# The Effect of Change Management and Adaptation on Employee Performance at PT. Frisian Flag Indonesia Jakarta

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DOI:10.55683/jobma.v5i1.451

Keywords : Change Management, Adaptation, Employee Performance, Industrial.

Abstract : This study aims to identify and analyze the relationship between change management and adaptation to the performance of PT. Frisian Flag Indonesia, Jakarta. The research data was collected by distributing questionnaires with a total sample of 86 respondents and using a descriptive quantitative approach. The analysis used is statistical analysis in the form of multiple linear regression testing. The test results show that there is a positive and significant influence between change management and adaptation on the performance of employees of PT. Frisian Flag Indonesia. It is also proven from the results of the F test that the significance values of the two independent variables support the research hypothesis.

# **1** INTRODUCTION

Human resources are the main requirement for every company to carry out activities in the company's work processes. Human resource management is the process of dealing with various problems within the framework of employees, employees, workers, managers and other workers in order to support the activities of the organization or organizations in order to achieve the goals that have been set. According to Anwar Prabu Mangkunegara, (2006:67) performance is the result of work in quantity and quality carried out by an employee in carrying out his duties and in accordance with the responsibilities delegated. Employee performance is one of the main factors that can affect organizational progress. The higher or better the employee's performance, the easier it will be to achieve company goals (Shah et al., 2023), and vice versa if the employee's performance is low or not good, the goal will be difficult to achieve and the results obtained will not be in accordance with what is expected by employees and the organization (Ekowati et al., 2023). A good organization is an organization that seeks to improve its human resources because it is a key factor in improving employee performance (Shah et al., 2023).

PT. The Frisian Flag Indonesia Plant Ciracas itself experienced performance problems. One of the performance indicators is the achievement of performance according to plan. At PT. Frisian Flag Indonesia Plant Ciracas is known as PPC (Conformity to Production Plan). The following is the PPC (Production Plan Conformance) table for PT. Frisian Flag Indonesia Plant Ciracas during 2018 – 2021.

| Tahun | Product Category               | Prod. Planning | Actual Output | PPC    |
|-------|--------------------------------|----------------|---------------|--------|
| 2018  | - Sweetened Condense Milk (Cu) | 478,756,272    | 458,123,184   | 95.50% |
|       | 370 gr                         | 414,864,000    | 395,924,544   | 95.22% |
|       | 490 gr                         | 16,370,400     | 15,314,304    | 93.10% |
|       | 560 gr                         | 47,521,872     | 46,884,336    | 98.64% |
|       | - Ready to Drink (Cu)          | 612,650,736    | 544,094,316   | 87.40% |
|       | 110 ml                         | 12             |               | 0.00%  |
|       | 115 ml                         | 380,790,972    | 330,100,704   | 84.64% |
|       | 180 ml                         | 83,300,076     | 74,649,960    | 88.41% |
|       | 225 ml                         | 121,611,888    | 115,160,328   | 94.40% |
|       | 450 ml                         | -              | 20            | 0.00%  |
|       | 900 ml                         | 26,947,800     | 24,183,324    | 88.57% |
| 2019  | - Sweetened Condense Milk (Cu) | 417,084,354    | 410,041,368   | 98.28% |
|       | 370 gr                         | 340,622,428    | 333,520,320   | 97.87% |
|       | 490 gr                         | 29,257,488     | 28,966,512    | 99.00% |
|       | 560 gr                         | 47,204,438     | 47,554,536    | 99.26% |
|       | - Ready to Drink               | 591,050,237    | 590,630,372   | 99.93% |
|       | 110 ml                         | 19,174,212     | 19,662,696    | 97.52% |
|       | 115 ml                         | 341,668,351    | 344,003,040   | 99.32% |
|       | 180 mi                         | 74,801,502     | 73,057,151    | 97.61% |
|       | 225 ml                         | 120,930,919    | 121,831,875   | 99.26% |
|       | 450 ml                         | 239,760        | 221,166       | 91.59% |
|       | 900 ml                         | 34,235,493     | 31,854,444    | 92.53% |
| 2020  | - Sweetened Condense Milk (Cu) | 391,394,304    | 391,153,920   | 99.94% |
|       | 370 gr                         | 306,369,600    | 306,202,416   | 99.95% |
|       | 490 gr                         | 34,372,800     | 33,982,032    | 98.85% |
|       | 560 gr                         | 50,651,904     | 50,969,472    | 99.38% |
|       | - Ready to Drink               | 567,421,992    | 564,887,508   | 99.55% |
|       | 110 ml                         | 29,548,800     | 29,658,420    | 99.63% |
|       | 115 ml                         | 331,276,212    | 331,938,180   | 99.80% |
|       | 180 ml                         | 46,002,240     | 45,888,840    | 99.75% |
|       | 225 ml                         | 110,543,688    | 109,446,084   | 99.00% |
|       | 450 ml                         | 3,356,640      | 3,197,172     | 95.01% |
|       | 900 ml                         | 46,694,412     | 44,758,812    | 95.68% |
| 2021  | - Sweetened Condense Milk (Cu) | 410,042,712    | 410,345,952   | 99.93% |
|       | 370 gr                         | 311,399,280    | 307,988,448   | 98.89% |
|       | 490 gr                         | 41,232,576     | 41,034,048    | 99.52% |
|       | 560 gr                         | 57,410,856     | 61,323,456    | 93.62% |
|       | - Ready to Drink               | 696,925,332    | 690,302,616   | 99.04% |
|       | 110 ml                         | 38,577,600     | 38,495,664    | 99.79% |
|       | 115 ml                         | 428,280,948    | 424,707,876   | 99.16% |
|       | 180 ml                         | 46,156,536     | 46,724,364    | 98.78% |
|       | 225 ml                         | 136,823,436    | 136,069,524   | 99.45% |
|       | 450 ml                         | 2,236,560      | 2,145,420     | 95.75% |
|       | 900 ml                         | 44,850,252     | 42,159,768    | 93.62% |

