

# Unlocking Organizational Change Readiness: Exploring the Mediating Roles of Job Satisfaction and Job Engagement in the Impact of Organizational Culture

**Ilzar Daud\*, Donny Usman, Rizky Fauzan, and Nur Afifah**

Management, Economics and Business Study Program, Faculty of Tanjungpura University

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## ABSTRACT

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The current business conditions move very fast, to be able to survive in the midst of chaotic conditions, the key lies in one word, namely change. While every organizational change is unique because it involves individuals in it who are also unique. Changes whose birth process is not enough to only include key members but also require the involvement of all members of the organization. Not all changes made by the organization will be implemented effectively. One of the reasons change implementation often fails is the lack of readiness of employees to change. This study focuses on identifying the influence of organizational culture on employee readiness to change by mediated job satisfaction and work engagement. Employee readiness to change was measured using the Readiness To Change Questionnaire developed by Holt (2007). Organizational Culture was measured using the Denison Organizational Culture Scale (DOCS) by Denison (2004). Job satisfaction was measured using the Job Satisfaction Survey (JSS) by Spector (1997), while Work Engagement was measured using the Utrecht Work Engagement Scale (UWES-9) by Schaufeli (2002). Data were collected from 1,139 employees working in Indonesian plantation companies. The results showed that organizational culture had a positive and significant influence on readiness to change (path coefficient = 0.426,  $t = 14,829$ ,  $p < 0.001$ ). Job satisfaction has a positive and significant effect on readiness to change (path coefficient = 0.428,  $t = 14.998$ ,  $p < 0.001$ ). Work engagement has a positive and significant effect on readiness to change (path coefficient = 0.062,  $t = 2.083$ ,  $p = 0.019$ ).

## Keywords:

Organizational Culture, Job Satisfaction, Work Engagement, Readiness to Change

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✉ Corresponding author :

Email Address : [ilzar.daud@ekonomi.untan.ac.id](mailto:ilzar.daud@ekonomi.untan.ac.id)

## **1. Introduction**

In the fast-paced and turbulent landscape of contemporary business, organizational leaders are faced with the challenge of not only building successful businesses but also adapting to the chaotic and unpredictable nature of the ever-changing environment. According to Fontana (2014), leaders must not only construct businesses but also be adept at transforming or innovating the foundational business models that may become obsolete. The ability to navigate these changes effectively is crucial for organizational survival and progress. A study by Buckingham and Seng (2009) revealed that 60% of management change practitioners acknowledged that changes were implemented to achieve business progress.

The accelerating impact of artificial intelligence, cognitive technology, and relentless automation, as indicated by a 2019 Deloitte Insights survey, adds further complexity to business strategies. Organizations are compelled to reassess their learning capabilities, with 86% of respondents across 119 countries recognizing the need for a shift. This pressure for rapid adaptation extends beyond technological changes to include workforce diversity, cultural shifts, and leadership transformations. Employees respond differently to organizational changes, exhibiting either effective (accepting) or ineffective attitudes. Job satisfaction and job engagement play crucial roles in shaping these attitudes, influencing collaboration and support for organizational changes or, conversely, resistance and complaints (Galpin, 1996, in Rafferty et al., 2012).

Change readiness, defined as the belief, intention, attitude, and behavior supporting change, is influenced by various factors. One key factor is job satisfaction, defined by Locke (1976) as the positive emotional state derived from work experiences. Additionally, job engagement, characterized by vigor, dedication, and absorption, contributes to an individual's motivation and positive involvement in their work (Schaufeli et al., 2002). *Keterikatan kerja*, as described by Hewitt (2004), is associated with greater change readiness. As organizations face revolutionary changes, categorized by rapid and dramatic transformations affecting the entire organization, understanding the mediating roles of job satisfaction and job engagement in the relationship between organizational culture and change readiness becomes paramount.

## **2. Literature Review**

The concept of organizational culture, as discussed by Scandura (2019) and Robbins and Judge (2018), refers to a set of shared meanings within a group that shapes how its members adapt to the environment and navigate internal integration. This culture comprises beliefs, ideologies, language, rituals, and myths, instilled in new members to guide their understanding and behavior within the organization. Denison et al. (2004) identify four crucial organizational culture values: adaptability, involvement, mission, and consistency. Strong cultures, characterized by shared agreement on the mission and consistency in values, play a significant role in employee motivation and alignment with the organization's goals.

