The Influence of Organizational Change Capability on The Performance of PT. Permodalan Ekonomi Rakyat Riau Province

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ABSTRACT

This study aims to determine the effect of the Organizational Change Capability dimension which has Learning Capability, Process Capability and Context Capability variables on performance at PT Permodalan Ekonomi Rakyat Riau Province in Pekanbaru city. This type of research is quantitative descriptive research with a sample size of 87 respondents who are all employees of PT Permodalan Ekonomi Rakyat Riau Province in Pekanbaru city who have met the sample criteria. The results of this study indicate that partially Learning Capability, Process Capability, and Context Capability have a positive and significant effect on the performance of PT. Permodalan Ekonomi Rakyat Riau Province in Pekanbaru city. The Coefficient of Determination (R^2) with an adjusted R square value of 0.565 or 56.5% which indicates that learning capability, process capability, and context capability have an effect of 56.5% on employee performance, while the remaining 43.5% is influenced by other variables not used in this study.

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INTRODUCTION

Human resources (HR) are the main driving force for every company in carrying out activities and work processes within the company. HR is a driving force in determining plans, systems, processes, and goals to be achieved. If there is no HR, then organizational activities cannot run well. The important role of HR in achieving company goals indicates that sustainable human resource management is needed in order to obtain quality HR, so that in carrying out organizational activities it can provide optimal performance (Purwandari, 2022).

PT Permodalan Ekonomi Rakyat (PER) Riau Province is a non-bank financial institution or regionally owned venture capital (BUMD) in the form of a limited liability company (PT) that distributes small business loans (KUK) which aims to assist them in overcoming problems regarding business capital. Employees must be able to use their performance capabilities at work in order to improve good performance results, because to get the desired performance results requires any changes made by the company in order to make the company even better.

One of the factors that influence an industry to be able to innovate is by doing Learning Capability. Learning capability can be defined as the organization's ability to implement appropriate management practices, structures, systems and procedures to facilitate and trigger learning in the organization Gohdan Richard, 1997 in (Musa, 2019). Conducting appropriate learning in a change greatly affects the workforce in carrying out their duties. By understanding and developing the ability to adapt to the change process quickly, it will produce something good as expected.

A change in an organization involves process capability which requires a complex understanding process that may not be easily understood because it is difficult to digest. This is assessed in the form of abilities, skills, and ideas that individuals have mentally. Coulson, 2004 in (Hanif Mauludin, 2018) states that this type of knowledge can only be transferred through interactions with others in the organization through experiences, practices, feelings, and attitudes. In a competitive business environment, understanding and optimizing process capabilities is crucial to maintaining a competitive advantage. With the changes that occur continuously if employees do not have the ability to do so, it will affect employee performance.

In relation to the context dimension of change, Klarner et al. 2007 in (Sukoco, 2022) have shown the importance of the perceived value of change, namely employees' shared beliefs about the importance of change that govern their support, as well as their behavior towards the decision to initiate and implement change. The context function can be core if the company focuses on that ability to differentiate itself from other companies. If in an organization there is no support for a change made, the company will not get the desired results.

From the phenomenon that occurs at PT Permodalan Ekonomi Rakyat Riau Province, there are changes that occur in an organization, there is a change from a

conventional system to a sharia system where employees still have difficulty in carrying out their duties due to changes in their duties. With continuous changes, the resulting performance is not always as planned and even fluctuates. With the support of the company to support that a change can be done optimally, but not all employees can catch quickly to adapt to a process that is carried out.

LITERATURE REVIEW

1.   Definition of Performance

Melnulrult Hasibulan in (Rachmadani, 2018) states that in a simple way kinelrja is what is done or not done by employees. Kinelrja is a formula for the results of work achieved by a person in carrying out the tasks assigned to him based on skills, experience, and time. According to Gibson, 2011: 104 in (Purwandari, 2022) lists four indicators that can be used to measure performance, namely: (1) Quality, (2) Quantity, (3) Timeliness, (4) Cost Effectiveness.

