

Paper 79

Exploring the mechanism of work engagement and individual adaptive performance (Case of Media and App Development Companies)

Widya Nandini, Dedy Sushandoyo, and Aurik Gustomo

ICMEM

The 7th International Conference on Management in Emerging Markets

Abstract - Due to the ongoing global pandemic, a massive business and work practice transformation is required. Therefore, employees' adaptive performance has assumed greater importance in helping organizations to survive in the contemporary turbulent commercial environment. This paper aims to examine the mechanism between work engagement and individual adaptive performance. The authors adopt a mixed-method research methodology incorporating a case-study approach. The study initially explores the context and mechanism of work engagement and individual adaptive performance through a qualitative approach involving semi-structured interviews the results of which are, subsequently, validated quantitatively by means of a survey. The results indicate that work engagement is become a significant determinant of employees' training and learning. The importance of maintaining work engagement in order to develop human capital with higher creativity, interpersonal and professional adaptability and active involvement in learning, especially during the ongoing pandemic, is evident.

Keywords - work engagement, adaptive performance, case-study, mixed-method

I. INTRODUCTION

The research conducted into individual adaptive performance has increased year on year. Moreover, the Covid-19 pandemic is driving largescale business and work transformation. Therefore, individual adaptive performance is playing an increasingly essential role in determining organizational agility [1]. Moreover, adaptive performance is one of the keys to continuously develop employee skills and capabilities in response to market demand [2].

On the other hand, to date, research exploring the individual adaptive performance mechanism to the concept of work-engagement remains limited [3];[4]. Work engagement here plays an essential role as a form of additional effort involving vigorous behaviour, dedication, and ability to adapt well and deliver more effective solutions in a dynamic work environment [5]; [4].

This research seeks to explore the mechanism between work engagement and individual adaptive performance within the context of the creative process. Therefore, a case study was conducted that focused on two digital

start-ups. These two companies are known as subsectors in the creative industries that have been profoundly affected by technology and market changes. Moreover, Charbonnier-Voirin et al. 2012 explained that the findings on individual adaptive performance measurements remain inconsistent [6]. Therefore, this research incorporated the use of a mixed-method approach to deliver clearer result.

II. LITERATURE REVIEW

The Relationship between Work Engagement and Individual Adaptive Performance. Neal & Hesketh first put forward the concept of adaptive performance in 1999 as an individual's ability to adapt to dynamic work situations[7]. Pulakos et al. (2000) subsequently built an individual adaptive performance scale developed a more consistent version of the scale through the application of a mixed-method approach[8]. Its dimensions comprise creativity, managing work-related stress, commitment to training and learning, and interpersonal adaptability.

However, limited research exists explaining the concept of adaptive performance through work en-gagement mechanisms. Schaufeli et al., (2006) argued that work engagement is a positive and ful-filling behavior, characterized by vigor, dedication, and absorption[9]. In 2010, Van den Heuvel et al. examined how it affects individual adaptive performance through personal resources [3]. They empha-sized that fully engaged employees tend to be creative, more productive, and willing to invest great-er effort their work through this concept. Therefore, it can be hypothesized that:

H1 : Work engagement positively influences individual adaptive performance.

II. METHODOLOGY

This research utilizes a case study methodology with a mixed-method approach and commences with an exploration of the context of work engagement and adaptive performance in two digital startups. At the exploration stage, semi-structured interviews with purposive sampling were conducted. A survey of 160 employees in the two companies was subsequently conducted by means of quota sampling. Data triangulation was carried out on qualitative data, while quantitative data was subjected to validity and reliability tests. Eight items from the Utrecht Work Engagement Scale [9] and

seven items from the Individual Adaptive Performance Scale by [6] were employed. To examine the relationship between work engagement and adaptive performance a linear regression test was completed.

III. RESULTS

A. Findings in First Digital Startup

As a cyber media enterprise, this company operates an active **collaboration** process between divisions. The production process and the inherent value of each product are based on the **knowledge and perspectives of several specialists** employed. The company's products are based on creative processes and, consequently, work engagement plays an essential role in **helping employees** to meet every requirement of their superiors with **innovative results**. Interpersonal ability to play is critical to the collaboration process's success both within the company and with external parties. Moreover, each employee's level of creativity is also essential, especially in terms of creating **innovations** which seek to **meet dynamic market needs**. The pressure of work within this company being both relatively intense and dynamic, employees must manage work stress and take reactive decision appropriately. Therefore, company employees need to improve **their skills** and abilities according to the current market needs. It can, therefore, be concluded that considerable investment in training and learning is necessary for each employee to adapt to market conditions and prevailing job demands.