Table 1. PPC (Production Plan Conformance) for the 2018-2021 period, per SKU

Data Source: PPC Report

From the data above, it can be seen that the results of the 2018-2021 PPC (Production Plan Conformance) in total show improvement from year to year, but if you look in detail, the SKU for the 900 ml RTD (Ready to Drink) category always does not reach the 98% target. That means there are serious performance issues in the 900 ml size.

Employee performance is influenced by many things, including change management and the adaptability of the employees themselves. Wibowo (2016: 193), "Change management is a process systematically applying the knowledge, facilities and resources needed to influence change in people who will be affected by the change process." In general, change management is an effort and approach that is carried out in a structured and systematic manner, which aims to help individuals, teams or organizations to efficiently implement changes from the current state to a better state. This is done through the use of available, appropriate and effective means, resources and knowledge to minimize the impact of the change process.

According to Robbins (2003), adaptation is "a process whereby people who want or need to achieve goals must face changing environmental and social conditions in order to survive". In general, adaptation is a person's adjustment to a new or foreign environment in order to survive. Adaptation itself is essentially a process to meet the demands of survival. The relationship between employee adaptability and employee performance at PT. Frisian Flag Indonesia includes; Achieve work results in quality and quantity, improve employee work behavior so that they are more disciplined, work according to standard operating procedures, and comply more with company regulations.

Research related to the effect of change management on employee performance shows mixed results: Lukman Hakim, Eko Sugiyanto (2018) the results of this study indicate that change management has a negative influence on employee performance. Meanwhile, Yasmine Ramadhana Harahap (2020) states that change management has a positive influence on employee performance.

Then there is also research related to the effect of adaptability on employee performance which also shows mixed results: Nyoman Triaryati (2013) shows the results of a negative influence between adaptability and employee performance. In his research, it is stated that there is a policy of mutation of the workforce, with demographic changes causing problems in the families of workers. This is due to the workers' unpreparedness or inability to adapt, resulting in short-term negative impacts on employee performance such as absenteeism and productivity.

### 2 LITERATURE REVIEW

#### **Employee Performance**

According to Veizal Rivai (2004:309), "performance is real behavior shown by everyone as work performance carried out by employees in accordance with their role in the company". According to Yusniar Lubis, Bambang Hermanto & Emron Edison (2019:26), "Performance is the result of a process related to regulations, standards, or agreements that have been established and measured over a certain period of time." Performance management according to Wibowo (2016: 7) is management about creating relationships and ensuring effective communication. Performance management focuses on what organizations, managers and employees need to be successful". Usually managers and supervisors set goals for the company or related departments and set standards, which are also usually agreed upon by managers, supervisors and subordinates, commonly known as KPIs (Key Performance Indicators). Performance management is about how performance is managed to achieve success. According to Hasibuan in M Kurniawan (2017), "performance assesses the relationship between actual work results and quality and quantity standards performed by each employee". Another definition, following Kreitner and Kinicki in Wibowo (2016: 10), suggests that "performance management is a cycle of continuous performance improvement through goal setting, feedback and coaching, as well as rewards and positive reinforcement".

#### **Change Management**

Change management according to Winardi (2011) is a manager's effort to manage change more effectively, which requires knowledge about motivation, groups, leadership, conflict and communication. According to Coffman and Lutes (2007), "change management is a structured approach and is used to help teams,

individuals or organizations change from their current state to a better state". According to Wibowo (2016), "change management is a process that is carried out systematically and uses the facilities, resources and knowledge needed to affect change in those affected by the process".