2.   Organizational Change Capability

Organizational change capability (OCC) as an organizational ability that is slow, patterned and continuous, which consists of learning ability, prosels pelrulbahan ability, and the ability to change contexts by deliberately moving from the current state to the desired future state (renewal) in the face of pending environmental changes (Morgan, 2005).

3.   Learning Capability

As an organizational capability to perform learning processes, i.e., the ability to learn, learn, transfer and integrate learning and also to modify learning processes to reflect new cognitive situations, with the aim of improving organizational performance Jelrelz-Gómelz elt, al. 2005 in (Gomes & Wojahn, 2017).

According to (Soparnot, 2011), there are four indicators of learning capability, namely: (1) Improvement through experience, (2) Improvement through training, (3) Sharing of training between partners.

4.   Process Capability

Process capability refers to the "organizational capability to implement seamlessly-melelodramatic software" and "organizational capability to lead and manage a series of interrelated software initiatives that are consistent with the type of strategic dynamics intended. Sulatul organizational capabilities which sellalul mellelkat delngan sulmbelr power or other capabilities that involve prosels and belrgantulng on jalulr komplelks, ulntulk melnelgah pelnirulan olelsa competitor Bi elt al., 2019 in (sukoco, 2020).

According to (Soparnot, 2011), there are five indicators of process capability, namely: (1) Transformational leadership, (2) Legitimization of perceived solutions, (3) Joint construction of solutions, (4) Additional solutions, (5) Creation of visibility.

5.   Context Capability

The context capability of a module is defined as the climate that surrounds the module. Referring to Van delr Velgt et al., 2005 in (Sukoco, 2020), the training climate can be defined as a shared perception among organizational members regarding practices, procedures, and practices that promote the creation, development, and realization of new ideals that are involved in training.

According to (Soparnot, 2011). suggested six indicators of context capability, namely: (1) The value of training, (2) Structural flexibility, (3) Resource convelrgelnsi, (4) The trust

between trainees who are training and trainees who are training, (5) Practices based on counseling, (6) Individual learning capacity.

Learning Capability On Performance

By focusing on developing learning capability, organizations can increase competitiveness and long-term success. This is because the company's awareness to increase employee learning capacity such as superiors who are directly involved in team discussions, take responsibility, facilitate help for the team and try to be fair well will increase the potential for employee performance.

Based on research conducted by Reza Malonda Siregar (2019) the results show that organizational learning capabilities have a positive effect on performance. In this situation, the better the organization's ability to learn and adapt, the higher the performance produced by the organization.

H1 : It is suspected that Learning Capability affects the performance of PT. Permodalan Ekonomi Rakyat Riau Province

Process Capability On Performance

The relationship between process capability and performance serves to improve process capability can lead to high-quality products, better operational efficiency, and ultimately better organizational performance. By focusing on developing and improving process capabilities, organizations can achieve long-term success and increase their competitiveness in the market.

Based on research conducted by Elriana Afnan (2019) the results showed that process capability affects employee performance. This means that the better the process capability of an organization or company, the higher the employee performance that can be achieved. Process capability includes the organization's ability to manage and run processes effectively and efficiently, which in turn will have a positive impact on employee productivity and work results.

H2 : It is suspected that Process Capability affects the performance of PT Permodalan Ekonomi Rakyat Riau Province.

Context Capability On Performance

The existence of an impetus for performance in organizations to make changes can improve the ability of individuals and organizations to adapt to new situations. With better adaptability, performance can improve, especially in a fast-changing environment. When the drive for change exists, individuals often feel compelled to innovate and think creatively. These innovations can result in new products, services or processes that improve performance and competitiveness. Organizations that have strong context capabilities are better able to adapt to changes in the business environment, be it market, regulatory, technological, or competitive changes. This adaptability allows organizations to adjust their strategies quickly, thereby improving performance.

Research conducted by Richard (Zhao et al., 2019) states that there is a significant positive effect in the context of capability on performance. Which this study found that organizations with better context capabilities tend to have higher performance.