B. Findings in Second Digital Startup

The company's production process, based on the collaboration of several specialists drawn from different divisions, can solve problems according to user needs. Therefore, **active collaboration** plays an important role in the success of the production process. Moreover, the rapid evolution of this company's products requires greater effort and adaptation to rapidly overcome **obsolete technology** and meet user needs. The work engagement context plays an important role in promoting the process of adaptation to market needs yet remains up to date due to rapidly changing technology. **Interpersonal skills** play an essential role in each individual's collaboration with and adaptation to changing markets and existing technology. It is evident that the organization requires every individual to be aware and taking immediate decision toward the new market needs and enhance their skills according to changing times. In addition, the management of work stress and individual creativity also determine the adaptation process involved in creating **more innovative products**.

C. The Result of Structural Equation Modelling

In the first step, we tested the model fit through PLS Algorithm. We found the outer loading values of seven items on the individual adaptive performance and eight items on the work engagement is above 0,6. Following the value of Cronbach-alpha above 0,8 and Average Variance Extracted is above 0,5. Based on the result, it is showed those items is valid and reliable (See Table 1).

Table 1 - THE CONSTRUCT VALIDITY AND RELIABILITY

Variable	Items	Outer loading	Cronbach's Alpha	AVE
Individual Adaptive Performance	IAP1	0,799	0,853	0,529
	IAP2	0,690		
	IAP3	0,741		
	IAP4	0,733		
	IAP5	0,752		
	IAP6	0,671		
	IAP7	0,699		
Work Engagement	WE1	0,610	0,867	0,525
	WE2	0,823		
	WE3	0,812		
	WE4	0,828		
	WE5	0,666		
	WE6	0,609		
	WE7	0,755		
	WE8	0,650		

Based on the result of PLS Algorithm is also found that the SRMR is below 0,09 and NFI is above 0,7. It is showed the goodness of fit model is accepted (See Table II).

Table 2 - THE GOODNESS FIT OF MODEL

Model Fit Criterias	Saturated Model
SRMR	0,076447744
Chi-Square	204,0113526
NFI	0,816597484

A significant relationship between work engagement and adaptive performance. The adaptive performance is contains of the dimension of creativity, interpersonal adaptability, learning, and training effort, handling work stress and reactivity (See Figure 1).

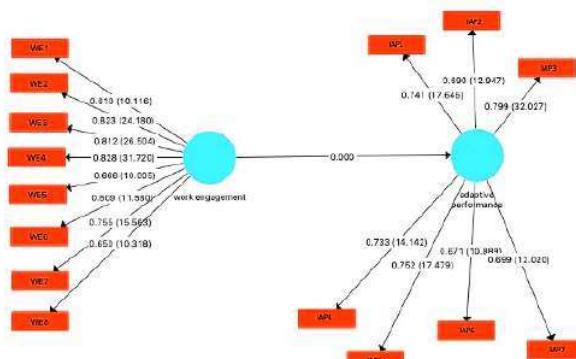


Fig. 1. The Result of Structural Equation Modelling

In details, it is showed that p-values the impact of work engagement toward adaptive performance is below 0.05. Therefore, the relationship between work engagement and adaptive performance is significant (See Table III).

Table 3 - THE RESULT OF REGRESSION

Relationship	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values
work engagement -> adaptive performance	0,6226	0,0538	11,3312	0,00

C. Discussion

The main reason the employees have high adaptive performance is because of the high and dynamic demand from clients, the fast-shifting market behavior, and the rapid digital technological environment [10,11,12]. To cope with those challenges, employees must give more effort, time, and dedication [13]. Consequently, the state of employee work engagement becomes pivotal to maintaining high individual adaptive performance to deliver innovative products that align with those demands [14,15]. Moreover, the source of innovation in the creative product relies on collective ideas from the specialist [16]. Therefore, interpersonal adaptability has played an important role in maintaining the effectiveness of innovation in the product development process [17].

