



## Factors Affecting Employee Readiness to Change in Construction State-Owned Enterprises

Tri Panca Titis Arbiansyah<sup>1\*</sup>, Emmanuel Taru Guritna<sup>2</sup>, Ahmad Baihaqi<sup>2</sup>

<sup>1</sup>Borobudur University, Indonesia

<sup>2</sup>Persada Indonesia Y.A.I University, Indonesia

Received : December 15, 2022

Revised : March 15, 2023

Accepted : April 1, 2023

Online : April 18, 2023

### Abstract

In recent years, there have been companies that were initially successful, then lost in competition and even disappeared from the business scene, even though the company was once known to be innovative in new products. The company's defeat was not due to simply failing to compete with competitors from similar industries but by new companies that created new businesses and markets. Organizational change is a continuous and dynamic process. Change cannot be stopped once a change initiative has been implemented. Change always occurs because the environment changes. The biggest actors in organizational transformation are people because an organization's most affected members are employees. Construction company management believes change must be planned, controlled, and directed as part of organizational life. One form of change is now experienced in implementing digital technology, which can be combined with other technologies. This research is used to examine construction companies in Indonesia, with limitations on facilitative leadership and job security towards readiness to change, psychological capital mediators and organizational support moderators. The design is cross-sectional, with primary data collection on construction companies, and the research methodology is a Structural Equation Model (SEM) from Lisrel. Findings based on five indicators, i.e. facilitative leadership, job security, psychology capital, readiness change, organizational support,  $GFI = 0.85 < 0.90$  (marginal),  $CFI = 0.98 > 0.90$  (fit),  $NFI = 0.97 > 0.90$  (fit),  $NNFI = 0.98 > 0.90$  (fit) and  $RMSEA = 0.096 < 0.08$  (marginal). This capability enables construction companies to do business in the digital modular field and simplify the construction process. By mastering various technologies, construction companies can work with many parties in project work and investment offers.

**Keywords** *Facilitative Leadership, Job Security, Psychological Capital, Readiness to Change, Organizational Support*

### INTRODUCTION

In recent years, large companies worldwide that initially succeeded then lost the competition and disappeared from business, even though the company was once known to be innovative in producing new products. According to former Nokia Managing Director Stephen Elops, the company's failure was not only due to competition from similar industries but also from new companies that created new businesses and markets. Despite not making any mistakes, Nokia lost its position, as Elops famously said when releasing the mobile phone division to Microsoft, "We did not do anything wrong, but somehow, we lost." Ziyad's (2019) study on Nokia companies revealed that Nokia's business strategy was not flawed; rather, the world was progressing faster, and Nokia's competitors were becoming stronger. Nokia failed to adapt to the changes, missed a significant opportunity, and eventually lost the competition. Nokia's inability to implement changes led to its failure to survive. This scenario dramatically exemplifies a company's failure to recognize and prepare for disruption, necessitating attention and an appropriate strategy. In an era of disruption, it is necessary to have the ability of organizational management to innovate to replace the entire old system in a new way (Kasali, 2017). Innovation is not just about making updates but doing something different and fundamental.

Furthermore, according to Haryatmoko (2020) and Mangunjaya (2016), the organizational

#### Copyright Holder:

© Tri, Emmanuel, and Ahmad. (2023)

Corresponding author's email: [tri\\_panca@borobudur.ac.id](mailto:tri_panca@borobudur.ac.id)

#### This Article is Licensed Under:



change process constantly evolves. It is infeasible to prevent change from taking place after implementing a change initiative, as it is a consequence of the continually evolving environment. This notion posits that change is an ongoing phenomenon. The biggest factor of organizational transformation is people because the most affected members of an organization are employees. The unpreparedness of the organization to prepare employees results in cynicism, scepticism, and even a negative reaction in the form of rejection, due to a lack of employee commitment to organizational change.

According to Kasali (2017), companies that fail to anticipate customers' future needs will not be prepared for change. Therefore, this study wants to learn about the readiness to change by using the case of PT. Wijaya Karya (WIKA) as one of Indonesia's national companies that is continuously transforming. WIKA management believes that changes should be planned, controlled, and directed as part of the organization's life. One form of change is that WIKA is now experienced in implementing digital technology. This capability makes WIKA able to become a modular digital, which facilitates the construction process. With mastery of technology, WIKA collaborates with many parties in project work and investment offers. WIKA has brought the fragrance of the Indonesian nation. WIKA's Foreign Affairs Division is trusted in various countries, such as Algeria, Niger, Taiwan, China, Malaysia, Lybia, Timor Leste, the Philippines, and other countries. WIKA prepares VISION 2030 to become an Engineering Procurement Construction (EPC) company and a sustainable investment for a better quality of life.

In 2021, Minister Erick Thohir stated that transformation launched the Ministry of State Corporations (commonly called BUMN) towards BUMN companies into accountable, professional, and world-class companies, with a transformation of human capital. Ministry BUMN Built Leadership and Management Institute (BLMI), a centre for research, innovation, collaboration, and management and leadership development in all BUMN clusters. In 2019-2020 there was a virus pandemic coronavirus disease that caused several projects to be postponed, even if they were carried out with conditions that had to be adjusted. This decline affects many things, such as income, work activities, incentives, as well career development opportunities (Chie, 2007).

Some of these situations make employees unsafe jobs to see the future. WIKA management is forced to implement strict efficiency by closing less productive business units and laying off non-organic employees for permanent employees' salary deductions. Incentives and bonuses do not exist. Management makes reductions to reduce company expenses and reduce the effects of layoffs. Several research studies (Holt, 2007; Armenakis & Harris, 2001; Madsen et al., 2005) stated that assessing readiness for change should not be limited to an individual perspective but instead consider a broader range of factors. Readiness to change contributes to an individual's cognitive and emotional acceptance to carry out organizational plans to get expected conditions. Based on the above opinions, the readiness of individuals to change is the primary determinant in the transformation of an organization.

