,000

Source: SmartPLS Output (2026)

The results of the analysis showed that Change Management had a positive and significant effect on Employee Performance with a path coefficient value of 0.540, T-statistics of 6.389, and P-values of 0.000. This value meets the significance criteria so that H1 is accepted, which means that the better the implementation of change management, the higher the employee performance.

Furthermore, Adaptive Leadership has also been proven to have a positive and significant influence on Employee Performance. This is shown by the path coefficient value of 0.336, T-statistics of 3.154, and P-values of 0.002. Thus, H2 is accepted, which shows that adaptive leadership is capable of improving employee performance.

Testing of the effect of moderation shows that the interaction between Adaptive Leadership and Change Management has a positive and significant influence on Employee Performance. A path coefficient value of 0.597, a T-statistic of 7.550, and a P-value of 0.000 indicate that Adaptive Leadership strengthens the relationship between Change Management and Employee Performance. Therefore, H3 is accepted, so it can be concluded that the existence of adaptive leadership increases the effectiveness of change management implementation in encouraging improved employee performance.

4.2 Discussion

The results of the study show that the performance of PT XYZ employees is influenced by change management and adaptive leadership. Performance improvement depends not only on the success of the organization in managing change through effective communication, training, mentoring, and the preparation of clear Standard Operating Procedures (SOPs), but also on the ability of leaders to direct, support, and help employees adapt to change. Thus, the success of performance improvement is the result of synergy between structured change management and leadership that is able to adapt to organizational dynamics. These findings are in line with the research of Andriyani et al. (2024), Abubakar et al. (2024), Arfianty et al. (2021), Widarta et al. (2024), and Bonini et al. (2024) which affirms the importance of change management and leadership in improving employee performance.

1. The Effect of Change Management on Employee Performance

The test results showed that change management had a positive and significant effect on employee performance, so the first hypothesis was accepted. These findings indicate that the success of organizational change is not only determined by company policies, but also by the ability to manage the change process so that it can be understood and implemented by all employees. These results are consistent with the research of Andriyani et al. (2024) which states that effective change management is able to improve employee adaptability, and is supported by Abubakar et al. (2024) who explain that systematic change management has an impact on increasing organizational productivity.

Based on the descriptive analysis, the change management variable obtained an average value of 2.99, with the SOP Clarity indicator as the most dominant aspect. The majority of respondents stated that the new SOPs are easy to understand, help understand work steps, and provide more targeted guidelines. In addition, the Change Communication Clarity indicator also received a positive assessment because employees understood the goals, reasons, and direction of organizational change. The Training and Mentoring Indicators also strengthen the effectiveness of change through the provision of training and support during the transition period so that employees can master the new work system faster.

The implementation of change management has an impact on improving employee performance, which obtains an average score of 3.20. The Punctuality Indicator is the aspect with the highest rating, followed by the quality and quantity of work. Clarity of SOPs, effective communication of changes, and adequate training help employees complete work on target, reduce errors, and increase productivity. This condition shows that change management not only increases readiness to face changes, but also improves the overall quality of work execution. The findings are in accordance with the conditions at PT XYZ. Based on the results of observations and interviews with the Human Resource Department (HRD), the company has made improvements to SOPs, adjusted work systems, strengthened coordination between divisions, and improved internal communication. Although in the early stages there are still obstacles in the form of differences in understanding procedures and various adaptation processes, the training, socialization, and assistance provided by the company are able to accelerate employee adjustments so that work can be carried out more directed, on time, and according to company standards.

2. The Influence of Adaptive Leadership on Employee Performance

The results of the study show that adaptive leadership has a positive and significant effect on employee performance, so the second hypothesis is accepted. This shows that the success of the organization in dealing with change is also influenced by the leader's ability to provide direction, support, and make decisions according to the conditions faced. These findings support the research of Arfianty et al. (2021) who explain that adaptive leadership improves performance through leadership style adjustments, and is reinforced by Widarta et al. (2024) who affirm that adaptive leadership creates a work environment that supports increased motivation and performance.

Descriptively, the adaptive leadership variable obtained an average score of 3.03, with the Clear Direction indicator being the most dominant aspect. The majority of respondents stated that their boss gave clear work instructions during the change so that tasks, responsibilities, and job priorities were easier to understand. In addition, the Supporting Adaptation indicator shows that leaders are actively helping employees face difficulties and adjust to the new work system. The Leader Flexibility Indicator also received a good assessment because the leader was able to adjust decisions to the operational situation faced.

These conditions have an impact on improving employee performance, especially in the aspects of Punctuality, Work Quality, and Work Quantity. Clear direction, support during the adaptation process, and the ability of leaders to make informed decisions help employees work more effectively, thoroughly, and on target. Thus, adaptive leadership not only strengthens the relationship between leaders and subordinates, but also increases the effectiveness of work execution.

The results of this research are also supported by real conditions at PT XYZ. Based on information from HRD, project leaders, supervisors, and foremen have an important role in explaining changes in SOPs, dividing tasks, and ensuring that work targets are achieved. The characteristics of each different project require leaders to be flexible in making decisions. This ability has been proven to help the employee adaptation process so that productivity and quality of work are maintained during the period of organizational change.