H3 : It is suspected that Context Capability Affects Performance at PT. Permodalan Ekonomi Rakyat Riau Province

Learning Capability, Process Capability, and Context Capability On Performance

Learning Capability supports Process Capability by providing the knowledge needed to improve processes. Good Process Capability provides the basis for effective learning, as consistent results can be analyzed and improved. Context Capability helps in creating an environment that supports learning and innovation, thus enabling organizations to improve learning capacity and process capability simultaneously. By developing these three capabilities simultaneously, organizations can achieve better performance, higher adaptability, and sustainable competitive advantage.

Based on research conducted by Elizabeth Sulpriharyanti (2022), it is stated that organizational change capability is an indispensable skill for organizations to survive changes. Organizational change capabilities affect both the individual and organizational levels. Research conducted by Truong Thanh Le and Ba Phong Le (2021) shows that there is a significant and positive effect of organizational change capabilities on organizational performance.

H4 : It is suspected that Learning Capability, Process Capability, Context Capability Affect Performance at PT. Permodalan Ekonomi Rakyat Riau Province.

METHODOLOGY

This research was conducted at PT Permodalan Ekonomi Rakyat Riau Province. This research is quantitative in nature designed to analyze the effect of Learning Capabiliy (X1), Process Capability (X2) and Context Capability (X3) on Performance at PT Permodalan Ekonomi Rakyat Riau Province. The data collection uses observation techniques and distributes questionnaires (questionnaires). Furthermore, the data was analyzed using the SPSS version 22 program. The sample in this study were all employees at PT. Permodalan Ekonomi Rakyat Riau Province.

Validity Test

The validity test is used to determine the feasibility of items in defining a variable. Then the results of the validity test, as follows:

Table 1: Validity Test

Statement Item	Corrected item-total correlation	Sign	r Table	Description
Performance (Y)				
Y.1	0,400	>	0,2108	Valid
Y.2	0,507	>	0,2108	Valid
Y.3	0,628	>	0,2108	Valid
Y.4	0,672	>	0,2108	Valid
Y.5	0, 575	>	0,2108	Valid
Y.6	0,539	>	0,2108	Valid
Y.7	0,585	>	0,2108	Valid
Y.8	0,635	>	0,2108	Valid

Statement Item	Corrected item-total correlation	Sign	r Table	Description
Learning Capability (X$_1$)				
X1.1	0,518	>	0,2108	Valid
X1.2	0,503	>	0,2108	Valid
X1.3	0,544	>	0,2108	Valid
X1.4	0,668	>	0,2108	Valid
X1.5	0,577	>	0,2108	Valid
X1.6	0,651	>	0,2108	Valid
X1.7	0,508	>	0,2108	Valid
Process Capability (X$_2$)				
X2.1	0,670	>	0,2108	Valid
X2.2	0,691	>	0,2108	Valid
X2.3	0,640	>	0,2108	Valid
X2.4	0,585	>	0,2108	Valid
X2.5	0,691	>	0,2108	Valid
X2.6	0,697	>	0,2108	Valid
X2.7	0,504	>	0,2108	Valid
Context Capability (X$_3$)				
X3.1	0,671	>	0,2108	Valid
X3.2	0,668	>	0,2108	Valid
X3.3	0,676	>	0,2108	Valid
X3.4	0,652	>	0,2108	Valid
X3.5	0,522	>	0,2108	Valid
X3.6	0,556	>	0,2108	Valid

Source: SPSS Processed Data, 2024

From the table above, statistically each statement indicator for the dependent and independent variables is valid and suitable for use as research data.

Reliability Test

Table 2: Reliability Test

Variabel	Cronbach's Alpha	Sign	Value	Conclusion
Performance (Y)	0,699	>	0,60	Reliabel
Learning Capability (X$_1$)	0,645	>	0,60	Reliabel
Process Capability (X$_2$)	0,762	>	0,60	Reliabel
Context Capability (X$_3$)	0,688	>	0,60	Reliabel

Source: SPSS Processed Data, 2024

Based on the table, it is known that the Cronbach alpha value of all variables is> 0.60 so it can be concluded that all instruments in this study are reliable and worthy of testing.