On the other hand, Holt (2007) and Palo (2015) describe how support from management or leadership can enhance readiness for change. They suggest that management involvement in promoting readiness for change can lead to the development of psychological capital. Regarding this condition, Panggabean et al. (2017) also emphasize how leadership styles under a situation in Indonesia are leadership based on local wisdom, able to show superiority in global competition, and this leadership style is facilitative leadership. The facilitative leadership style is rooted in leadership views, where leaders become role models and motivations (Dewantara, 2013). Warsono (2019) states that many leading companies are committed to Western - For the History records, the collapse of multinational companies during the 2008 monetary crisis. On the contrary, many companies in Indonesia, China, and India have survived and continue to grow because adopting leadership values that are seen as local can sustain the resilience of nations and organizations.

Atkinson (2014) and Anderson (2007) state that facilitative leadership focuses on performance improvement. A leader is in charge of aligning various initiatives to change the organization's culture from a state of desire to actual activity in the daily behaviour of an organization; this process is related to efforts to make changes. According to this condition, a Brand (1997) study explained the leader's condition as a father figure. A paternalistic model that emphasizes human appreciation and attention develops tolerance and openness to forgiveness of subordinate mistakes.

Munandar (2001) says that working situations where individuals feel they are not threatened with losing their jobs. Job security will convince employees of their jobs and positions, or in other words, they are still needed organization. Job security encourages the creation of a positive feeling towards work, as well as the company. Probst (2003) states that there are two aspects of security: work sustainability and workload stability. Positive perception of these two things gives employees positive psychological capital towards the sustainability of their careers and placement in current and future organizations.

## **LITERATURE REVIEW**

### **Readiness to change**

Change is inevitable in organizational life anywhere. Change demands the organization's readiness and the individuals in it to change over time. Managing change is a challenge to an organization's ability to adapt demands of change, and it is crucial to the existence of an organization from time to time (Kasali, 2017). The prior study by Gilmore et al. (1997) to the recent one by Belias and Koustelios (2014) consistently stated readiness to change with the cognitive transformation of employees through organizational culture. Organizations need to prepare individuals in certain situations without setup will cause failures to change and difficulty improving expected work performance.

A key aspect of organizational change remains in the individual readiness of members organization to change. For example, the study by Rowdan (2001) and Mangunjaya (2016) states that readiness to change is a process from a cognitive state to a behavioural one, both rejecting and supporting efforts for change. The management of an organization must know the extent of the individual readiness of its members to change and the factors affecting it.

Regarding changing readiness, Myers et al. (2012) are influenced by group and organizational level changes, especially with management and leadership support. Furthermore, Holt (2007) also explained how readiness to change is how much employees cognitively and emotionally display acceptance and effort to carry out plans for changes to current conditions.

Based on Berneth (2004) study, employee readiness is changing beyond understanding. Readiness is the belief in change, consisting of a collection of cognitive thoughts and intentions to make specific change efforts. Holt (2007) emphasizes readiness change as how much employees cognitively and emotionally display acceptance and effort to execute plans in changing organizational conditions. This study also explains some aspects of readiness to change: a) accuracy to make changes, to be willing to change, employees need a logical reason for whether the change positively impacts him or her and has good prospects in the future. b) confidence in the ability to change. An employee is quite confident in performing his tasks in an era of organizational change. c) management support, employees feel that they are still accompanied and supported by management, especially leadership strengthens commitment by directing the implementation of changes. d) benefits for employees. In changes, where the benefits are obtained, an employee must feel a positive profit or benefit if carrying out changes made together with his organization.

H1: Influence facilitative leadership and jobs security with readiness to change with

## psychological capital

### **Determinant psychological capital**

According to Luthan and Morgan (2015), psychological capital is the positive power and potential of human beings, a psychological state closely related to the behaviour displayed in an organization, psychological capital about the potential of individual and social capital, as well as whom behaviour is addressed. The orientation of psychological capital is always directed at improving the performance of an organization. Luthans et al. (2007) state that psychological capital is a positive condition characterized by self-confidence, facing difficult situations and challenging tasks, and giving enough effort to succeed in implementing the task. Nelson et al. (2007) defines psychological capital as a positive state that is opposite to feelings of hopelessness, indifference, inadequacy, and anxiety at work. This positive state impacts how individuals view themselves, their attitude towards teamwork, their outlook on life, and their ethical behavior. Psychological capital aims to enhance an organization's competitiveness.

Larson et al. (2013) psychological capital is one of the best ways to know the similarity of traits between an individual or employee and his leader. Psychological capital can improve understanding and self-adjustment in superior and subordinate relationships. On the other hand, psychological capital includes self-efficacy and self-confidence, affecting how individuals perceive and interpret events. Employees have self-efficacy that efforts to overcome difficult challenges are futile to experience symptoms of stress or negative feelings. Low self-efficacy is described as indecisive, difficult to accept input, and tending to blame others for failures they have experienced. Employees have a high level of self-efficacy, seeing challenges as something that can be overcome. High self-efficacy leads to making high targets and daring to work on difficult tasks.

Second is employees' optimism ability to make positive attributions and convince themselves of expectations about their present and future success. Optimism has to do with id, power, and internal control. Optimism drives the belief that what happens is temporary and lasts only in special situations. Third, hope is a positive state based on the belief that various energy forces will help to persevere in achieving goals. Having hope means not giving up easily. The definition of hope involves finding alternate ways to concentrate on reaching objectives in order to attain success. By instilling hope, employees are confident that change can bring about success. When individuals possess high levels of hope, they tend to establish more effective, quantifiable, and achievable life objectives. Fourth, resilience is an individual's resilience and ability to adjust and bounce back after dealing with unpleasant or severe stress (Luthans et al., 2007).

As in conditions of natural disasters, divorce of parents, trauma, and loss of loved ones. Employees who can be resilient are allowed to encounter, prevent, minimize and eliminate the adverse impact of unpleasant conditions. Employees who have resilience will be stronger.