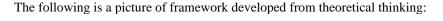
According to John Kotter and Dan Cohen (2014: 3), "change management focuses on managing the hearts/feelings/emotions of individual employees, where companies need to touch individual feelings to commit to change, so that employees are motivated to change their behavior."

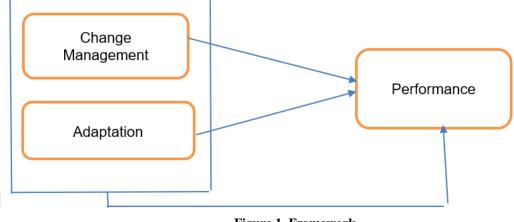
Meanwhile, according to Nauheimer (2007), "change management is a process, techniques and tools used to manage the change process on the individual side in order to achieve the desired results and implement change more effectively with change agents, systems and teams. , which is more efficient and bigger".

#### Adaptation

Gerungan (1991: 55). "Adaptation itself is essentially a process to meet the demands of survival. One of them is a social situation where people need relationships to maintain order so they don't feel isolated and can learn about culture", Suparlan (1993:2). In general, adaptation is a person's adjustment to a new or foreign environment in order to survive. In the world of work, there are strategies to adapt to the work environment. Meanwhile, according to Rohadi et al. (2016) "adaptation is the ability of living things to adapt to their environment".  $\backslash$ 

#### Framework





**Figure 1. Framework** 

#### Hypothesis

The research hypothesis is as follows:

H: Change Management and Adaptability simultaneously have a positive effect on improving Employee Performance at PT. Frisian Flag Indonesia

# **3 METHODOLOGIES**

The method in this study uses a descriptive analysis method with a quantitative approach. The definition of descriptive method according to Sugiyono (2013: 147) is a method used to describe or analyze a research result but not used to make broader conclusions. By using this research method, it will be known that there is a significant relationship between the variables to be studied. The population of this study are employees who work in the UHT Packing section at PT. Frisian Flag Indonesia Plant Ciracas totaling 86 people. In this study, multiple

regression analysis was used to determine the influence of the independent variables (Change Management and Adaptability) on the dependent variable (Employee Performance). Meanwhile, to test the data using validity and reliability tests. Calculating the magnitude of the relationship between variable X and variable Y, calculated using the product moment formula. The F test is used to determine the significance level of the effect of the independent variables simultaneously on the dependent variable and the coefficient of determination.

# **4 RESULT AND DISCUSSION**

### Validity Test

The validity test used in this study uses product moment correlation analysis from Pearson. The basis for the validation decision is as follows; If r count > r table means the statement is valid. This test aims to determine and ensure that each statement item is valid and does not confuse respondents when filling out this questionnaire. The results of the questionnaire validity test on 86 respondents are shown below:

#### Table 2. Validity Test

| Item              | Variable | Validity |
|-------------------|----------|----------|
| Change management | 10       | Valid    |
| Adaptation        | 10       | Valid    |
| Performance       | 10       | valid    |

Based on the test results from the table above that the change management variables, adaptation variables and performance variables each have 10 statement items, and all items from the three variables are declared valid because the r count is greater than the r table, which is 0.253 greater than the 0.212 (r table).

#### **Reliability Test**

Sugiyono (2013: 198), A reliable instrument is an instrument which, when used several times to measure the same object, will produce the same data. The reliability test is used to determine the consistency of the measuring instrument, whether the measurements used are reliable and remain consistent if the measurements are repeated. The reliability test is used to assess whether the questionnaire/questionnaire data can be trusted/reliable or not. A construct or variable is said to be reliable with the Cronbach Alpha statistical test > 0.60.

| Table | 3. | Relia | bility | Test |
|-------|----|-------|--------|------|
|-------|----|-------|--------|------|

| Variables         | Alpha Cronbach | Realibilitty |  |
|-------------------|----------------|--------------|--|
| Management change | 0,99 2         | Realiable    |  |
| Adaptation        | 0,967          | Realiable    |  |
| Performance       | 0,979          | Realiable    |  |

From table 3 above it can be seen that the Cronbach Alpha is greater than 0.60. This shows that all statements in this study are reliable or have a high level of reliability so that they can be used in research analysis.

### **Multiple Linear Regression**

This research is a type of research that uses a type of multiple regression equation, where the independent variable is more than one variable. To analyze the equation of the multiple regression line is to pay attention to the value of the SPSS output with the linear regression method with the stepwise type listed on the coefficients in the following table;

|       |                     | Unstandardized Coefficients |            | Standardized<br>Coefficients |       |      |
|-------|---------------------|-----------------------------|------------|------------------------------|-------|------|
| Model |                     | В                           | Std. Error | Beta                         | t     | Sig. |
| 1     | (Constant)          | -1.237                      | 2.121      |                              | 583   | .561 |
|       | Manajemen Perubahan | .459                        | .084       | .391                         | 5.472 | .000 |
|       | Kemampuan Adaptasi  | .553                        | .069       | .571                         | 8.006 | .000 |

### Table 4. Test the Effect of Simultaneous Variables X1 and X2 on Y. Coefficients<sup>a</sup>

a. Dependent Variable: Performance.