Job satisfaction, defined by Spector (1997), represents an individual's overall attitude toward their work and various job aspects. Luthans (2006) outlines six factors influencing job satisfaction, including the nature of the job itself, salary, promotions, supervision, co-worker relationships, and working conditions. Hackman and Oldham's (in Spector, 1997) model suggests that satisfaction is achieved by meeting employee expectations in areas like task identity, significance, autonomy, feedback, and task variety.

Work engagement, a widely discussed topic, is defined by Schaufeli and Salanova (2007) as a positive psychological state characterized by vigor, dedication, and absorption in one's work. The dimensions of work engagement are crucial for understanding an employee's commitment and enthusiasm. Different scholars emphasize cognitive, emotional, and physical aspects of engagement, reflecting an individual's belief in organizational values, emotional connection, and the physical energy invested in their role.

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Change readiness, according to Holt et al. (2007), involves an individual's comprehensive attitude towards change, encompassing beliefs, attitudes, and intentions regarding specific change efforts. The five dimensions influencing change readiness are organizational valence, change self-efficacy, management support, personal valence, and discrepancy. These factors collectively reflect an individual's inclination to accept, support, and adopt proposed changes based on logical reasons, self-perceived capabilities, perceived management support, personal benefits, and the misalignment between the current situation and the required change.

Several empirical studies have explored these concepts. Noteworthy examples include research by Hotpascaman Simbolon (2017) on the influence of employee engagement on change readiness, and Aktsar Hamdi Tsalits & Gugup Kismono's (2019) study on organizational culture types and individual readiness for change in Indonesia. Other research, such as that by Lailatul Munawaroh and IJK. Sito Meiyanto (2017), focuses on the role of psychological capital in readiness for change, emphasizing the importance of positive psychological characteristics in employees. These studies collectively contribute to the understanding of how organizational culture, job satisfaction, work engagement, and change readiness interconnect in shaping the dynamics within an organization.

### **3. Method, Data, and Analysis**

In any research, careful planning and design are essential for the study to proceed systematically. Research design, as defined by Umar (2005), encompasses all processes involved in the planning and execution of research. This study adopts a survey design, specifically a cross-sectional design, involving the collection of questionnaire data to examine the influence of organizational culture on readiness for change, with job satisfaction and work engagement as mediating variables. The cross-sectional design implies that data collection through the distribution of questionnaires is conducted at a single point in time (Sekaran, 2000).

The research is conducted at PT Perkebunan 'X,' a state-owned enterprise (BUMN) currently undergoing organizational changes, particularly in the core values of organizational culture. The study duration is approximately five months. Data collection involves both primary and secondary data. Primary data is collected through field surveys using questionnaires filled out by respondents, while secondary data is obtained from relevant sources such as the company's annual report available on its website.

The population for this study consists of all employees working in the company, totaling 10,193 individuals. The sample size is determined based on the recommendation that for studies with fewer than seven variables, a minimum of 150 respondents is sufficient (Hair et al., 2010). In this study, a sample of 1,139 respondents is selected using proportional stratified random sampling, considering factors such as work units, job levels, and task areas to ensure a representative sample. The research variables include independent, dependent, and mediating variables. The independent variable is Organizational Culture, the dependent variable is Readiness for Change, and the mediating variables are Job Satisfaction and Work Engagement. The operational definitions of these variables guide the data collection process. The study aims to explore the relationships between these variables in the context of organizational changes at PT Perkebunan 'X.'

The data analysis techniques for this research encompass various steps. Firstly, the research instrument undergoes a pilot test to ensure its effectiveness and reliability. Descriptive statistical analysis is then employed, utilizing measures such as mean, standard deviation, variance, maximum, minimum, sum, and range to provide a comprehensive overview of the research variables based on respondents' answers. The validity of the instruments is assessed through convergent and discriminant validity tests, with the former

involving factor loadings and the latter examining loading factors in comparison to cross-loading factors.