H2: Influence psychological capital with readiness to change

### **Determinant facilitative leadership**

Haryatmoko (2020) describes effective leadership as the ability to inspire subordinates to work towards achieving goals with enthusiasm and willingness to adapt to changes. On the other hand, according to Panggabean et al. (2014), facilitative leadership is characterized by being a role model, respected, and supportive leader who is considered as a father figure by employees due to the patrilineal relationship pattern common in many ethnic groups in Indonesia. The culture and leadership style are interrelated and can affect trust and mutual understanding between leaders and employees.

Research by Triratnamurti (2008) found that facilitative leadership is a leader with a character capable of building strong emotional bonds and a kind of harmonious family situation. Work situations are facilitated by leaders so that employees can share ideas, share inspiration; communication is developed in various ways, oral and written, and requires an ability to capture implied meaning. Leaders are expected to be able to create a feeling of belonging to an organization, like part of family life.

Additionally, Panggabean et al. (2014) describe facilitative leadership as a leader who is knowledgeable in assessing situations, adept at assigning authority and roles, serving as a model for others, motivating, preserving dignity, and inspiring. Warsono (2020) defines facilitative leadership as a skill that aids individuals and groups in being more productive within an organization. Facilitative abilities are closely linked to observing, assessing, and enhancing team processes. The goal is for the group to feel comfortable being open and positive about challenges after a certain period.

Regarding this issue, Kaimal (1997) mentions that facilitative leadership is creative art therapy; being a facilitator presents a wide variety of art forms, including self-development, creativity, and fairness. Atkinson (2014) states leaders who can translate company values into groups, as a guide in work, based on facilitative skills together with groups.

Sudarwan (2003) states that facilitative leadership coordinates and directs individuals or groups incorporated in a certain container to achieve predetermined goals. Aligned with that, Nummi (2018) also explain that facilitative leadership's the ability to align individuals in organizations in the same direction, achieving common goals.

Yukl (2007) states that facilitative leadership is the ability to change employees' values to support the organization's vision and goals by emphasizing sincere cooperation, and a trusting work climate so that all dreams are the same (Murniati et al., 2017). Facilitative leadership is leadership based on elements of local wisdom of Indonesian; therefore, some aspects of facilitative leadership contain the leadership that can move its subordinates to work wholeheartedly, ready to make changes in achieving these goals.

Panggabean et al. (2014) also stated that facilitative leadership is a role model leader, a respected leader, and a leader who is considered to be on the side of employees and nurturing. The relationship between culture and leadership impacts the emergence of mutual trust of leaders with employees, especially since most ethnic groups in Indonesia have a patrilineal relationship pattern, where the leader becomes a father figure for the group.

H3: Influence facilitative leadership on readiness to change

H4: Influence facilitative leadership on readiness to change with mediator psychological capital

### **Determinant job security**

The year 2020 brought about great uncertainty in the business world, affecting various organizations globally, including those in Indonesia. The pandemic created a crisis by limiting human mobility and slowing down the economy, reducing sales for many companies due to decreased demand. This situation has made job security a top priority for employees. Therefore, it is the responsibility of organizational management to assure employees of their job security (Maryatmi, 2014). Job security at work has a strong influence on affective commitment. Schumacher et al. (2015) study explains employees feel insecure when an organization undergoes a change process due to feeling unfairly treated and emotionally exhausted. Insecurity gives rise to psychosomatic complaints that lead to decreased performance.

Additionally, Probst (2003) stated that Job Security Index (JSI) measures the level of

assurance an employee has for the continuation of their work in the future. Both job security and insecurity refer to the existence and continuity of an employee's work in the future. Anoraga (2005) defines job security as a feeling of not having any worries about work, which can lead to a better quality of work life and increased employee commitment. On the other hand, if employees feel insecure, it may lead to psychiatric reactions such as anxiety, which stems from the fear of losing their job. Triratnamurti (2008) explains that after physiological needs are satisfied, new needs will arise that fall under the category of job security needs. These needs include the assurance of job continuity, achieving accomplishments, fair compensation, promotions, and employee welfare. According to Kroemer and Grandjean (2003), job security relates to the intensity of work and its continuity. Jandaghi et al. (2011) also suggest that job security is achieved when employees have a decent job with guaranteed continuity in the future, without any threatening factors.

Job security is a perception of stability and sustainability of individuals' work. The statement describes the perception of job security at work influenced by sustainability or continuity of work and stability of content, work will be considered safe, and the scope of work is also stable. Regarding Job Security, JSI aspects are also divided into two aspects: Firstly, job sustainability is the security of the existence and continuity of work in the present and future. Second, stability of content work is a perception of guaranteed job content in future compared to the current situation (Probst, 2003).

H5: Influence job security with readiness to change

H6: Influence job security on readiness to change with mediator psychological capital

### **Determinant organizational support**

Organizational support provides company benefits through affective organizational commitment, good work performance, and reduced resignations. Mangundjaya (2016) defines organizational support as the employees' perception of the management of the organization they work for, wherein the organization provides rewards and income based on the targets achieved by the employees. Rhodes and Eisenberger (2008) also explain organizational support as an employee's belief in the extent to which a company values contributions and cares about well-being. Whereas Panuju and Mangunjaya (2018) stated, organizational support is formed by providing respect, compensation, promotion, information, workplace comfort, performance recognition, and other forms of support that can make employees.

The aspect of organizational support first, reward and provision of working conditions are feeling of getting fair, balanced treatment regarding the decision of human placement resources in an organization—awards in the form of empowerment programs, promotion of higher positions, and wage increases (Rhodes & Eisenberger, 2008). An organization must provide a comfortable and conducive working environment. Second, the support of superiors and organizations is a manifestation of organizational support that is manifested in attention and involvement, as well as the facilitation of policies, regulations, and decisions related to improving the perceived welfare of employees.

