

THE IMPACT OF ADAPTIVE CULTURE ON EMPLOYEE PERFORMANCE MODERATED BY GENDER AND EDUCATION AT THE FINANCIAL SERVICES AUTHORITY (OJK) OF CENTRAL JAVA AND YOGYAKARTA

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Abstract. *This study aims to analyze the impact of adaptive culture on employee performance, with gender and education as moderating variables, at the Financial Services Authority (OJK) in Central Java and Yogyakarta. The research employs a quantitative approach using a survey method, collecting primary data from OJK employees through questionnaires. Structural Equation Modeling (SEM) with Partial Least Squares (PLS) is utilized for data analysis. The results show that adaptive culture significantly and positively affects employee performance. Education also has a significant positive impact on employee performance. However, gender does not significantly influence employee performance. Additionally, the moderating effects of education and gender on the relationship between adaptive culture and employee performance are not significant. These findings highlight the critical role of adaptive culture and education in enhancing employee performance while indicating that gender and its moderating effects do not significantly influence this relationship.*

Keywords: *Adaptive Culture, Employee Performance, Education, Financial Services Authority (OJK), Gender*

1. INTRODUCTION

In the era of globalization and increasing competition, employee performance becomes one of the crucial factors in determining the success of an organization. At the Financial Services Authority (OJK) of Central Java and Yogyakarta, the role of adaptive culture is very important to enhance employee performance. Adaptive culture refers to the organization's ability to adapt to external and internal environmental changes to achieve desired goals (Nazir & Zamir, 2015). The Circular Letter of the Board of Commissioners of the Financial Services Authority Number 25/SEDK.02/2023 concerning the Guidelines for the New Flexible Working Arrangement introduced the concept of flexibility in employee work patterns. This flexibility includes two main patterns, namely Work From Office (WFO) and Work From Anywhere (WFA), which allow employees to work either in the office or at other locations with the support of information and communication technology. The main objective of this guideline is to build a new work culture, increase productivity, achieve employee work-life balance, and create an adaptive OJK organization.

Adaptive culture in an organization is a set of values, norms, and practices that allow for flexibility and the ability to adapt to changes. Research shows that an adaptive organizational culture can enhance employee performance by creating a dynamic and responsive work environment to changes (Nazir & Zamir, 2015). Employee performance at OJK involves various aspects such as efficiency, effectiveness, and productivity in carrying out regulatory and supervisory tasks in the financial services sector. Optimal performance not only improves service quality but also ensures the stability and integrity of the financial sector (Xenikou & Simosi, 2006). Gender plays an important role in the dynamics of adaptive culture and employee performance.

Research shows that gender differences can influence perceptions and responses to organizational culture as well as individual performance (Maamari & Saheb, 2018). In work environments dominated by masculine culture, women may face greater challenges in adapting and demonstrating optimal performance (Mohsni et al., 2021). Education is also an important factor affecting employee adaptability and performance. Employees with higher education levels tend to have better analytical and cognitive skills to understand and respond to organizational changes (Idris, 2018). Gender can moderate the relationship between adaptive culture and employee performance. Studies show that gender differences in work roles and responsibilities can affect how adaptive culture is applied and internalized by employees (Karatepe et al., 2006). Employee education level can also moderate the relationship between adaptive culture and employee performance. Higher education can strengthen employees' ability to adapt to changes and implement more effective work practices (Bussemakers et al., 2017). Several empirical studies show that organizational culture that supports adaptation and innovation contributes positively to employee performance. For example, a study by Srihadi et al. (2019) found that strong and inclusive organizational culture enhances individual and organizational performance.

In the context of OJK Central Java and Yogyakarta, it is important to develop an adaptive organizational culture by considering the roles of gender and education. The effective implementation of an adaptive culture can improve employee performance and overall support the achievement of organizational goals. This strategy also requires recognition of gender differences and education levels to create an inclusive and productive work environment. Additionally, OJK needs to continuously educate its employees on the importance of adaptive culture and provide relevant training to ensure every employee can contribute optimally. Continuous training can help employees develop new skills needed to face future challenges. Through this comprehensive approach, OJK can build a solid and adaptive team in facing the evolving dynamics of the financial services industry.