Normality Test

Table 3: One-Sample Kolmogorov-Smirnov Normality

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		87
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	2.13394828
Most Extreme Differences	Absolute	.061
	Positive	.061
	Negative	-.052
Test Statistic		.061
Asymp. Sig. (2-tailed)		.200[c,d]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: SPSS Processed Data, 2024

Based on the table, the Kolmogorov - swirnov normality test results were obtained with a significant value of 0.200> 0.05. So it can be interpreted that the regression model fulfills the assumption of normality.

Multikolinearitas Test

Table 4: Multikolinearitas Test

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	Learning Capability (X1)	.493	2.028
	Process Capability (X2)	.593	1.687
	Context Capability (X3)	.479	2.087
a. Dependent Variable: Performance (Y)			

Source: SPSS Processed Data, 2024

Based on the table above, it can be seen that each independent variable or independent variable has a tolerance value> 0.10 and a VIF value < 10, so referring to the basis for making decisions in the multicollinearity test, it can be concluded that there is no multicollinearity in this regression model.

Heteroskedasitisitas Test

Table 5: Heteroskedasitisitas Test

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	1.359	1.755		.774	.441
	Learning Capability (X1)	.139	.079	.272	1.776	.079
	Process Capability (X2)	-.062	.062	-.139	-.995	.323
	Context Capability (X3)	-.077	.084	-.141	-.910	.365

a. Dependent Variable: ABRESID

Source: SPSS Processed Data, 2024

Based on the table of data processing results in this study using SPSS 22, it can be seen that the sig. value of each variable is learning capability of 0.076, process capability variable of 0.323 and for context capability of 0.365. From these results it can be concluded that the regression equation model does not experience heteroscedasticity..

Autokorelasi Test

Table 6: Autokorelasi Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.752[a]	.565	.549	2.172	1.662

a. Predictors: (Constant), Context Capability, Learning Capability, Process Capability

b. Dependent Variable: Performance

Source of SPSS Processed Data, 2024

Based on the processed data in this study using SPSS 22, it can be seen that the durbin watson value of 1.662 is between -2 and 2, so it can be concluded that the data in this study are free from autocorrelation symptoms.

Analysis Results
Multiple Linear Analysis

Table 7: Multiple Linear Analysis

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	2.798	2.923		.957	.341
	Learning Capability (X1)	.449	.131	.353	3.428	.001
	Process Capability (X2)	.304	.104	.276	2.932	.004
	Context Capability (X3)	.322	.140	.240	2.298	.024

a. Dependent Variable: Performance (Y)

Source of SPSS Processed Data, 2024

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + e$$
$$Y = 2.798 + 0.449X_1 + 0.304X_2 + 0.322X_3 + e$$

The meaning of the numbers in the regression equation above are:

1. The constant value (a) is 2.798. This means that if learning capability, process capability and context capability are assumed to be zero (0), then the performance at PT. Permodalan Ekonomi Rakyat Riau Province is worth 2,798.
2. The coefficient value (b1) of 0.449 indicates a positive regression coefficient value and a unidirectional relationship between the learning capability variable and employee performance. This means that if the learning capability variable increases by one unit, the performance will increase by 0.449 assuming a constant variable coefficient.
3. The coefficient value (b2) of 0.304 indicates a positive regression coefficient value and a unidirectional relationship between the process capability variable and employee performance. This means that if the process capability variable increases by one unit, the performance will increase by 0.304 assuming a constant variable coefficient.
4. The coefficient value (b3) of 0.322 indicates a positive regression coefficient value and a unidirectional relationship between the context capability variable and employee performance. This means that if the context capability variable increases by one unit, the performance will increase by 0.322 assuming a constant variable coefficient.

Partial Significance Test (t Statistical Test)

Based on table 6 above, it can be seen that the partial hypothesis results (t) will be discussed as follows:

1. Based on the results of the research that has been carried out where the tcount value is 3.428> t table 1.998 and the resulting significance value of 0.001 is still below 0.05, then ha is accepted and ho is rejected. Explaining learning capability has a significant positive effect on performance at PT. Permodalan Ekonomi Rakyat Riau Province.

2. Based on the results of research that has been carried out where the tcount value is 2.932> t table 1.998 and the resulting significance value of 0.004 is still below 0.05, then ha is accepted and ho is rejected. Explaining process capability has a positive and significant effect on performance at PT. Permodalan Ekonomi Rakyat Riau Province.