H7: Organizational support moderator psychological capital with readiness to change

### **RESEARCH METHOD**

The primary data for this study was gathered from 233 participants who held job titles above the staff level and were classified as permanent employees. The selection of respondents is to explore phenomena and measure factors that affect readiness to change WIKA employees and the business transformation process amid various situations. Questionnaires did procedure data retrieval to respondents; then, data were processed and analyzed using SEM Lisrel analysis.

Technic analysis data analysis technique is structural equation modelling (SEM). SEM projection suitability of research model with actual condition in PT. WIKA, evidenced by the standard value Goodness of Fit index (GFI), results from facilitative leadership, job security, psychology capital, readiness to change, and organizational support.

## FINDINGS AND DISCUSSION

### Findings

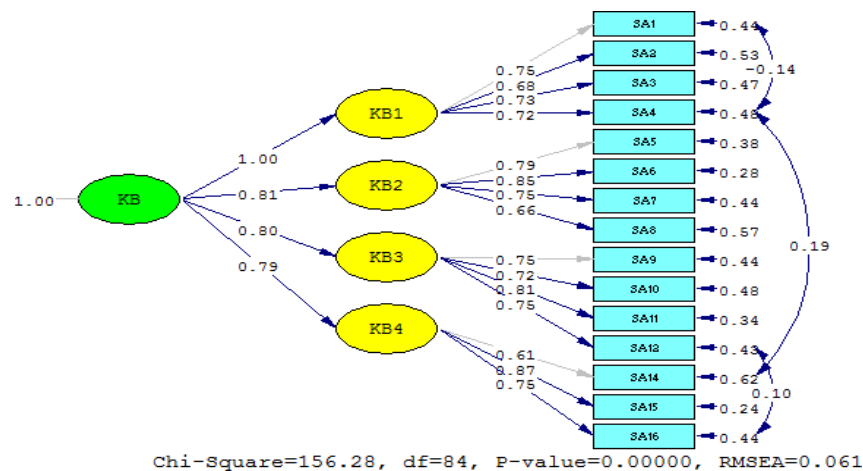
The study utilized a set of 55 items as research instruments. The reliability analysis revealed that all instruments used in the study were reliable, with a significant Cronbach's alpha value above 0.7. The study aimed to determine how indicators could be used to measure latent variables. Data processing was conducted using the LISREL program, and the confirmatory factor analysis (CFA) results indicated that the model needed modification to obtain the most suitable results with empirical data.

Based on Jöreskog and Sörbom (1996) study, if the initial model does not match empirical data, then the model is modified and tested again with the same data. Respecification of a model can be done based on a one-step or two-step approach; in some cases, it can also be a trimming model (Hair et al., 1998). To obtain an acceptable CFA model, the first thing done with the trimming model is a model used to improve a path analysis structure model by removing exogenous variables or factors whose path coefficients are not significant (Ridwan & Kuncoro, 2008). Where observed variables or indicators that have a standardized loading factor are not significant ( $t$ -value  $< 1.96$ ) and which are significant, but standardized loading factor value  $< 0.70$  or  $< 0.50$  is omitted from a model (Wijanto, 2008).

### Data analysis

#### CFA Readiness to Change (KB)

After analyzing the model, the results of the confirmatory analysis test are obtained, as shown in the figure below.



**Figure 1.** CFA Readiness to Change

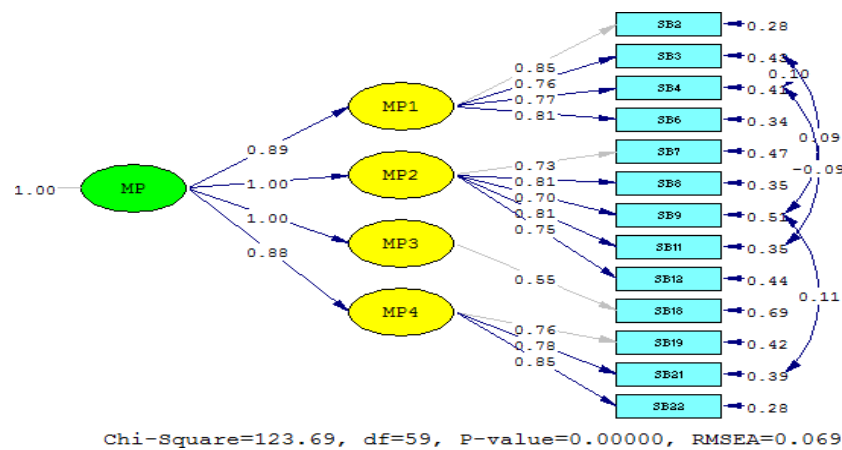
The loading factor of Figure 1 readiness to change is above 0.7, indicating all measuring instruments good loading factor. While construct reliability (CR) = 0.93 and variance extracted (VE) 0.56. Hair et al. (2006) obtained is relatively high above 0.7. VE is obtained well because it is above 0.5. Based on Table 1 index readiness to change, GFI=0.92 (fit), CFI=0.99 (fit), NFI=0.97 (fit), NNFI/TLI=0.98 (fit), and RMSEA=0.061 (fit).

**Table 1.** Index Readiness to Change

Index Fit	Cut of Value	Result	Conclusion
GFI	$\geq 0.90$	0.92	Fit
CFI	$\geq 0.90$	0.99	Fit
TLI/NNFI	$\geq 0.90$	0.98	Fit
NFI	$\geq 0.90$	0.97	Fit
RMSEA	$\leq 0.08$	0.061	Fit

*CFA Psychology capital (MP)*

The loading factor of Figure 2 psychology capital is above 0.7, indicating all measuring instruments good loading factor. While construct reliability (CR) = 0.92 and variance extracted (VE) 0.58. Hair et.al (2006) obtained is relatively high above 0.7. VE is obtained well because it is above 0.5. Based on Table 2 index psychology capital, GFI=0.92 (fit), CFI=0.99 (fit), NFI=0.98 (fit), NNFI/TLI=0.98 (fit), and RMSEA=0.069 (fit).