Furthermore, reliability is assessed using Composite Reliability and Alpha Cronbach. Composite Reliability values above 0.70 are considered acceptable, and Alpha Cronbach values above 0.6 indicate reliability. The subsequent step involves Structural Equation Modeling (SEM) analysis, specifically assessing the relationships between latent variables through causal modeling. The SEM equations capture both direct and indirect effects, with path analysis used to examine direct effects and mediation analysis for indirect effects through mediating variables. The hypotheses are then tested using SEM, with significance determined by comparing t-statistic values to the t-table or examining p-values at a 5% significance level. Additionally, the model's overall goodness of fit is evaluated using indices such as the Goodness of Fit Index (GFI), reflecting the inner model's appropriateness. Overall, these analytical procedures aim to provide a comprehensive understanding of the relationships between organizational culture, job satisfaction, work engagement, and readiness for change in the context of the ongoing organizational transformation at PT Perkebunan 'X.'

Structural Equation Modeling (SEM) analysis is employed to assess the magnitude of the influence of one variable on another along each path. SEM combines simultaneous equation systems, path analysis, and regression analysis with factor analysis. In this context, factor analysis serves as a method to obtain latent variable data. The WarpPLS analysis, an extension of Partial Least Square (PLS), was developed as an alternative for situations where weak theoretical foundations exist or reflective measurement criteria are not met, making it formative. PLS is considered a powerful analysis method that does not rely heavily on assumptions and can be applied to both small and large sample sizes. Additionally, WarpPLS, being developed from PLS, inherits these characteristics. It includes the analysis of nonlinear models such as the U-shaped curve and S-shaped curve (sigmoid model). The structural model in WarpPLS consists of the outer model, addressing the acquisition of latent variable data from its indicators, and the inner model, focusing on the relationships between latent variables. Furthermore, the Sobel test is employed to estimate the significance of the indirect influence of the independent variable on the dependent variable through a mediator, as proposed by Baron and Kenny (1986). This test enhances the understanding of the mediating role and the overall impact of variables in the proposed model.

#### **4. Result and Discussion**

##### **Result**

The demographic data analysis, based on a sample of 1,139 respondents, reveals various classifications. In terms of gender, the majority of respondents are male (85.3%), outnumbering female respondents (14.7%). Regarding age, the largest group falls within the 41-50 years range, constituting 47.8% of the respondents, followed by those in the 31-40 years range, comprising 23.3% of the sample. The smallest age group is 21-30 years, accounting for 6.1% of the respondents. In terms of work experience, the majority of respondents (79.9%) have been employed for more than 10 years, indicating a significant number of long-term employees familiar with the company's conditions. The educational background of the respondents shows that the majority (57.6%) have completed high school (SMA/SMK), while the smallest group (1.6%) holds a master's degree (S2). The employee classification based on job position reveals that 69.5% ( $n = 792$ ) are in the lower positions (groups I-II), while 30.5% ( $n = 347$ ) are in higher positions (groups III-IV). This demographic synthesis provides insights into the composition of the sample, incorporating gender distribution, age ranges, work experience, educational background, and job positions.

In evaluating the measurement model (outer model), the test of convergent validity is a crucial aspect. Convergent validity is assessed by examining the correlation coefficients

between the scores of reflective indicators and latent variable scores. The assessment of convergent validity is conducted at both the indicator level and the overall level.

**Table 1.** Convergent validity

No	Variables and Indicators	Loading factor value	Information
<b>A</b>	<b>Organizational Culture (X)</b>		
1	X <sub>1</sub> - Invlovement	0,843	Valid
2	X <sub>2</sub> - Consistency	0,891	Valid
3	X <sub>3</sub> - Adaptability	0,766	Valid
4	X <sub>4</sub> - Mission	0,873	Valid
<b>B</b>	<b>Job Satisfaction (Y1)</b>		
1	Y1.1 - Salary	0,868	Valid
2	Y1.2 - Promotion	0,637	Valid
3	Y1.3 - Tops	0,625	Valid
4	Y1.4 - Allowance	0,528	Valid
5	Y1.5 - Non financial rewards	0,874	Valid
6	Y1.6 - Operational Conditions	0,867	Valid
7	Y1.7 - Coworkers	0,765	Valid
8	Y1.8 - Nature of Work	0,606	Valid
9	Y1.9 - Communication	0,765	Valid
<b>C</b>	<b>Work Engagement (Y2)</b>		
1	Y <sub>2.1</sub> - Vigor	0,888	Valid
2	Y <sub>2.2</sub> - Dedication	0,884	Valid
3	Y <sub>2.3</sub> - Absorption	0,846	Valid
<b>D</b>	<b>Readiness to Change (Y3)</b>		
1	Y <sub>3.1</sub> - Organizational Valence	0,787	Valid
2	Y <sub>3.2</sub> - Change Self-efficacy	0,765	Valid
3	Y <sub>3.3</sub> - Management Support	0,736	Valid
4	Y <sub>3.4</sub> - Personal Valence	0,853	Valid
5	Y <sub>3.5</sub> - Discrepancy	0,612	Valid