3. Based on the results of the research that has been carried out where the t value is 2.298> t table 1.998 and the resulting significance value of 0.024 is still below 0.05, then ha is accepted and ho is rejected. Explaining the context capability has a positive and significant effect on performance at PT. Permodalan Ekonomi Rakyat Riau Province.

Simultaneous Significance Test (F Statistical Test)

Table 7: Simultaneous Test (F Test)

ANOVAᵃ

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	508.379	3	169.460	35.915	.000ᵇ
	Residual	391.621	83	4.718		
	Total	900.000	86			

a. Dependent Variable: Performance

b. Predictors: (Constant), Learning Capability, Process Capability, Context Capability

Source of SPSS Processed Data, 2024

From table 8 above, it is known that F count is 35.915 with a significance of 0.000. F table can be obtained from the F statistical table of 3.95. Thus it is known that F count (35.915)> F table (3.95) with Sig. (0,000) < 0,05. This means that simultaneously learning capability, process capability and context capability have a significant influence on employee performance at PT Permodalan Ekonomi Rakyat Riau Province.

Test Results of the Coefficient of Determination (R2)

Table 7: Analysis of the Coefficient of Determination

Model Summaryᵇ

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.752ᵃ	.565	.549	2.172

a. Predictors: (Constant), Context Capability (X3), Process Capability (X2), Learning Capability (X1)

b. Dependent Variable: Performance (Y)

Source of SPSS Processed Data, 2024

Based on the table above, the R Square value of 0.565 means that the magnitude of the influence of the independent variable on the dependent variable is 56.5%.

DISCUSSION

1. Effect of Learning Capability on Performance

The t test on Learning Capability (X1) obtained a t value of 3.428> t table 1.998 and sig (0.001) <0.05. This shows that the Learning Capability (X1) variable partially has a positive and significant effect on performance.

So the hypothesis states that "Learning Capability affects the performance of PT Permodalan Ekonomi Rakyat Riau Province, accepted". The results of this study are in line with (Heru Wicaksono, 2023) The results showed that learning capability has an influence and is significant to performance.

2.   Effect of Process Capability on Performance

The t test on Process Capability (X2) obtained a t value of 2.932> t table 1.998 and sig (0.004) <0.05. This shows that the Process Capability (X2) variable partially has a positive and significant effect on performance.

So the hypothesis states that "Process Capability affects the performance of PT Permodalan Ekonomi Rakyat Riau Province, accepted". The results of this study are in line with (Alaarj et al., 2016) the results showed that process capability has a positive and significant effect on performance.

3.   The Effect of Context Capability on Performance

The t test on Context Capability (X3) obtained a t value of 2.298> t table 1.998 and sig (0.024) <0.05. This shows that the Context Capability (X3) variable partially has a positive and significant effect on performance.

So the hypothesis states that "Process Capability affects the performance of PT Permodalan Ekonomi Rakyat Riau Province, accepted". The results of this study are in line with (Soparnot, 2011) the results showed that context capability has a positive and significant effect on performance.

4.   Effect of Organizational Change Capability (learning capability, process capability, context capability) on Performance

This can be seen F count (20,671) > F table (3.95) with Sig. (0,000) < 0,05. So it means that simultaneously learning capability, process capability, and context capability jointly affect performance at PT Permodalan Ekonomi Rakyat Riau Province.

Based on the information above, it can be concluded that learning capability, process capability, and context capability simultaneously affect performance. The results of this study are in line with (Soparnot, 2011) which explains that learning capability, process capability and context capability have a simultaneous influence on performance.

CLOSING

Based on the results of research that has been carried out. Learning Capability has a positive and significant effect on the Performance of PT. Permodalan Ekonomi Rakyat Riau Province. Process Capability has a positive and significant effect on the Performance of PT. Permodalan Ekonomi Rakyat Riau Province. Context Capability has a positive and significant effect on the Performance of PT. Permodalan Ekonomi Rakyat Riau Province. Learning capability, Process capability, and Context capability jointly affect the performance of PT. Permodalan Ekonomi Rakyat Riau Province.

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