



LEADERSHIP ADAPTABILITY AND EMPLOYEE READINESS FOR ORGANIZATIONAL DIGITAL TRANSFORMATION

Wawan Ichwanudin, Nazhira Nindya Padma Hanuun

Affiliation(s): Universitas Sultan Ageng Tirtayasa; Yayasan Kreatif Indonesia Emas

Corresponding email(s): ichwan0308@untirta.ac.id; nazhiranindya@gmail.com

Abstract

Background: Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. Aim: This conceptual inquiry explains how the relationship between the focal practices and employee readiness for digital transformation operates in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Method: A structured narrative review integrates peer-reviewed research and authoritative institutional sources. The empirical record is coded by mechanism, boundary condition, delivery risk, and practical implication. Results: The synthesis identifies six linked mechanisms: sensemaking and strategic communication, participative change design, psychological safety, role-specific capability development, fair workload transition, feedback and adaptive leadership. The empirical record assessment indicates that outcomes depend less on nominal adoption than on delivery quality, governance, learning, and fit with local capacity. Conclusion: Decision makers should define the expected outcome, assign responsibility, establish a small set of auditable indicators, and revise the intervention when empirical record contradicts its assumptions. Contribution: The analysis provides a conditional framework without claiming primary data that were not collected.

Keywords: adaptive leadership; employee readiness; digital transformation; psychological safety; capability development; organizational change

Introduction

Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. This issue is particularly important for participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. The central managerial question is not whether the focal practice is fashionable or technically available, but whether it changes information, incentives, coordination, and action in ways that improve employee readiness for digital transformation.

The analysis asks three questions. First, which mechanisms plausibly connect the focal practice with employee readiness for digital transformation? Second, which organizational and institutional conditions strengthen or weaken those mechanisms? Third, which delivery and measurement choices allow operational authorities to distinguish genuine capability from surface-level adoption?

Literature Review

Research relevant to leadership adaptability and employee readiness for organizational digital transformation crosses strategy, organization, technology, finance, and public-policy perspectives. Vial (2019) describes digital transformation as a process that changes value creation and organizational arrangements, while Teece (2007) emphasizes the capacity to sense change, seize opportunities, and reconfigure resources. Read together, these perspectives shift attention from possession of an input to the capability to use it reliably.

An input may be a platform, infrastructure asset, financial instrument, reporting rule, training program, or relationship. A capability is the repeated ability to combine that input with judgment and coordinated action. In participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination, the distinction is decisive because adoption is observable immediately, while employee readiness for digital transformation often emerges later and may be influenced by several conditions at once.

For participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination, efficiency and resilience create a specific tension. Sensemaking and strategic communication may reduce routine friction, yet participative change design determines whether that improvement survives disruption. An intervention that raises average speed while concentrating dependence on one system, person, supplier, or channel can weaken employee readiness for digital transformation. The literature must therefore be read against both normal operations and periods of stress.

Information credibility is especially relevant to psychological safety and role-specific capability development. Participants will not alter behavior merely because information is available; they assess its timeliness, intelligibility, source, and practical relevance. In the present setting, trust is produced through consistent execution and fair exception handling. This helps explain why nominal adoption can coexist with weak employee readiness for digital transformation.

The resulting model places sensemaking and strategic communication, psychological safety, and fair workload transition on the governance side, while participative change design, role-specific capability development, and feedback and adaptive leadership describe execution and learning. Their interaction is expected to shape employee readiness for digital transformation; no single mechanism is assumed to have the same effect across every organization, region, or user group.

Research Method

A structured narrative review was selected for the question of leadership adaptability and employee readiness for organizational digital transformation. A meta-analysis would be inappropriate because studies of participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination use different units, measures, sectors, and causal designs. The search logic therefore emphasized peer-reviewed studies, authoritative standards, and institutional empirical record capable of explaining the mechanisms behind employee readiness for digital transformation. Foundational older sources were retained only when they define a concept used directly in the synthesis.

Sources were coded for four elements: the operational meaning of employee readiness for digital transformation; the proposed causal or behavioral pathway; the boundary conditions affecting sensemaking and strategic communication through feedback and adaptive leadership; and the decision implication for the focal setting. The empirical record assessment reports patterns and tensions instead of merely pooled coefficients, because the underlying empirical record cannot support a single causal estimate.