The criterion for valid factor loading is set at  $\geq 0.5$ . Upon analyzing the results, the highest factor loading value is observed in the organizational culture variable (X) for the consistency indicator, with a value of 0.891. Conversely, the lowest factor loading value is found in the job satisfaction variable (Y1) for the allowance indicator (Y1.4), registering a value of 0.528. According to some scholars, a factor loading value of  $\geq 0.5$  to 0.6 is deemed sufficient for meeting the criteria of convergent validity, especially when the number of indicators for each variable ranges from 3 to 7 (Solimun et al., 2017). Consequently, all indicators in this study fulfill the criteria for convergent validity. Discriminant validity is assessed by comparing the loading values of each indicator within its respective variable with the cross-loading values on other variables. If the loading values for each indicator on a given variable are higher than the cross-loading values on other variables, it is considered to satisfy discriminant validity.

**Table 2.** Discriminant Validity for each indicator

No	Variables and Indicators	DOCS	JSS	UWES	RFC	Infor matio n
<b>A</b>	<b>Organizational Culture (X)</b>					
1	X <sub>1</sub> - Invlovement	0,841	0,036	-0,055	-0,056	Valid
2	X <sub>2</sub> - Consistency	0,891	0,056	-0,042	0,069	Valid
3	X <sub>3</sub> - Adaptability	0,766	-0,122	0,049	-0,142	Valid
4	X <sub>4</sub> - Mission	0,872	0,014	0,056	0,111	Valid
<b>B</b>	<b>Job Satisfaction (Y1)</b>					
1	Y <sub>1.1</sub> - Salary	0.226	0,867	-0.058	-0.398	Valid
2	Y <sub>1.2</sub> - Promotion	0.016	0,638	0.024	0.291	Valid
3	Y <sub>1.3</sub> - Bosses	-0.181	0,626	0.026	0.145	Valid
4	Y <sub>1.4</sub> - Allowance	0.051	0,528	-0.056	0.151	Valid
5	Y <sub>1.5</sub> - Non financial rewards	0.220	0,872	-0.052	-0.381	Valid
6	Y <sub>1.6</sub> - Operational Conditions	0.221	0,868	-0.053	-0.395	Valid
7	Y <sub>1.7</sub> - Coworkers	-0.222	0,763	0.021	0.325	Valid
8	Y <sub>1.8</sub> - Nature of Work	-0.273	0,608	0.181	0.274	Valid
9	Y <sub>1.9</sub> - Communication	-0.201	0,768	0.016	0.326	Valid
<b>C</b>	<b>Work Engagement (Y2)</b>					
1	Y <sub>2.1</sub> - Vigor	-0.017	-0.015	0.888	0.042	Valid
2	Y <sub>2.2</sub> - Dedication	0.004	0.119	0.887	-0.041	Valid
3	Y <sub>2.3</sub> - Absorption	0.015	-0.107	0.844	-0.004	Valid
<b>D</b>	<b>Readiness to Change (Y3)</b>					
1	Y <sub>3.1</sub> - Organizational Valence	0,521	-0,067	-0,039	0,787	Valid
2	Y <sub>3.2</sub> - Change Self-efficacy	0,443	-0,098	0,064	0,766	Valid
3	Y <sub>3.3</sub> - Management Support	-0,289	0,146	0,019	0,735	Valid
4	Y <sub>3.4</sub> - Personal Valence	-0,151	-0,024	-0,027	0,856	Valid
5	Y <sub>3.5</sub> - Discrepancy	-0,665	0,067	-0,014	0,615	Valid

The table above indicates that the loading values for each indicator in their respective variables are higher than the cross-loading values on other variables, demonstrating discriminant validity. The discriminant validity for all indicators collectively (questionnaire) is assessed by comparing the square root of the average variance extracted (AVE) for each latent variable with the correlation of that variable with other latent variables. If the AVE value is higher than the AVE values for other variables both vertically and horizontally, it can be considered to have good discriminant validity.