3. Adaptive Leadership Moderates the Influence of Change Management on Employee Performance

The test results show that adaptive leadership is able to positively and significantly moderate the influence of change management on employee performance, so the third hypothesis is accepted. This means that the higher the adaptive ability of the leader, the stronger the influence of change management on performance

improvement. These findings show that the success of organizational change is not only influenced by the quality of the company's policies and systems, but also by the ability of leaders to direct, accompany, and assist employees during the change process. The results of this study are consistent with Widarta et al. (2024) who stated that leadership increases the effectiveness of change implementation, and supported by Bonini et al. (2024) who found that leadership plays an important role in improving employee adaptive performance.

The effect of moderation can be seen from the combination of Clarity SOP as the main indicator of change management and Clear Direction as the dominant indicator of adaptive leadership. Easy-to-understand SOPs provide clear work guidelines, while leadership's direction, mentoring, and support ensure that the procedures can be effectively implemented in daily activities. Thus, adaptive leadership serves as a link between policy change and real implementation on the ground.

This synergy has an impact on improving Punctuality, Work Quality, and Work Quantity. Employees who understand the new SOPs while receiving direction and support from leaders are able to complete work according to the target with a lower error rate. On the other hand, if the change is only supported by SOPs without communication and assistance from the leadership, the adaptation process tends to take place more slowly so that the impact on performance is less optimal.

These findings confirm the condition at PT XYZ. The company not only refines SOPs and work systems, but also emphasizes the active role of supervisors, foremen, and division heads in explaining new procedures, resolving operational constraints, and accompanying employees during the transition period. The results of the observation showed that the work unit that received intensive direction and assistance was able to adapt faster than the work unit with less than optimal communication. This condition confirms that the successful implementation of organizational change is greatly influenced by the combination of good change management and effective adaptive leadership.

Conclusion

This research shows that change management has a positive and significant influence on employee performance at PT XYZ. The implementation of changes through effective communication, training and mentoring, and the provision of clear Standard Operating Procedures (SOPs) has been proven to be able to increase the effectiveness of employee work. Among various indicators, the clarity of SOPs is the most dominant factor because it makes it easier for employees to understand new work procedures, reduces uncertainty during the transition period, and helps complete work more on time with a lower error rate. These results indicate that the success of organizational change is not only influenced by the company's policies designed, but also by the organization's ability to implement changes so that they can be understood and applied by all employees.

This research also proves that adaptive leadership has a positive and significant effect on employee performance. The ability of leaders to provide clear directions, support the adaptation process, and adjust leadership style to organizational conditions can increase the effectiveness of work implementation. Clear direction is the most important aspect in shaping adaptive leadership because it provides certainty about tasks and work priorities during the change process. This condition encourages employees to work more purposefully, maintain work quality, and maintain productivity even though the company is undergoing changes.

In addition to having a direct effect, adaptive leadership has also been shown to be able to moderate the relationship between change management and employee performance positively and significantly. The implementation of change becomes more effective when it is supported by leaders who are able to provide communication, direction, mentoring, and support consistently. This role accelerates the process of employee adaptation to change so that the positive impact of change management on performance improvement becomes stronger. Overall, the improvement in employee performance at PT XYZ is the result of the synergy between effective change management and adaptive leadership that is able to create a more conducive work environment, facilitate the adaptation process, and increase work effectiveness and productivity.

Based on the results of the study, PT XYZ is advised to maintain the clarity of the Standard Operating Procedure (SOP) as an important part of the implementation of change management. The results of the analysis show that the SOP clarity indicator has the greatest contribution in representing change management, so companies need to evaluate and update SOPs periodically according to operational developments. In addition, every change in procedures needs to be thoroughly socialized so that all employees have the same understanding of the work system implemented.

Companies also need to strengthen change communication, training, and mentoring during the transition process. Although the majority of employees have understood the purpose of the change and obtained the necessary training, there are still some respondents who give a neutral assessment, indicating that the delivery of information is not completely even. Therefore, two-way communication through coordination meetings, discussion forums, and internal communication media needs to be improved. Training and coaching programs should also be expanded so that all employees are able to adapt more quickly and the risk of work mistakes during the change period can be minimized.

In the aspect of adaptive leadership, companies need to maintain the ability of leaders to provide clear work directions because these indicators are the most dominant factor in forming adaptive leadership. In addition to maintaining a communication pattern that has been running well, leaders are also expected to improve their ability to provide coaching, feedback, and assistance to subordinates. Thus, leaders not only serve as instructors, but also as facilitators who help employees overcome various obstacles during the organizational change process.

Regarding employee performance, companies are advised to maintain achievements in the aspect of punctuality because these indicators receive the highest ratings from respondents. However, improving the quality of work results and achieving targets still needs to be a concern through regular performance evaluations, providing constructive feedback, rewarding outstanding employees, and providing technical training as needed. This step is expected to be able to maintain consistency in work quality while increasing employee productivity in the long term.

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