**Figure 2.** CFA Psychology capital**Table 2.** Index Psychology capital

Index Fit	Cut of Value	Result	Conclusion
GFI	$\geq 0.90$	0.92	Fit
CFI	$\geq 0.90$	0.99	Fit
TLI/NNFI	$\geq 0.90$	0.98	Fit
NFI	$\geq 0.90$	0.98	Fit
RMSEA	$\leq 0.08$	0.069	Fit

*CFA Facilitative Leadership (KF)*

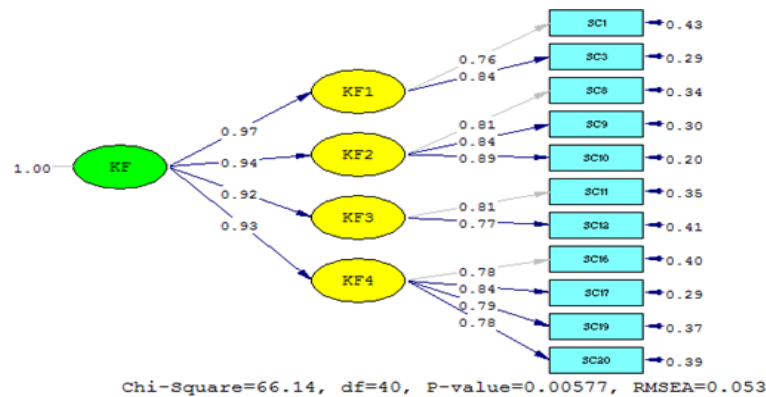
The loading factor of Figure 3 facilitative leadership is above 0.7, indicating all measuring instruments good loading factor. While construct reliability (CR) = 0.91 and variance extracted (VE) 0.65. Hair et al. (2006) obtained is relatively high above 0.7. VE is obtained well because it is above 0.5. Based on Table 3 index facilitative leadership, GFI=0.95 (fit), CFI=0.99 (fit), NFI=0.99 (fit), NNFI/TLI=0.99 (fit), and RMSEA=0.053 (fit).

**Table 3.** Index Facilitative Leadership

Index Fit	Cut of Value	Result	Conclusion
GFI	$\geq 0.90$	0.95	Fit
CFI	$\geq 0.90$	0.99	Fit



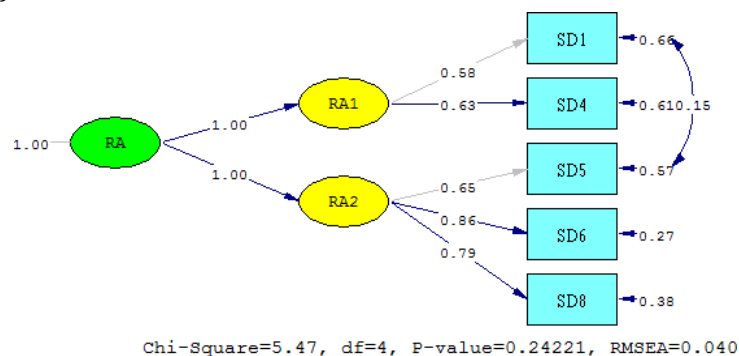
TLI/NNFI	$\geq 0.90$	0.99	Fit
NFI	$\geq 0.90$	0.99	Fit
RMSEA	$\leq 0.08$	0.053	Fit



**Figure 3.** CFA Facilitative Leadership

#### *CFA Jobs security (RA)*

The loading factor of Figure 4 job security is above 0.5, indicating all measuring instruments good loading factor. While construct reliability (CR) = 0.83 and variance extracted (VE) 0.50. Hair et al (2006) obtained is relatively high above 0.7. VE is obtained well because it is above 0.5. Based on Table 4 index job security, GFI=0.95 (fit), CFI=1.00 (fit), NFI=0.99 (fit), NNFI/TLI=0.99 (fit), and RMSEA=0.040 (fit).



**Figure 4.** CFA Job security

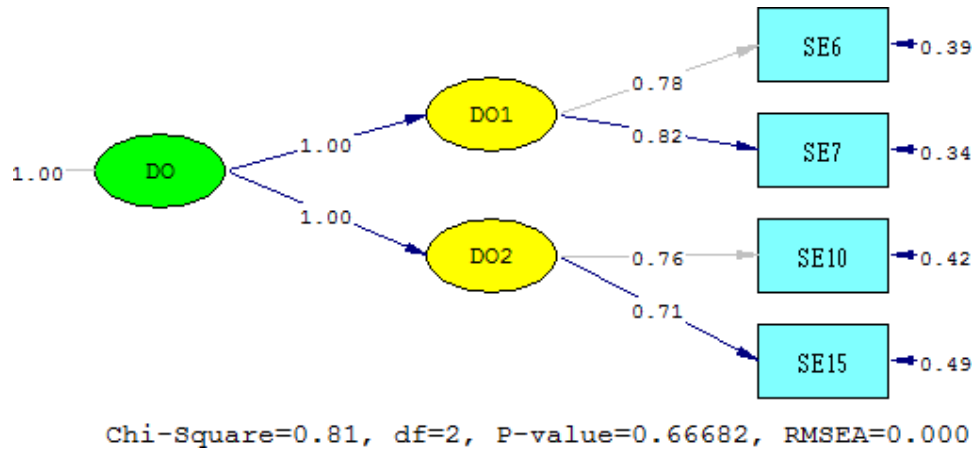
**Table 4.** Index Job security

Index Fit	Cut of Value	Result	Conclusion
GFI	$\geq 0.90$	0.99	Fit
CFI	$\geq 0.90$	1.00	Fit
TLI/NNFI	$\geq 0.90$	0.99	Fit
NFI	$\geq 0.90$	0.99	Fit
RMSEA	$\leq 0.08$	0.040	Fit

#### *CFA Organizational support (DO)*

The loading factor of Figure 5 organizational support is above 0.7, indicating all measuring instruments good loading factor. While construct reliability (CR) = 0.79 and variance extracted (VE)

0.59. Hair et al. (2006) obtained is relatively high above 0.7. VE is obtained well because it is above 0.5. Based on table 5 index organizational support, GFI=1.00 (fit), CFI=1.00 (fit), NFI=1.00 (fit), NNFI/TLI=1.00 (fit), and RMSEA=0.000 (fit).