2. LITERATURE REVIEW

2.1 Adaptive Culture and Employee Performance

Adaptive culture in an organization refers to the organization's ability to adapt to external and internal changes, which is crucial for enhancing employee performance. Research indicates that a flexible and dynamic organizational culture can create a responsive and innovative work environment, thereby increasing employee productivity and effectiveness (Nazir & Zamir, 2015). Additionally, a study by Srihadi et al. (2019) revealed that an inclusive and strong organizational culture can improve both individual and overall organizational performance.

2.2 Gender Moderation in Adaptive Culture and Employee Performance

Gender can moderate the relationship between adaptive culture and employee performance. Studies show that gender differences can influence how individuals adapt to organizational culture and how they display their work performance (Karatepe et al., 2006). Furthermore, research by Maamari and Saheb (2018) found that leadership style and supportive organizational culture can have different impacts on performance based on employee gender.

2.3 Education Moderation in Adaptive Culture and Employee Performance

Education also plays a significant role in moderating the relationship between adaptive culture and employee performance. Employees with higher education levels tend to have better analytical and cognitive skills, making them more capable of adapting to changes within the organization (Idris, 2018). A study by Bussemakers et al. (2017) also supports that higher education can enhance adaptive capabilities and

effectiveness in carrying out organizational tasks.

Hypotheses

Based on the existing literature, the hypotheses in this study are:

Hypothesis 1: Adaptive culture has a positive effect on employee performance

Hypothesis 2: Gender has a positive effect on employee performance

Hypothesis 3: Education has a positive effect on employee performance

Hypothesis 4: Gender moderates the relationship between adaptive culture and employee performance

Hypothesis 5: Education moderates the relationship between adaptive culture and employee performance.

3. RESEARCH METHODS

The research employs a quantitative approach with a survey design to collect data from 150 employees of the Financial Services Authority (OJK) in Central Java and Yogyakarta. The primary data source is a questionnaire distributed to respondents consisting of employees with various educational and gender backgrounds (F. Hair Jr *et al.*, 2014). The questionnaire is designed to measure the relevant variables in this study. The dependent variable in this study is employee performance, which is measured based on indicators of Task Performance, Adaptive Performance, and Contextual Performance. Employee performance measurement refers to the study by Pradhan & Jena (2017), which uses a Likert scale to assess individual performance within the organizational context. The main independent variable is adaptive culture, which includes External Focus, Anticipation, Risk-taking, Open to Change, Confidence, Development of Capabilities, Collaborative Action Planning, Executing Change, and Sustaining Change. The measurement of adaptive culture refers to the research by Costanza *et al.* (2016), which developed an instrument to assess various aspects of organizational culture that support adaptation (Nazir & Zamir, 2015). The moderation variables in this study are gender and education. Gender is measured as a dummy variable (0 for female and 1 for male) based on the research by Maamari and Saheb (2018), which investigates the role of gender in employee performance (Maamari & Saheb, 2018). Education is measured based on the highest level of education attained by respondents (Bachelor's, Master's, or Doctorate), as conducted in the study by Idris (2018) (Idris, 2018). The measurement of variables in Table 1 summarizes the measurement of variables and their references:

Table 1. Variable Measurement

Variable	Definition	Measurement	Reference
Employee Performance	Task Performance, Adaptive Performance, Contextual Performance	Likert Scale 1-5	(Pradhan & Jena, 2017)
Adaptive Culture	External Focus, Anticipation, Risk-taking, Open to Change, Confidence, Development of Capabilities, Collaborative Action Planning, Executing Change, Sustaining Change	Likert Scale 1-5	(Costanza et al., 2016)
Gender	Gender roles in the organization	Dummy variable (0=female, 1=male)	(Maamari & Saheb, 2018)
Education	Highest education level	Bachelor's, Master's, <u>octorate</u>	(Idris, 2018)