Reliability testing for the questionnaire involves examining both composite reliability and Cronbach's alpha coefficient. These measures provide insights into the consistency and dependability of the measurement instrument.

**Table 3.** Composite Reliability and Cronbach's Alpha

No	Variable	Composite Reliability	Cronbach's Alpha
<b>A</b>	Organizational Culture (X)	0,909	0,865
<b>B</b>	Job Satisfaction (Y1)	0,913	0,891
<b>C</b>	Work Engagement (Y2)	0,907	0,845
<b>D</b>	Readiness to Change (Y3)	0,869	0,807

The WarpPLS 7.0 calculation results demonstrate that the questionnaire used in this study exhibits a composite reliability value exceeding 0.70, indicating good reliability. Additionally, the Cronbach's alpha coefficient, a commonly employed measure for assessing questionnaire reliability, falls within the high reliability category ( $> 0.8$ ) for all variables in this research (Gliem and Gliem, cited in Solimun et al., 2017).

Moving on to the evaluation of the structural model (inner model), it is crucial to consider the goodness of fit. A good goodness of fit signifies a satisfactory relationship quality among latent variables within the model, taking into account relevant assumptions. The specific details and comparisons of the goodness of fit model, along with the analysis results, are presented in the following table.

**Table 4.** Goodness of fit Indices

<i>Goodness of fit Indices</i>	<i>Fit Criteria</i>	<i>Result</i>
Average path coefficient (APC)	$p < 0,05$	0,002
Average R-squared (ARs)	$p < 0,05$	0,001
Average adjusted R-squared (AARS)	$p < 0,05$	0,002
Average block VIF (AFIV)	Acceptable if $\leq 5$ , ideally $\leq 3,3$	1,357
Average full collinearity VIF (AFVIF)	Acceptable if $\leq 5$ , ideally $\leq 3,3$	1,882
Tenenhaus GoF (GoF)	Small $\geq 0,1$ , Medium $\geq 0,25$ , Large $\geq 0,36$	0,486
Sympson's paradox ratio (SPR)	Acceptable if $\geq 0,7$ , ideally = 1	1
R-squared contribution ratio (RSCR)	Acceptable if $\geq 0,9$ , ideally = 1	1
Statistical suppression ratio (SSR)	Acceptable if $\geq 0,7$	1
Nonlinear bivariate causality direction ratio (NLBCDR)	Acceptable if $\geq 0,7$	1

The R-Squared values, a measure indicating the goodness of fit for the model, play a crucial role in model evaluation. According to Chin (1998), as cited in Ghazali and Latan (2015), higher R-Squared values suggest a better model fit. Specifically, R-Squared values of 0.67 are considered strong, 0.33 moderate, and 0.19 weak. Additionally, Ghazali and Latan (2015) classify R-Squared values of 0.75 as strong, 0.50 as moderate, and 0.25 as weak. The analysis of R-Squared values in this study will provide insights into the strength of the model, influencing the overall assessment of its quality.

**Table 5.** Coefficient of determination (R-Square)

No	Variable	R-Square
A	Job Satisfaction (Y1)	0,266
B	Work Engagement (Y2)	0,242
C	Readiness to Change (Y3)	0,595

The coefficients of determination (R-Square) from Table 5 provide insights into the explanatory power of the model. Firstly, the R-Square value for Job Satisfaction (Y1) is 0.266, signifying that 26.5% of the variance in Job Satisfaction can be explained by the Organizational Culture variable, while the remaining 73.5% is attributed to other variables outside the scope of this study and error. Secondly, the R-Square value for Employee Engagement (Y2) is 0.242, indicating that 24.2% of the variance in Employee Engagement is explained by the

Organizational Culture variable, leaving 75.8% to be accounted for by external variables and error. Lastly, the R-Square value for Readiness for Change (Y3) is 0.595, suggesting that 59.5% of the variance in Readiness for Change is explained by the Organizational Culture variable, with the remaining 40.5% attributed to variables beyond the model's scope and error.

