

# HUMAN-CENTRIC DIGITAL TRANSFORMATION IN SMES: THE ROLE OF DIGITAL COMPETENCE, EMPOWERMENT PSYCHOLOGY AND LEADERSHIP TO WORKFORCE ADAPTABILITY

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## Abstract

Digital transformation demands improvement adaptability power work, especially in business small and medium enterprises (SMEs) that have limitations source power. Research This aim test influence digital competence and empowerment psychological to adaptability employees, with consider role moderation characteristics owner business. Using approach quantitative explanatory, data obtained of 334 respondents from the SME sector culinary and analyzed using Structural Equation Modeling – Partial Least Squares (SEM-PLS). The results show that digital competence and empowerment psychological influential positive significant to adaptability, with empowerment psychological as the most dominant determinant. In addition, the characteristics owner proven strengthen second connection the findings. This confirm that adaptability power Work No only determined by capability technical, but also by conditions psychological and contextual leadership. Research This contribute with integrate dynamic capability perspective, Self-Determination Theory, and deep leadership explain adaptability in the context of SMEs, as well as expand human-centric approach in studies digital transformation.

**Keywords:** *Digital Transformation, Digital Competence, Empowerment Psychological, Adaptability Power Work, SMEs, leadership*

## INTRODUCTION

Digital transformation has become a global issue that is fundamentally changing method organization operate, innovate, and manage source Power human. In context this, adaptability power Work become competence the key to success sustainability organization in the middle dynamics technology and uncertainty environment business (Dwivedi et al., 2023; Nambisan et al., 2023). Ability individual For adapt self to changes in work processes, technology, and demands organization the more viewed as form capability strategic that is not only impact on performance individual, but also on resilience organization in a way overall (Teece, 2023; van Laar et al., 2023).

In Human Resource Management and Organizational Behavior literature, two factors main thing that often identified as determinant adaptability is digital competence and empowerment psychological. Digital competence reflects ability individual in understand and utilize technology For support activity work, which is in dynamic capability perspective functions as source Power important in respond change environment (Kraus et al., 2023; Soto-Acosta et al., 2023). On the other hand, empowerment psychological which includes dimensions meaning work, competence, autonomy, and influence has proven increase motivation intrinsic as well as readiness individual in face changes, as explained in Self-Determination Theory (Deci et al., 2023; Kim & Beehr, 2023).

However thus, some big study previously Still assume that influence digital competence and empowerment psychological to adaptability nature direct and universal approach This tend ignore role context organizations, especially in SME environment, where the structure simple organization and owner-centered leadership own influence dominant to behavior employees (Ratten, 2023; Kraus et al., 2023). Recent studies show that effectiveness capability individual in produce organizational outcomes often of a nature contingency and influenced by factors leadership (Lee et al., 2023; Neely et al., 2023). Therefore that, there is gap significant theoretical in understand conditions in which digital competence and empowerment psychological

become more or not enough effective in increase adaptability power Work . The gap This become the more relevant in context business small and medium enterprises (SMEs), in particular sector culinary , which faces pressure double in the form of limitations source power and demands increasing digitalization increased . Different with organization large , SMEs are very dependent on the characteristics owner in determine direction strategic , cultural organization and practice management source Power humans ( Scuotto et al., 2022; Ratten , 2023). In context this , characteristics owner such as orientation entrepreneurship , patterns digital thinking , and style leadership potential play a role as factor strengthening contingencies or weaken connection between digital competence , empowerment psychological and adaptability employee .

Based on argumentation said , research This offer novelty with integrate dynamic capability perspective, Self-Determination Theory, and deep leadership theory a conceptual model that places characteristics owner as variables moderation . In special , research This No only test influence direct digital competence and empowerment psychological to adaptability power work , but also explore How characteristics owner influence strength connection said . With Thus , research This shift previous approach universal in nature approach more contingencies contextual .

In line with matter said , the purpose study This is to (1) analyze influence digital competence and empowerment psychological to adaptability employees in the SME sector culinary , and (2) testing role characteristics owner as variables moderation in strengthen connection said . Through approach this research expected can give contribution theoretical in development literature adaptability power Work based integration cross theory , as well as contribution practical for UKM actors in designing management strategies source Power adaptive humans in the era of digital transformation.