To analyze the data, this study employs the Structural Equation Modeling (SEM) method with a Partial Least Squares (PLS) approach. SEM-PLS is chosen because it can handle models with many independent and moderating variables and works well with relatively small sample sizes. This analysis is conducted using SmartPLS software. SEM-PLS will be used to examine the relationship between adaptive culture and employee performance, as well as the moderating roles of gender and education in this relationship. The aim of this study is to analyze the impact of adaptive culture on employee performance, with gender and education as moderating variables, at the Financial Services Authority (OJK) in Central Java and Yogyakarta. This study employs a quantitative approach with a survey method, collecting primary data from OJK employees through questionnaires. Data analysis is performed using Structural Equation Modeling (SEM) with a Partial Least Squares (PLS) approach with the following steps (Ghozali & Latan, 2015).

Measurement Model: Includes testing the validity and reliability of constructs, including convergent validity, discriminant validity, and composite reliability. **Structural Model Testing:** Involves hypothesis testing using path coefficients, t-values, and R-squared values to assess the strength and significance of the relationships between variables. **Moderation Analysis:** Utilizes interaction terms between moderating variables and independent variables to examine the moderating effects of gender and education on the relationship between adaptive culture and employee performance.

4. RESULTS AND DISCUSSION

This study examines the variable of adaptive culture in relation to employee performance, with gender and education as moderating variables, among OJK employees. A sample of 132 was obtained from 150 questionnaires distributed. The questionnaire data filled out by respondents were then processed using SEMPLS, yielding the following results:

1. Measurement Model:

Table 2. Convergent Validity

Outer Loading	Adaptive Culuture	Education	Employee Performance	Gender

B1	0.680			
B10	0.733			
B11	0.830			
B12	0.811			
B2	0.669			
B3	0.771			
B4	0.772			
B5	0.652			
B6	0.741			
B7	0.640			
B8	0.662			
B9	0.783			
Edu		1.000		
K1			0.653	
K10			0.755	
K11			0.720	
K12			0.657	
K2			0.743	
K5			0.781	
K6			0.722	
K7			0.660	
K8			0.743	
K9			0.696	
Gender				1.000

The table above shows the outer loading values of various indicators measuring the dimensions of "Adaptive Culture," "Education," "Employee Performance," and "Gender." For the "Adaptive Culture" dimension, the outer loading values range from 0.640 to 0.830, with the indicator B11 showing the highest value (0.830) and B7 the lowest value (0.640). In the "Education" dimension, there is one main indicator (Edu) with a perfect outer loading value (1.000). For "Employee Performance," the outer loading values range from 0.653 to 0.781, with K5 showing the highest value (0.781) and K1 the lowest value (0.653). The "Gender" dimension has only one indicator with an outer loading value of 1.000. These outer loading values indicate how strongly the indicators reflect the measured constructs, with higher values indicating a stronger relationship between the indicator and the construct. The results show that all outer loading values are above 0.6, indicating that the questions are valid.

Table 3. Discriminant Validity, dan Composite Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	AVE
Adaptive Culture	0.920	0.927	0.932	0.535

Education	1.000	1.000	1.000	1.000
Employee Performance	0.893	0.896	0.912	0.510
Gender	1.000	1.000	1.000	1.000
Moderating Effect Education_	1.000	1.000	1.000	1.000
Moderating Effect Gender	1.000	1.000	1.000	1.000

The results shown in the table depict the measurement reliability and validity of various constructs examined, namely "Adaptive Culture," "Education," "Employee Performance," "Gender," and the two moderating effects ("Moderating Effect Education" and "Moderating Effect Gender"). The Cronbach's Alpha and rho_A values for "Adaptive Culture" are 0.920 and 0.927, respectively, indicating very good internal consistency. The Composite Reliability and Average Variance Extracted (AVE) are 0.932 and 0.535, respectively, indicating that this construct has high reliability and adequate convergent validity. The constructs "Education" and "Gender" each have perfect values (1.000) in all metrics, indicating absolute reliability and validity. "Employee Performance" has a Cronbach's Alpha of 0.893 and rho_A of 0.896, indicating strong internal consistency, with a Composite Reliability of 0.912 and an AVE of 0.510, showing that this construct is also reliable and valid. Both moderating effects also show perfect values in all metrics (1.000), indicating that these measurements are highly stable and consistent. Overall, these results indicate that all measured constructs have high levels of reliability and validity, supporting the use of these instruments in further research.