Based on the output above, the equation is obtained:

#### Y = -1.237 + 0.391 X1 + 0.571 X2

A constant value of -1,237 means that if Change Management and Adaptability are equal to zero, then Employee Performance is -1,237. The beta coefficient value on the Change Management variable is 0.391, which means that each change in one unit decrease in the Change Management variable (X1) will result in an increase in Employee Performance by 0.391. Conversely, a one-unit decrease in the Change Management variable will reduce Employee Performance by 0.391 assuming other variables remain constant. The beta coefficient value on the Adaptability variable is 0.571, meaning that any change in the Adaptability Variable (X2) will result in a change in employee performance by 0.571. Conversely, a decrease in the Adaptability variable is 0.571, meaning that any change in the Adaptability variable is 0.571, meaning that any change in the Adaptability variable is 0.571, meaning that any change in the Adaptability variable is 0.571, meaning that any change in the Adaptability variable is 0.571. The beta coefficient value on the Adaptability variable is 0.571, meaning that any change in the Adaptability variable is 0.571. Conversely, a decrease in the Adaptability variable of 0.571. Conversely, a decrease in the Adaptability Variable (X2) will result in a change in employee performance of 0.571. Conversely, a decrease in the Adaptability Variable of 0.571.

#### Simultaneous F Test

Basically, the F-test shows whether all the independent variables included in the regression model (change management and adaptability) work simultaneously on the dependent variable (employee performance). Decision making is based on a comparison of the calculated F value by looking at the significance level and then comparing it with a predetermined significance level (5% or 0.05). If the calculated F significance is less than 0.05 then Ho is discarded, which means that the independent variables affect the dependent variable simultaneously.

| Table | 5. F | Test | (Goodness | of Fit) |
|-------|------|------|-----------|---------|
|-------|------|------|-----------|---------|

ANOVA<sup>a</sup>

| M | lodel      | Sum of<br>Squares | df | Mean Square | F       | Sig.              |
|---|------------|-------------------|----|-------------|---------|-------------------|
| 1 | Regression | 393.552           | 2  | 196.776     | 177.560 | .000 <sup>b</sup> |
|   | Residual   | 91.983            | 83 | 1.108       |         |                   |
|   | Total      | 485.535           | 85 |             |         |                   |

a. Dependent Variable : Performance

b. Predictors : (Constant), Adaptation, Change management.

From the results of the F test, the F-count value was 177,560 and the F-table value was 3.11. While the significance is 0.000. Because the significance value is below 0.05 and the F-count value is greater than the F-table value (177,560 > 3.11), then the hypothesis which states "change management and adaptability"

simultaneously have a positive effect on employee performance" is declared accepted, which means Ho was rejected and Ha was accepted.

#### The Coefficient of Determination.

Based on the table above, the level of correlation or relationship between each independent variable and the dependent variable is as follows; the variable correlation of Change Management (X1) and Adaptability (X2) to the Employee Performance variable is 0.900 or in the very strong category. Then the magnitude of R Square in this study is 0.811, this indicates that employee performance is influenced by Change Management and Adaptability of 81.10%, while the remaining 0.189 or 18.9% is influenced by other factors not included in this study, such as job satisfaction, compensation, motivation and others.

#### Discussion

According to Sedarmayanti (2011, p. 284) employee performance is the work of an employee, a management process or an organization as a whole, where the work results must be presented in a real and measurable way (compared to predetermined standards). Many researchers have conducted research on the factors that influence employee performance. Based on the results of the research on Change Management and Adaptability to Employee Performance simultaneously that I did, it obtained a significance value of 0.000 < 0.05 and a calculated F value of 177.560 > a table F value of 3.110 and then the magnitude of R Square in this study was 0.811, this shows that employee performance is influenced by Change Management and Adaptability of 81.10%, while the remaining 0.189 or 18.9% is influenced by other factors not included in this study such as job satisfaction, compensation, motivation and others. This research is in line with previous research conducted by Winata, Miyasto, and Sugiarto (2016) which showed that the variables of Change Management and Adaptability have a simultaneous or positive effect on employee performance variables.

# 5. CONCLUSIONS

Change Management and Adaptability simultaneously have a positive effect on the performance of employees of PT. Frisian Flag Indonesia. Because basically changes in management will have a bad impact if the adaptability of employees is not good, but if the adaptability of employees is good and change management is always carried out according to needs it will have a positive impact on employee performance

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