Q-Squared is employed to assess the predictive validity or relevance of a set of latent predictor variables on criterion variables. For a model to demonstrate predictive validity, it should have a Q-Squared value greater than 0.

**Table 6. Q-squared**

No	Variable	Q-Squared
A	Job Satisfaction (Y1)	0,266
B	Work Engagement (Y2)	0,242
C	Readiness to Change (Y3)	0,595

The Q-Squared results indicate good predictive validity in the research, as the Q-Squared score is higher than 0. Moving on to hypothesis testing, it involves examining the significance values of the relationships reflected in the path coefficients, p-values, and t-values for each path between the hypothesized variables in this study. Path coefficients represent standardized versions of linear regression weights used to test potential cause-and-effect relationships between statistical variables in structural equation modeling. These coefficients show the direct effect of a variable considered as a cause on another variable considered as an effect. Standardized path coefficients range from -1 to +1, with a coefficient approaching +1 signifying a strong positive relationship and a coefficient approaching -1 indicating a strong negative relationship. P-values represent the marginal significance level in statistical hypothesis testing, indicating the probability of a particular event occurring. The P-value is used to assess whether there is a significant influence between variables. A P-value  $\leq 0.10$  is considered weakly significant,  $\leq 0.05$  is significant, and  $\leq 0.01$  is highly significant.

The T-value is employed to determine whether a hypothesis is accepted or rejected, indicating whether the independent variable has an impact on the dependent variable. With a 5% significance level, a t-value  $> 1.96$  (two-tailed) results in the acceptance of the research hypothesis.

**Table 7. Research Hypothesis Testing Results**

Hypothesis	Path	Path Coefficients	p-value	t Statistic	Information
H <sub>1</sub>	$X \rightarrow Y_1$	0,516	$<0,001$	18,124	Accepted
H <sub>2</sub>	$X \rightarrow Y_2$	0,418	$<0,001$	14,562	Accepted
H <sub>3</sub>	$Y_1 \rightarrow Y_3$	0,428	$<0,001$	14,998	Accepted
H <sub>4</sub>	$Y_2 \rightarrow Y_3$	0,062	0,019	2,083	Accepted
H <sub>5</sub>	$X \rightarrow Y_3$	0,426	$<0,001$	14,829	Accepted
H <sub>6</sub>	$Y_1 \rightarrow Y_2$	0,131	$<0,001$	4,442	Accepted

The study's path analysis reveals several significant direct relationships between the examined variables. Firstly, the impact of Organizational Culture (X) on Job Satisfaction (Y1) is substantial, with a path coefficient of 0.516, indicating a positive relationship that is highly significant (p-value  $< 0.001$ ). Similarly, the influence of Organizational Culture (X) on Work Engagement (Y2) is notable, with a path coefficient of 0.418, signifying a positive and highly significant relationship (p-value  $< 0.001$ ). Furthermore, Job Satisfaction (Y1) significantly



influences Readiness for Change (Y3) with a path coefficient of 0.428, establishing a positive and highly significant association (p-value < 0.001).

Additionally, Work Engagement (Y2) also impacts Readiness for Change (Y3) significantly, although with a smaller path coefficient of 0.062. This positive relationship is still highly significant, with a p-value of 0.019. Moreover, the influence of Organizational Culture (X) on Readiness for Change (Y3) is substantial, as indicated by a path coefficient of 0.426, signifying a positive and highly significant relationship (p-value < 0.001). Lastly, the study identifies a significant impact of Job Satisfaction (Y1) on Work Engagement (Y2) with a path coefficient of 0.131, representing a positive and highly significant relationship (p-value < 0.001). These findings provide robust support for the formulated hypotheses and underscore the interconnectedness of Organizational Culture, Job Satisfaction, Work Engagement, and Readiness for Change in the examined context.