Table 4. Fornell-Larcker Criterion

	Adaptive Culture	Education	Employee Performance	Gender
Adaptive Culture	0.732			
Education	0.120	1.000		
Employee Performance	0.623	0.229	0.714	
Gender	0.241	0.080	0.238	1.000

The Fornell-Larcker criterion is used to assess the discriminant validity of constructs in a measurement model. The table above shows the diagonal values, which are the square roots of the AVE for each construct, as well as the correlations between constructs. The diagonal value for "Adaptive Culture" is 0.732, indicating that this construct has adequate convergent validity. The correlation between "Adaptive Culture" and "Education" is 0.120, indicating a weak relationship, while the correlation with "Employee Performance" is 0.623, indicating a relatively strong relationship. The correlation between "Adaptive Culture" and "Gender" is 0.241, also indicating a weak relationship. "Education" has a diagonal value of 1.000, indicating perfect convergent validity, and very low correlations with "Employee Performance" (0.229) and "Gender" (0.080). "Employee Performance" has a diagonal value of 0.714, indicating sufficient convergent validity, and a correlation of 0.238 with "Gender." "Gender" also has a diagonal value of 1.000, indicating perfect convergent validity. Overall, this table indicates that each construct has good discriminant validity, as the correlation values between constructs are lower than the square root of the AVE values for each construct.

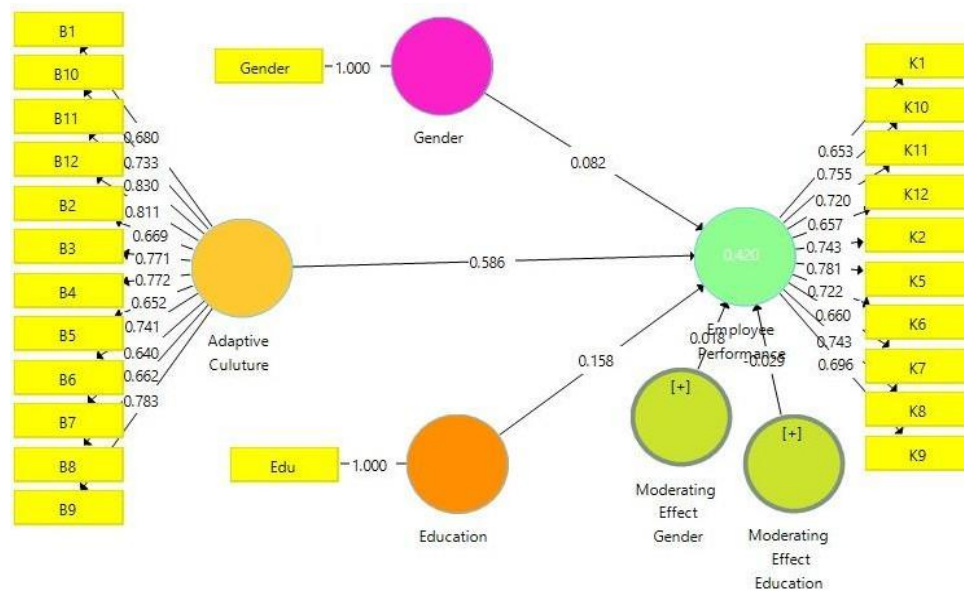


Table 5. Structural Model Testing

	R Square	R Square Adjusted
Employee Performance	0.420	0.397

The R Square and Adjusted R Square values provide information about how well the independent variables in the model can explain the dependent variable. In the table above, "Employee Performance" has an R Square value of 0.420, which means that approximately 42% of the variation in employee performance can be explained by the independent variables in the model. The Adjusted R Square value of 0.397 indicates an adjustment for the number of variables in the model, providing a more conservative estimate. This suggests that after correcting for the bias of adding variables, about 39.7% of the variation in employee performance can still be explained by the model. Overall, these values indicate that the model has a fairly good explanatory power for employee performance, although there is room for improvement by adding or modifying the variables in the model.