Analytical theme	Central question	Operational evidence
Sensemaking and strategic communication	How does sensemaking and strategic communication influence employee readiness for digital transformation?	Ownership, routine, exception records, user behavior, and outcome indicators related to sensemaking and strategic communication.
Participative change design	How does participative change design influence employee readiness for digital transformation?	Ownership, routine, exception records, user behavior, and outcome indicators related to participative change design.
Psychological safety	How does psychological safety influence employee readiness for digital transformation?	Ownership, routine, exception records, user behavior, and outcome indicators related to psychological safety.
Role-specific capability development	How does role-specific capability development influence employee readiness for digital transformation?	Ownership, routine, exception records, user behavior, and outcome indicators related to role-specific capability development.
Fair workload transition	How does fair workload transition influence employee readiness for digital transformation?	Ownership, routine, exception records, user behavior, and outcome indicators related to fair workload transition.
Feedback and adaptive leadership	How does feedback and adaptive leadership influence employee readiness for digital transformation?	Ownership, routine, exception records, user behavior, and outcome indicators related to feedback and adaptive leadership.

The principal limitation is that the analysis need not use original interviews, surveys, experiments, or administrative microdata. Its results are therefore propositions supported by synthesis instead of merely estimates of effect size. The named authors should verify the interpretation, references, affiliations, and practical relevance before submission.

Results and Discussion

Sensemaking and strategic communication

A useful test of sensemaking and strategic communication is whether participants can apply it consistently when operating conditions depart from plan. The mechanism can fail when ownership is diffuse, feedback is delayed, or users cannot challenge an implausible output. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, sensemaking and strategic communication needs to be examined together with participative change design, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Analysis of sensemaking and strategic communication begins with a practical distinction between formal availability and dependable use in everyday work. Local constraints shape both the feasible design and the pace at which the practice may legitimately be expanded. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, sensemaking and strategic communication needs to be examined together with psychological safety, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Managers should consequently compare activity records with empirical record of reliability, user response, and consequences for employee readiness for digital transformation.

For the focal participating bodies, sensemaking and strategic communication becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Operational reliability relies on how the practice is connected to adjacent workflows and existing accountabilities. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, sensemaking and strategic communication needs to be examined together with role-specific capability development, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Participative change design

Analysis of participative change design begins with a practical distinction between formal availability and dependable use in everyday work. Within organizations introducing digital workflows, analytics, automation, and new forms of cross-functional coordination, responsibility, usable records, and exception routines determine whether the mechanism functions. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, participative change design must be examined together with psychological safety, because both shape employee readiness for digital transformation in organizations introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. OECD (2023) and World Bank (2022) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

For the focal participating bodies, participative change design becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Its effect is conditional on skills, authority, incentives, and the credibility of the supporting information. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, participative change design needs to be examined together with role-specific capability development, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Evaluation should combine a leading indicator for participative change design with a lagging measure of employee readiness for digital transformation.

A useful test of participative change design is whether participants can apply it consistently when operating conditions depart from plan. Variation in size, governance, infrastructure, and exposure means that identical adoption levels need not produce identical results. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, participative change design must be examined together with fair workload transition, because both shape employee readiness for digital transformation in organizations introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Vial (2019) and OECD (2023) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

Discussion by Analytical Theme

Psychological safety

For the focal participating bodies, psychological safety becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. The mechanism can fail when ownership is diffuse, feedback is delayed, or users cannot challenge an implausible output. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, psychological safety needs to be examined together with role-specific capability development, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible delivery path.

A useful test of psychological safety is whether participants can apply it consistently when operating conditions depart from plan. Local constraints shape both the feasible design and the pace at which the practice may legitimately be expanded. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, psychological safety needs to be examined together with fair workload transition, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. This interpretation favors transparent learning over a one-time declaration that the initiative has succeeded.

Analysis of psychological safety begins with a practical distinction between formal availability and dependable use in everyday work. Operational reliability relies on how the practice is connected to adjacent workflows and existing accountabilities. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, psychological safety needs to be examined together with feedback and adaptive leadership, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible delivery path.

Role-specific capability development

A useful test of role-specific capability development is whether participants can apply it consistently when operating conditions depart from plan. Within participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination, responsibility, usable records, and exception routines determine whether the mechanism functions. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, role-specific capability development needs to be examined together with fair workload transition, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Analysis of role-specific capability development begins with a practical distinction between formal availability and dependable use in everyday work. Its effect is conditional on skills, authority, incentives, and the credibility of the supporting information. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, role-specific capability development needs to be examined together with feedback and adaptive leadership, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Managers should consequently compare activity records with empirical record of reliability, user response, and consequences for employee readiness for digital transformation.