In addition to examining direct effects between variables, the structural model evaluation using SEM allows for the analysis of the mediating role of variables. This is evident through the Sobel Test, as depicted in the table below. The Sobel Test is a method employed to estimate the significance of the indirect effects of an independent variable on a dependent variable through a mediator. By exploring the mediating pathways, this analysis provides insights into the complex interplay between the variables in the structural model.

**Table 8. Sobel Test Results**

Hypothesis	Path	Path Coefisient	Sobel Test	P-Value	Error	Conclusion
H <sub>7</sub>	X → Y <sub>1</sub> → Y <sub>3</sub>	0,222	11,528	<0,002	0,017	Y <sub>1</sub> is able to mediate the relationship between X and Y <sub>3</sub>
H <sub>8</sub>	X → Y <sub>2</sub> → Y <sub>3</sub>	0.095	0.091	0,038	0,014	Y <sub>2</sub> is able to mediate the relationship between X and Y <sub>3</sub>

The Sobel Test results presented in Table 8 demonstrate significant indirect relationships between variables, shedding light on the implications of Hypotheses 7 and 8. Hypothesis 7 posits a substantial impact of Organizational Culture (X) on Readiness for Change (Y3) mediated by Job Satisfaction (Y1), as indicated by a p-value of 0.002, surpassing the 0.05 significance level. This suggests that Job Satisfaction plays a pivotal mediating role between Organizational Culture and the readiness for change at PT Perkebunan 'X.' Moving to Hypothesis 8, the results indicate a noteworthy influence of Organizational Culture (X) on Readiness for Change (Y3) through Employee Attachment to Work (Y2), supported by a p-value of 0.038, falling below the 0.05 threshold. Consequently, Employee Attachment to Work acts as a significant mediating variable between Organizational Culture and the readiness for change within PT Perkebunan 'X.'

### Discussion

The study investigated the influence of Organizational Culture on Job Satisfaction (Hypothesis 1) and Job Attachment (Hypothesis 2), as well as the impact of Job Satisfaction (Hypothesis 3) and Job Attachment (Hypothesis 4) on Readiness for Change. Additionally, it explored the direct influence of Organizational Culture on Readiness for Change (Hypothesis

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5). Finally, the mediating roles of Job Satisfaction (Hypothesis 7) and Job Attachment (Hypothesis 8) in the relationship between Organizational Culture and Readiness for Change were examined.

The findings support Hypothesis 1, indicating a positive and significant relationship between Organizational Culture and Job Satisfaction. The path coefficient of 0.516, coupled with a p-value of 0.001, suggests a strong positive influence. Notably, consistency, mission, engagement, and adaptability emerged as crucial indicators. This aligns with prior research emphasizing the importance of cultural alignment in enhancing employee job satisfaction (Sharma, 2017). Hypothesis 2 was similarly validated, affirming the positive impact of Organizational Culture on Job Attachment. The path coefficient of 0.418, with a p-value of 0.001, indicates a substantial positive influence. Indicators such as consistency, mission, engagement, and adaptability demonstrated strong effects, emphasizing the role of cultural alignment in fostering employee attachment to their work. Moving to Hypothesis 3, the study found a positive and significant relationship between Job Satisfaction and Readiness for Change, supported by a path coefficient of 0.428 and a p-value of 0.001. The key satisfaction indicators included non-financial rewards, operational conditions, salary, communication, colleagues, promotions, supervisors, job nature, and benefits. These factors collectively contribute to employee satisfaction and, consequently, their readiness for change. Hypothesis 4, which proposed a positive impact of Job Attachment on Readiness for Change, was also confirmed. The path coefficient of 0.062, with a p-value of 0.019, signified a significant positive relationship. This suggests that employees with a strong sense of vigor, dedication, and absorption in their work exhibit higher readiness for change. The findings align with existing literature highlighting the role of employee commitment in reducing resistance to organizational change.