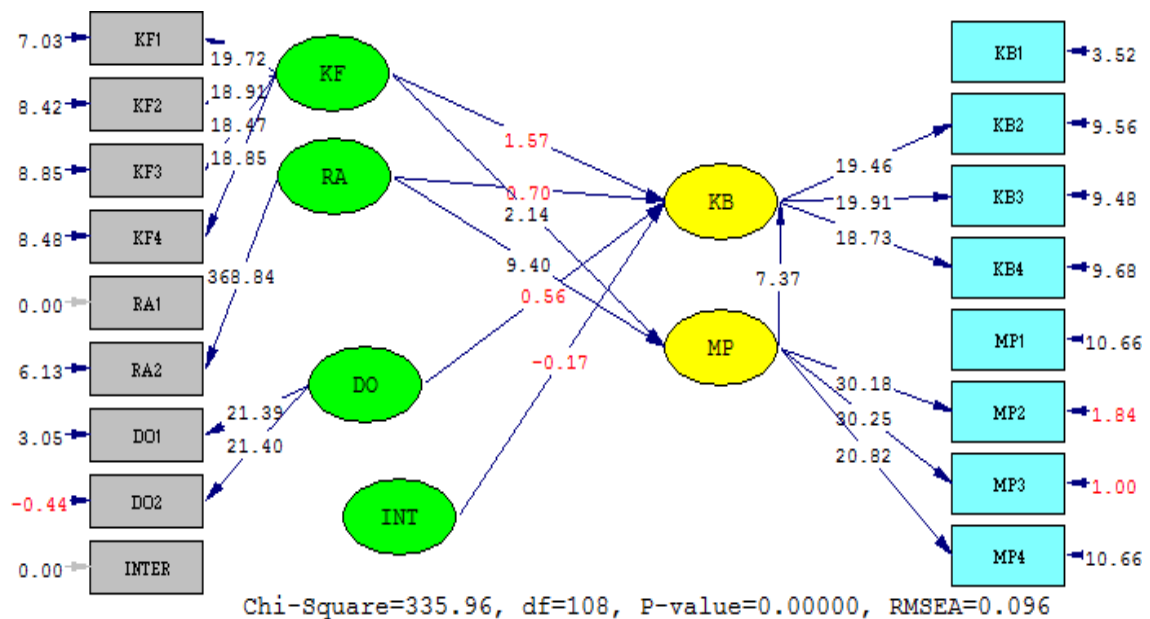


**Figure 5.** CFA Organizational support

**Table 5.** Index Organizational support

Index Fit	Cut of Value	Result	Conclusion
GFI	$\geq 0.90$	1.00	Fit
CFI	$\geq 0.90$	1.00	Fit
TLI/NNFI	$\geq 0.90$	1.00	Fit
NFI	$\geq 0.90$	1.00	Fit
RMSEA	$\leq 0.08$	0.000	Fit

#### Hybrid Mediator and Moderator



**Figure 6.** Mediator and Moderator

**Table 6.** Index mediator and moderator

Var. Exogen	Var. Endogen/ Mediator/Moderator	Var. Endogen	Gamma/ Beta	T-Value	Explanation
KF	MP		0.13	2.14	sig.
KF	KB		0.15	1.57	--
RA(JB)	MP		0.57	9.40	sig.
RA(JB)	KB		0.70	0.37	--
MP	KB		0.42	7.37	sig.
Indirect effect					
KF	MP	KB	0.03	2.07	sig.
RA	MP	KB	0.00	6.01	sig.
Moderator					
DO	MP	KB	0.13	0.17	--

- H1:** Facilitative leadership and job security with readiness to change with the psychological capital mediator and organizational support moderator fit empirical data. The five indices show RMSEA=0.096 GFI=0.90, CFI=0.98, NFI=0.97, and NNFI=0.98.
- H2:** Psychological capital with readiness to change was significant. From the results of the data analysis obtained results ( $Y = 7.37 > 1.96$ ).
- H3:** Facilitative leadership on readiness to change was no significant. From the results of the data analysis obtained results ( $Y = 1.57 < 1.96$ ).
- H4:** Facilitative leadership on readiness to change with mediator psychological capital was significant. From results of data analysis obtained results ( $Y = 2.07 > 1.96$ ).
- H5:** Job security with readiness to change was no significant. Data analysis results were obtained ( $Y = 0.37 < 1.96$ ).
- H6:** Job security on readiness to change with mediator psychological capital was significant. From results of data analysis obtained results ( $Y = 6.07 > 1.96$ ).
- H7:** Organizational support moderator psychological capital with readiness to change was insignificant. Data analysis results were obtained ( $Y = 0.17 < 1.96$ ).

## Discussion

Holt et al. (2007) found that management support and the perception of self-confidence influence organizational readiness for change. Research has shown that leadership, job security, and psychological capital are critical variables. Psychological capital can either strengthen or weaken an individual's decision to accept or reject the change (Hanpachern, 2003). Additionally, self-efficacy is an essential component of readiness for change and is positively correlated with psychological capital.

Management support is evidenced by the presence of leaders who can facilitate change so that changes are under expectations and perceived benefits by all involved. A leader is part of management, and the leader's participation has an impact on supporting commitment to change. Lucia (2017) suggests that psychological capital affects attachment and job satisfaction. Psychological capital is significantly influenced by facilitative leadership's job security (Olanian, 2016; Chen, 2019; Probst, 2001). Furthermore, Tjung (2013) states employee conditions are formed from the support of leaders, and comfort conditions work affects psychological capital. The situation arises because of leadership and job security.