For the focal participating bodies, role-specific capability development becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Variation in size, governance, infrastructure, and exposure means that identical adoption levels need not produce identical results. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, role-specific capability development needs to be examined together with sensemaking and strategic communication, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Discussion by Analytical Theme

Fair workload transition

Analysis of fair workload transition begins with a practical distinction between formal availability and dependable use in everyday work. The mechanism can fail when ownership is diffuse, feedback is delayed, or users cannot challenge an implausible output. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, fair workload transition must be examined together with feedback and adaptive leadership, because both shape employee readiness for digital transformation in organizations introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Teece (2007) and Vial (2019) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

For the focal participating bodies, fair workload transition becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Local constraints shape both the feasible design and the pace at which the practice may legitimately be expanded. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, fair workload transition needs to be examined together with sensemaking and strategic communication, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Evaluation should combine a leading indicator for fair workload transition with a lagging measure of employee readiness for digital transformation.

A useful test of fair workload transition is whether participants can apply it consistently when operating conditions depart from plan. Operational reliability depends on how the practice is connected to adjacent workflows and existing accountabilities. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, fair workload transition must be examined together with participative change design, because both shape employee readiness for digital transformation in organizations introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. Kraus et al. (2022) and Teece (2007) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

Feedback and adaptive leadership

For the focal participating bodies, feedback and adaptive leadership becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Within participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination, responsibility, usable records, and exception routines determine whether the mechanism functions. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, feedback and adaptive leadership needs to be examined together with sensemaking and strategic communication, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible delivery path.

A useful test of feedback and adaptive leadership is whether participants can apply it consistently when operating conditions depart from plan. Its effect is conditional on skills, authority, incentives, and the credibility of the supporting information. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, feedback and adaptive leadership needs to be examined together with participative change design, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. This interpretation favors transparent learning over a one-time declaration that the initiative has succeeded.

Analysis of feedback and adaptive leadership begins with a practical distinction between formal availability and dependable use in everyday work. Variation in size, governance, infrastructure, and exposure means that identical adoption levels need not produce identical results. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. For this topic, feedback and adaptive leadership needs to be examined together with psychological safety, because both shape employee readiness for digital transformation in participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible delivery path.

Integrated Mechanism Framework

The six mechanisms form a connected operating system for participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination, not a checklist. Weakness in sensemaking and strategic communication can restrict participative change design, while poor fair workload transition may prevent lessons from reaching feedback and adaptive leadership. For employee readiness for digital transformation, the value of one mechanism therefore relies on whether neighboring routines supply credible information, authority, and feedback.

The first pathway connects information to judgment. Sensemaking and strategic communication and participative change design improve visibility, but decision quality also requires interpretation and an agreed response. The second pathway connects organization to execution through psychological safety and role-specific capability development. The third pathway connects accountability to adaptation through fair workload transition and feedback and adaptive leadership.

The conceptual structure predicts that employee readiness for digital transformation will be strongest when all three pathways reach a minimum viable level. Excellence in a single component cannot fully compensate for basic weakness elsewhere. This complementarity explains why participating bodies may invest substantially yet observe limited results: resources are allocated to the visible technology or program while less visible routines, responsibilities, and feedback processes remain unchanged.

Sequence matters for leadership adaptability and employee readiness for organizational digital transformation. A credible delivery starts with the concrete problem: Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. It then documents the current process, assigns ownership for sensemaking and strategic communication, pilots changes affecting participative change design, and records exceptions before wider adoption. The empirical record from the pilot should determine whether expansion is justified.

Governance in this framework protects the purpose of improving employee readiness for digital transformation. It specifies authority for psychological safety, acceptable risk around role-specific capability development, documentation for fair workload transition, and escalation when feedback and adaptive leadership reveals failure. Proportionate controls make adaptation safer without turning every local decision into a centralized approval.

Managerial and Policy Implications

Decision makers should translate the objective of improving employee readiness for digital transformation into a small measurement architecture. Leading indicators capture whether the mechanism is operating; lagging indicators capture whether the intended outcome follows. Both are needed because an early increase in activity may reflect delivery effort instead of merely sustainable value.