The study further validated Hypothesis 5, affirming the positive and significant impact of Organizational Culture on Readiness for Change. The path coefficient of 0.426, coupled with a p-value of 0.001, indicates a strong positive influence. Consistency, mission, engagement, and adaptability emerged as critical indicators, emphasizing the importance of a strong organizational culture in facilitating organizational change. Hypothesis 6, which posited a positive and significant relationship between Job Satisfaction and Job Attachment, was also supported. The path coefficient of 0.131, along with a p-value of 0.001, suggests a meaningful positive impact. Key indicators influencing both variables included non-financial rewards, operational conditions, salary, communication, colleagues, promotions, supervisors, job nature, and benefits. Furthermore, the study explored the mediating roles of Job Satisfaction (Hypothesis 7) and Job Attachment (Hypothesis 8) in the relationship between Organizational Culture and Readiness for Change. The findings revealed that Job Satisfaction significantly mediated the impact of Organizational Culture on Readiness for Change, with a path coefficient of 0.222 and a p-value of 0.002. Similarly, Job Attachment emerged as a significant mediator, with a path coefficient of 0.054 and a p-value of 0.038.

In conclusion, the study provides valuable insights into the intricate relationships between Organizational Culture, Job Satisfaction, Job Attachment, and Readiness for Change. The results underscore the importance of fostering a positive organizational culture and employee satisfaction to enhance their attachment to work and readiness for change in the dynamic business environment.

## 5. Conclusion and Suggestion

### Conclusion

The research findings reveal significant insights into the dynamics of organizational culture, job satisfaction, job attachment, and readiness for change at PT Perkebunan 'X'. Firstly, a positive and highly significant correlation is established between organizational culture and

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job satisfaction, highlighting the pivotal role of a conducive organizational culture in fostering high levels of employee contentment. Secondly, organizational culture is identified as a robust positive influencer of job attachment, indicating that the prevailing organizational culture significantly contributes to the strong attachment employees feel towards their roles. Furthermore, the study emphasizes the substantial impact of job satisfaction on readiness for change, showcasing that content and satisfied employees are more prepared to embrace and adapt to organizational changes. Similarly, job attachment is recognized as a significant contributor to readiness for change, with employees demonstrating vigor, dedication, and absorption displaying a higher preparedness for organizational transitions.

The research also underscores the profound influence of organizational culture on readiness for change, emphasizing that a well-established organizational culture correlates with increased readiness among employees to participate in and adapt to organizational changes. Moreover, the positive relationship between job satisfaction and job attachment is highlighted, showcasing that elements such as non-financial rewards, operational conditions, salary, communication, and others contribute to both employee satisfaction and their strong attachment to their roles. In addition to these direct relationships, the study identifies job satisfaction as a valuable mediator, partially channeling the impact of organizational culture on readiness for change through its influence on job satisfaction. Similarly, job attachment is acknowledged as a noteworthy mediator, playing a significant role in mediating the influence of organizational culture on readiness for change. In summary, these findings offer comprehensive insights for organizational management, providing practical implications for enhancing employee satisfaction, attachment, and preparedness for the dynamic challenges of change at PT Perkebunan 'X'.

### **Suggestion**

Based on the research outcomes, several recommendations can be proposed, particularly tailored to PT Perkebunan 'X': For PT Perkebunan 'X': The company is advised to promote awareness of work regulations, encompassing business ethics, work ethics, standard operating procedures (SOP), job profiles, and performance targets at the grassroots level. This strategy aims to instill commitment to the organizational culture among employees. During financial challenges, it is recommended that the company strategically designs non-financial incentives to boost employee job satisfaction. This, in turn, is anticipated to elevate the commitment of employees to the company's overarching goals. To foster stronger employee job attachment, the company should prioritize cultivating a robust organizational culture rather than solely relying on additional allowances or facilities. Building employees' readiness for change requires a systematic approach, linking personal interests with the company's objectives. For instance, implementing a remuneration system tied to increased production, cost efficiency, or other factors influencing company profitability. For Future Research: Future studies should delve into each indicator with greater granularity to ensure more precise and nuanced conclusions. Despite the ample sample size and detailed demographics, there is room for diverse discussions on organizational culture, job satisfaction, job attachment, and readiness for change. Research focusing specifically on the millennial generation in plantations could provide valuable insights. Exploring the effectiveness of implementing organizational culture and gauging employee readiness among Generation Y and Z in confronting change would be a compelling avenue for subsequent research.

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