Table 6. Hypothesis testing results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Adaptive Culuture -> Employee Performance	0.586	0.590	0.078	7.513	0.000

Education -> Employee Performance	0.158	0.148	0.070	2.242	0.025
Gender -> Employee Performance	0.082	0.083	0.074	1.113	0.266
Moderating Effect Education_ -> Employee Performance	-0.029	-0.025	0.108	0.268	0.789
Moderating Effect Gender ->Employee Performance	0.018	0.017	0.088	0.200	0.842

The path analysis results shown in the table depict the relationships between several constructs and employee performance. The path from "Adaptive Culture" to "Employee Performance" has a path coefficient of 0.586 with a T-value of 7.513 and a P-value of 0.000. This indicates that adaptive culture has a positive and significant influence on employee performance. The path from "Education" to "Employee Performance" has a path coefficient of 0.158 with a T-value of 2.242 and a P-value of 0.025, indicating that education also has a positive and significant impact on employee performance, although its influence is smaller compared to adaptive culture. The path from "Gender" to "Employee Performance" has a path coefficient of 0.082 with a T-value of 1.113 and a P-value of 0.266, indicating that the influence of gender on employee performance is not significant. The moderating effect of education on employee performance has a path coefficient of -0.029 with a T-value of 0.268 and a P-value of 0.789, indicating that the moderation of education does not have a significant influence. Similarly, the moderating effect of gender on employee performance has a path coefficient of 0.018 with a T-value of 0.200 and a P-value of 0.842, also indicating that the moderation of gender does not have a significant influence. Overall, adaptive culture and education have a significant impact on employee performance, while gender and its moderating effects are not significant.

Discussion

The results of this study confirm the importance of an adaptive culture in enhancing employee performance at OJK. An adaptive culture, which enables organizations to adjust to changes in both external and internal environments, has proven to be capable of increasing employee productivity and effectiveness. These findings are consistent with previous research indicating that a flexible and dynamic organizational culture can create a responsive and innovative work environment (Nazir & Zamir, 2015).

The positive impact of education on employee performance suggests that employees with higher levels of education possess better analytical and cognitive skills, making them more capable of adapting to changes and improving their performance. This finding is supported by Idris (2018), who showed that higher education can enhance employees' adaptability and effectiveness (Idris, 2018).

However, the lack of a significant influence of gender on employee performance and the non-significant moderating effects of education and gender indicate that gender differences and education levels do not affect the relationship between adaptive culture and employee performance. This demonstrates that adaptive culture has a strong and consistent impact on employee performance, regardless of gender and education level differences. These findings differ from some previous studies that indicated the influence of gender in organizational dynamics (Maamari & Saheb, 2018), but align with

findings that a strong organizational culture can overcome individual differences in performance (Xenikou & Simosi, 2006).

Overall, the results of this study emphasize the importance of building an adaptive culture within organizations and ensuring that employee education is continuously enhanced to support optimal performance. However, organizations must also consider that moderating factors such as gender and education may not always have a significant impact in all contexts, thereby necessitating a more holistic and inclusive approach in human resource management.

CONCLUSION

This study found that adaptive culture has a significant and positive influence on employee performance at OJK Central Java and Yogyakarta. Education also proved to have a positive impact on employee performance, while gender did not show a significant effect. The moderating effects of gender and education on the relationship between adaptive culture and employee performance were also not significant. These results highlight the importance of adaptive culture and education in enhancing employee performance, and indicate that gender is not a significant factor in this relationship.

This study has limitations, such as the limited sample size of only 1 OJK employees in Central Java and Yogyakarta, which may not be sufficiently representative of the entire OJK population in Indonesia. Additionally, the survey method used may lead to respondent bias, and only two moderating variables were considered. For future research, it is recommended to involve a larger sample that includes various regions, use qualitative methods to gain deeper insights, and consider additional moderating variables such as work experience and position within the organization. Periodic evaluations of the implementation of adaptive culture and educational programs are also important to observe their long-term impact on employee performance.

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