Priority	Owner	Leading indicator	Review question
Sensemaking and strategic communication	Named process owner	Completion and exception evidence for sensemaking and strategic communication	Is sensemaking and strategic communication changing decisions or only activity?
Participative change design	Named process owner	Completion and exception evidence for participative change design	Is participative change design changing decisions or only activity?
Psychological safety	Named process owner	Completion and exception evidence for psychological safety	Is psychological safety changing decisions or only activity?
Role-specific capability development	Named process owner	Completion and exception evidence for role-specific capability development	Is role-specific capability development changing decisions or only activity?
Fair workload transition	Named process owner	Completion and exception evidence for fair workload transition	Is fair workload transition changing decisions or only activity?
Feedback and adaptive leadership	Named process owner	Completion and exception evidence for feedback and adaptive leadership	Is feedback and adaptive leadership changing decisions or only activity?

For managers, the immediate task is to establish a baseline, choose one bounded delivery unit, and review empirical record at a frequency matched to the decision cycle. For policy makers and industry bodies, the priority is to reduce avoidable coordination costs, improve access to reliable guidance, and support capability development instead of merely measuring success only by enrollment, installation, or nominal adoption.

Future research on leadership adaptability and employee readiness for organizational digital transformation should define populations and measures explicitly. Longitudinal observation is needed to determine whether feedback and adaptive leadership produces durable learning or only a temporary response. Mixed methods could connect changes in employee readiness for digital transformation to the routines through which sensemaking and strategic communication and role-specific capability development are enacted.

Limitations and Future Research

Three limitations qualify the synthesis. The empirical record concerning participating bodies introducing digital workflows, analytics, automation, and new forms of cross-functional coordination is heterogeneous and cannot establish one effect size for employee readiness for digital transformation. Institutional sources clarify context but cannot replace unit-level causal empirical record. In addition, the selected mechanisms may omit practices visible only through fieldwork, particularly where psychological safety or fair workload transition is informal. The propositions should consequently guide inquiry instead of merely be treated as universal estimates.

Future research should operationalize employee readiness for digital transformation with measures that distinguish activity, capability, and outcome. Comparative studies can examine whether organization size, ownership, regulatory exposure, location, or digital maturity changes the strength of the proposed relationships. Longitudinal observation is needed to separate temporary delivery disruption from durable improvement.

Conclusion

This conceptual inquiry examined leadership adaptability and employee readiness for organizational digital transformation through a structured narrative review. The synthesis shows that employee readiness for digital transformation need not arise automatically from formal adoption or expenditure. It relies on the interaction of sensemaking and strategic communication, participative change design, psychological safety, role-specific capability development, fair workload transition, feedback and adaptive leadership.

The central conclusion is conditional. Technology programs often move faster than role clarity, skill development, psychological safety, and the capacity of supervisors to manage transition. Participating bodies should consequently define the decision problem, build proportionate governance, test delivery in stages, and combine leading indicators with outcome empirical record. This approach treats uncertainty as something to manage through learning instead of merely conceal through overly precise claims.

The conceptual structure contributes a practical bridge between broad research findings and local decisions. It need not replace author judgment, peer review, or empirical validation. Its value lies in making mechanisms and assumptions explicit so that managers, policy makers, and researchers can examine where an intervention is likely to work, where it may fail, and what empirical record should trigger revision.

Author Verification Requirements

Before submission, every named author must confirm authorship, affiliation, correspondence details, originality, reference accuracy, scope alignment, and responsibility for every claim. This verification is an editorial control and is not part of the analysis intended for publication.

References

- Verhoef, P. C., et al. (2021). Digital transformation: A multidisciplinary reflection and research agenda. *Journal of Business Research*, 122, 889-901. <https://doi.org/10.1016/j.jbusres.2019.09.022>
- Holt, D. T., Armenakis, A. A., Feild, H. S., & Harris, S. G. (2007). Readiness for organizational change. *Journal of Applied Behavioral Science*, 43(2), 232-255. <https://doi.org/10.1177/0021886306295295>
- Teece, D. J. (2007). Explicating dynamic capabilities. *Strategic Management Journal*, 28(13), 1319-1350. <https://doi.org/10.1002/smj.640>
- United Nations. (2015). *Transforming our world: The 2030 Agenda for Sustainable Development*. United Nations.

Journal	Journal of Economics, Accounting, Business, Management, Engineering and Society
Publisher	PT. Kreatif Indonesia Satu
Language	English
Article type	Structured narrative review and conceptual framework
Status	Pre-submission; author identity and metadata verification pending
Website	www.kisainstitute.com