V. CONCLUSION

The qualitative findings of this research suggest that the organizational context of a dynamic market undergoing volatile technological change necessitates continual skill development through collaborative and active learning processes. Such processes are key to innovative product development. Furthermore, this study emphasizes the importance of companies managing their employees' level of work engagement in order to maximize their efforts in the areas of creativity, learning and training, collaboration with others, reactive with changes and new opportunities,

handling work stress. These four aspects become crucial to helping employees to adapt rapidly to massive changes in the external environment, such as the Covid-19 pandemic. Future research may involve more extensive samples to deliver improved and more profound results. Furthermore, future research may also explore the mechanism of work engagement and adaptive performance in the innovation process, especially within a co-creation context.

ACKNOWLEDGMENT

Author thanks to School of Business and Management, ITB as Sponsor and financial support.

REFERENCES

1. Sherehiy, B., & Karwowski, W. (2014). The relationship between work organization and workforce agility in small manufacturing enterprises. *International Journal of Industrial Ergonomics*, 44(3), 466-473.
2. LePine, J. A., Colquitt, J. A., & Erez, A. (2000). Adaptability to changing task contexts: Effects of general cognitive ability, conscientiousness, and openness to experience. *Personnel psychology*, 53(3), 563-593.
3. Van den Heuvel, M., Demerouti, E., Bakker, A. B., & Schaufeli, W. B. (2010). Personal resources and work engagement in the face of change. *Contemporary occupational health psychology: Global perspectives on research and practice*, 1, 124-150.
4. Park, Y., Lim, D. H., Kim, W., & Kang, H. (2020). Organizational support and adaptive performance: The revolving structural relationships between job crafting, work engagement, and adaptive performance. *Sustainability*, 12(12), 4872.
5. Costa, P. L., Passos, A. M., & Bakker, A. B. (2016). The work engagement grid: predicting engagement from two core dimensions. *Journal of Managerial Psychology*.
6. CharbonnierVoirin, A., & Roussel, P. (2012). Adaptive performance: A new scale to measure individual performance in organizations. *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l'Administration*, 29(3), 280-293.
7. Neal, A. F., & Hesketh, B. (1999). Technology and performance.
8. Pulakos, E. D., Arad, S., Donovan, M. A., & Plamondon, K. E. (2000). Adaptability in the workplace: Development of a taxonomy of adaptive performance. *Journal of applied psychology*, 85(4), 612.

9. Schaufeli, W. B., Bakker, A. B., & Salanova, M. (2006). The measurement of work engagement with a short questionnaire: A cross-national study. *Educational and psychological measurement*, 66(4), 701-716.
10. Baran, B. E., & Woznyj, H. M. (2020). Managing VUCA: The human dynamics of agility. *Organizational Dynamics*, 10
11. Nandini, W., Gustomo, A., & Sushandoyo, D. (2022). The Mechanism of an Individual's Internal Process of Work Engagement, Active Learning and Adaptive Performance. *Economies*, 10(7), 165. 11
12. Nandini, W., Gustomo, A., & Sushandoyo, D. (2021). EXPLORING THE RELATIONSHIP BETWEEN WORKER'S ADAPTIVE PERFORMANCE AND CO-CREATION PROCESS IN INDONESIA'S CREATIVE INDUSTRY. *Revista Economica*, 73(2).
13. Menon, A., Chowdhury, J., & Lukas, B. A. (2002). Antecedents and outcomes of new product development speed: An interdisciplinary conceptual framework. *Industrial Marketing Management*, 31(4), 317-328.
14. Charbonnier-Voirin, A., El Akremi, A., & Vandenberghe, C. (2010). A multilevel model of transformational leadership and adaptive performance and the moderating role of climate for innovation. *Group & Organization Management*, 35(6), 699-726.
15. Jena, L. K., & Goyal, S. (2022). Emotional intelligence and employee innovation: Sequential mediating effect of person-group fit and adaptive performance. *European Review of Applied Psychology*, 72(1), 100729. 15
16. Rowan, J. (2012). The creative industries and the cultural commons: transformations in labour, value and production(Doctoral dissertation, Goldsmiths, University of London). 16
17. Malik, M. S., & Kanwal, M. (2018). Impacts of organizational knowledge sharing practices on employees' job satisfaction: Mediating roles of learning commitment and interpersonal adaptability. *Journal of Workplace Learning*, 30(1) 2-17. 17