On the other hand, studies by Mc Bain (2007), Colquit et al. (2001), and Saks (2006) found how psychological capital is created from a safe, equitable work environment and leaders who can build psychological and emotional bonds between employees and the organization. Foundation builds the employees' behaviour and supports every organization's decision, always adapting to its business life. Organizations can adequately provide for employee needs, as well as contributions such as self-efficacy, hope, resilience, and optimism (Wayne et al., 1997).

According to Parahyanti (2011), a dignified leader provides their team members with opportunities for learning and growth, respects their autonomy, appreciates their cultural and spiritual backgrounds, treats them as equals and facilitates their ability to work effectively, especially subordinates. In the context of organizations, the diversity of employees' cultural backgrounds is something that leaders must understand. In Indonesian society, the facilitative leadership style corresponds to the paternalistic culture which is most of the cultural pattern. The presence of charisma, closeness, and closeness in its approach will positively influence its members (Selvarajah & Meyer, 2017).

Facilitative leadership is characterized by involving employees in decision-making processes proportionately. A facilitative leader can nurture and guide their employees, similar to how a father figure can influence change. Research conducted by Töremen (2004) and Holt et al. (2007) shows that facilitative leadership aims to achieve set targets effectively, while Mangunjaya (2013) emphasizes the importance of leaders in preparing both the organization and employees for continuous transformation. By building positive awareness around change, leaders can develop employees' psychological capital and facilitate their acceptance of any changes.

Pugar and Parahyanti (2017) found that employees interpret organizational events based on their experiences. A suitable leadership style can encourage the development of psychological capital, which strengthens an individual's attachment to the organization. High self-efficacy enables individuals to handle work-related pressures and stressful situations without being easily provoked. Additionally, optimism plays a significant role in developing resilience, providing employees with positive attributions and hope for future success.

Therefore, based on the already done research, this study found how Job security through a psychological capital mediator will help employees be ready to face changes in PT. WIKA, in line with the study by Yusuf and Olusola (2015), found job security at work is related to a commitment to change. The role of employees' job security towards work contributes to the commitment to change. According to Holt et al. (2007), employees are more likely to embrace change if they can see the positive outcomes that change can bring. Conversely, employees who feel insecure in their jobs may hesitate to provide ideas, especially if they fear their position or work may be negatively affected. Providing job security can encourage employees to take risks and contribute their ideas, inspiring them to become a driving force within the organization.

The management more vigilantly monitors job security (Probst & Brubaker, 2001). The appearance of insecure situations can affect motivation and lack of safety focus, and compliance with safety regulations, potentially leading to higher work injuries and accidents. Support organization is not significant as a moderator of psychological capital to readiness to change. It is known that leaders in higher positions have characteristics of challenges to be solved. The need for control is closely related to independence, the need for authority, and the self-identification of office. Sons et al. (2011) also found that the higher leader in Javanese and Chinese ethnic communities in Indonesia, the more they have great, wise, independent people and become role models. Research with different age categories shows data on the character of leaders whose dignity and value differences become an expected identity.

Meyanto and Munawaroh (2017), high or low-level organizational support does not influence psychological capital with readiness to change. Research resilience is an indication that

makes employees less dependent on organizational support. Perception of organizational support lowers the influence of psychological capital on readiness to change. Kirrane et al. (2016) superior support and job security have strengths because organizations have good psychological capital. Concern for personal values, an interesting working atmosphere, and organization presence in various difficult situations can be accommodated with facilitative leadership and job security.

## CONCLUSIONS

Facilitative leadership is critical in developing employees' psychological capital, increasing their readiness to adapt to change. Future research should focus on identifying predictors of self-efficacy and resilience as mediators between facilitative leadership and readiness for change. An individual's ability to bounce back from stressful situations and adapt to changing circumstances is essential for survival and success.

Job security plays a vital role in employee well-being when coupled with a readiness to change. To gain a better understanding of the relationship between the two, it is recommended to examine how employees perceive work continuity and job stability as mediators of readiness to change. As employees value long-term job stability, it can positively impact their readiness to adapt to organizational changes. Moreover, for those nearing retirement, preparing themselves for a stable work life is crucial to ensure that job security is maintained.

## LIMITATION & FURTHER RESEARCH

### Limitation

This research is used to examine construction companies in Indonesia, with limitations on facilitative leadership and job security towards readiness to change, psychological capital mediators and organizational support moderators.

### Further Research

Organizational management should aim to cultivate a supportive work environment that encourages employee creativity and the development of new ideas. This is especially important because employees with strong psychological capital can positively influence their peers' readiness to adapt to organizational changes. Therefore, developing employees' psychological capital can improve organizational readiness for change. The main role of organizational management is to sustain the company's business by prioritizing employee welfare and safety, which in turn promotes the development of psychological capital among employees. This helps maintain their productivity and willingness to work under any circumstances. The company provides basic leadership training incorporating facilitative leadership principles to achieve this. The aim is to raise awareness among employees about the organization's efforts to enhance their readiness for change through facilitative leadership development at PT. WIKI.

## REFERENCES

- Anoraga, P. (2005). *Psychology of work*. Jakarta: Rineka Cipta.
- Armenakis, A. A. & Harris, S. G. (2009). Reflections: Our journey in organizational change research and practice. *Journal of Change Management*, 9(2), 127-142. <https://doi.org/10.1080/14697010902879079>
- Atkinson, P. (2014). Culture change through facilitative leadership. *Management services*, 58(2), 42-47. <https://doi.org/10.1108/IJIS-08-2019-0079>
- Anderson, B. (2007). The Idea of Power in Javanese Culture. In *Culture and Politics in Indonesia* (ed) Claire Holt. Jakarta: Equinox Publishing.
- Brandt, T. (1997). *Kunci budaya business in Indonesia: The cultural key to success*. Bad Oldesloe:

- Goasia Verlag.
- Gilmore, T. N., Shea, G. P., & Useem, M. (1997). Side effects of corporate cultural transformations. *The Journal of Applied Behavioral Science*, 33(2), 174-189. <https://doi.org/10.1177/0021886397332007>
- Gkolia, A., Belias, D., & Koustelios, A. (2014). The impact of principals' transformational leadership on teachers' satisfaction: Evidence from Greece. *European Journal of Business and Social Sciences*, 3(6), 69-80.
- Haryatmoko. (2020). *A new path of leadership & education*. Jakarta: Gramedia Pustaka Utama.
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. *Journal of Marketing Theory and Practice*, 19(2), 139-152. <https://doi.org/10.2753/MTP1069-6679190202>
- Holt, D. T., Armenakis, A. A., Harris, S. G., & Feild, H. S. (2007). Toward a comprehensive definition of readiness for change: A review of research and instrumentation. *Research in organizational change and development*, 16, 289-336. [https://doi.org/10.1016/S0897-3016\(06\)16009-7](https://doi.org/10.1016/S0897-3016(06)16009-7)
- Holt, D. T., Armenakis, A. A., Feild, H. S., & Harris, S. G. (2007). Readiness for organizational change: The systematic development of a scale. *The Journal of applied behavioral science*, 43(2), 232-255. <https://doi.org/10.1177/0021886306295295>
- Jandaghi, G., Mokhles, A., & Bahrami, H. (2011). The impact of job security on employees' commitment and job satisfaction in Qom municipalities. *African journal of business management*, 5(16), 6853. <https://doi.org/10.5897/AJBM10.1662>
- Ferina, N., Sri, G., & Putu, L. (2021). Does Influencer Marketing Really Improve Sustainable Brand Awareness and Sales? *Inovbiz: Jurnal Inovasi Bisnis*, 9(1), 167-174. <https://doi.org/10.35314/inovbiz.v9i1.1889>
- Jöreskog, K. G., & Sörbom, D. (1982). Recent developments in structural equation modeling. *Journal of marketing research*, 19(4), 404-416. <https://doi.org/10.5897/AJBM10.1662>
- Kaimal, G., Metzl, E., & Millrod, E. (2017). Facilitative leadership: a framework for the creative arts therapies. *Art Therapy*, 34(3), 146-151. <https://doi.org/10.1080/07421656.2017.1343072>
- Kroemer, K. H. (1997). *Fitting the Task to the Human*. A textbook of occupational ergonomics, 56-57.
- Luthans, F., Youssef, C. M., & Avolio, B. J. (2015). *Psychological capital and beyond*. Oxford University Press, USA.
- Lucia, D. D. (2017). *Factors that affect employee engagement with psychological capital as mediator and management leadership as moderator*. disertasi. Jakarta: Universitas Persada Indonesia YAI.
- Madsen, S. R., Miller, D., & John, C. R. (2005). Readiness for organizational change: do organizational commitment and social relationships in the workplace make a difference? *Human resource development quarterly*, 16(2), 213-234. <https://doi.org/10.1002/hrdq.1134>
- Mangunjaya, W. L. H. (2016). *Psychology in organizational change*. Jakarta: Swasti Adi Cita.
- Maryatmi, A. S. (2014). *Job satisfaction as a mediator of influence of career development and job security on well-being*. Disertasi. Jakarta: Universitas Persada Indonesia YAI.
- Munandar, A. S. (2001). *Industrial and organizational psychology*. Jakarta: Universitas Indonesia Press.
- Myers, P., Hulks, S., & Wiggins, L. (2012). *Organizational change: Perspectives on theory and practice*. Oxford University Press.
- Saraste, E. F. (2020). *Group Decision-Making in Facilitated Temporary Groups*.
- Panggabean, H. R. G., Murniati, J., Adisesha, M. S., Rocky, & Sutamto, E. (2019). *Research report: Study of leadership competencies of nusantara BUMN*. Jakarta: PT Wijaya Karya TBK & Fakultas Psikologi Unika Atma Jaya.
- Panuju, N. F., & Mangunjaya, W. L. H. (2018). Perceptions of organizational support and

- organizational affective commitment: The mediating role of employee attachment to television employees. *Jurnal Penelitian Psikologi*, 3(2), 223–238.
- Putra, I. E., Wardhani, C., & Muwardani, R. (2009). Social representation of leaders between two different age groups and social situations in Jakarta and Palembang, Indonesia. *Journal Psikologi Undip*, 5(2). <https://doi.org/10.14710/jp.5.2.134-147>
- Probst, T. M. (2003). Development and validation of the Job Security Index and the Job Security Satisfaction scale: A classical test theory and IRT approach. *Journal of occupational and organizational psychology*, 76(4), 451–467. <https://doi.org/10.1348/096317903322591587>
- Rhoades, L., & Eisenberger, R. (2002). Perceived organizational support: a review of the literature. *Journal of applied psychology*, 87(4), 698. <https://doi.org/10.1037//0021-9010.87.4.698>
- Schumacher, D., Schreurs, B., Van Emmerik, H., & De Witte, H. (2016). Explaining the relation between job insecurity and employee outcomes during organizational change: A multiple group comparison. *Human Resource Management*, 55(5), 809–827. <https://doi.org/10.1002/hrm.21687>
- Sudarwan, D. (2003). *Become a community of learners: Transformational leadership of learning organization community*. Jakarta: Bakti Aksara.
- Triratnamurti. (2008). *Industrial and organizational psychology*. Yogyakarta: Penerbit Santusa.
- Töremen, F. (2004). A Study of Facilitative Leadership Behavior and Its Role in the Success of Schools. *International Journal of Educational Reform*, 13(3), 295–306. <https://doi.org/10.1177/105678790401300308>
- Warsono, T. & Sugiyanti, S. (2020). *Phalaepnosis Nusantara, from Sabang to Merauke*. Jakarta: Wikasatrian-Wijaya Karya.
- Yukl, G. (2012). *Leadership: What is it. Cases in Leadership* (3rd. ed. pp. 1–42). Thousand Oaks, CA: Sage.