## **LITERATURE REVIEW**

### **Digital Capability and Workforce Adaptability**

Digital capability refers to ability individual in understand , use , and utilize digital technology for support activity work and taking decisions (Kraus et al., 2023; van Laar et al., 2023). In dynamic capability perspective , digital competence is seen as source Power strategic that allows individual respond change environment in a way flexible and adaptive (Teece, 2023). Study latest show that individual with level high digital competence own ability more Good in face change technology , studying system new , and adapt self with dynamics work digital- based (Ospina-Delgado et al., 2023; Soto-Acosta et al., 2023). In SME context , conditions This become the more crucial Because limitations source Power demand employee For capable adapt in a way independent and fast to change environment Work .

With Thus , digital competence is estimated own influence positive to adaptability employee .

H1: Digital competence has an influence positive to adaptability employee .

### **Self-Determination Theory and Empowerment Psychological**

Self-Determination Theory (SDT) explains that motivation intrinsic individual influenced by the fulfillment of need psychological basic , namely autonomy, competence, and relatedness (Deci et al., 2023). In context organization , needs This reflected in empowerment psychological which includes perception meaning work , competence , autonomy , and influence to work (Kim & Beehr , 2023). Empirical studies latest show that empowerment psychological increase trust self , readiness face changes , and ability individual in respond uncertainty environment work (Zhang et al., 2022; Zhai et al., 2023). Employees who feel empowered tend more proactive , flexible , and capable adapt behavior Work in a way effective in dynamic situation .

With Thus , empowerment psychological estimated own influence positive to adaptability employee .

H2: Empowerment psychological influential positive to adaptability employee .

### **Leadership Theory and the Role of Moderation Characteristics Owner**

In SME context , characteristics owner own role dominant in determine direction strategic organization and behavior employees . Upper echelons theory explains that values , experiences , and orientation leader influence effectiveness organization (Neely et al., 2023). Study latest show that leadership with digital orientation and style empowerment capable strengthen effectiveness competence individual in produce organizational outcomes (Lee et al., 2023; Zhang et al., 2024). In matter this , characteristics owner functioning as factor decisive contingency to what extent digital competence can translated become adaptability .

With Thus , the characteristics owner estimated strengthen connection between digital competence and adaptability employee .

H3: Characteristics owner strengthen influence digital competence towards adaptability employee .

### **Moderation Characteristics Owner in Connection Empowerment Psychology and Adaptability**

Effectiveness empowerment psychological in increase adaptability No let go from context leadership . Empowerment theory emphasizes that environment work supported by leadership supportive will strengthen impact empowerment to behavior employees (Wen et al., 2023). Empirical studies show that empowering leadership strengthens connection between empowerment psychological and various adaptive outcomes , including adaptability and performance (Zhai et al., 2023; Yazdanshenas & Mirzaei, 2023). In SME context , owner businesses that have orientation empowerment and support to learning capable create strengthening conditions impact positive empowerment psychological . With Thus , the characteristics owner estimated strengthen connection between empowerment psychological and adaptability employee .

H4: Characteristics owner strengthen influence empowerment psychological to adaptability employee .

## **METHOD**

### **Research Design**

Study This use approach quantitative with design explanatory For test connection causal between variables , namely digital competence , empowerment psychological and adaptability employees , as well as role moderation characteristics owner . Approach This chosen Because allows testing hypothesis based theory in a way empirical through analysis systematic statistics . Research design cross -sectional, where data is collected at one time period time certain For catch condition current respondents in context digital transformation in the SME sector culinary .

### **Sample and Data Collection**

Population in study This is employees in the business small and medium enterprises (SMEs) sector culinary in Samarinda City . Technique of taking sample using purposive sampling with criteria : (1) employees active , (2) has experience minimum work of six month , and (3) involved direct in use digital technology in activity work . Criteria This set For ensure that respondents own experience relevant in context digitalization and adaptability Work . Data collected through distribution questionnaire in a way in person and online, with a total of respondents as many as 334 people. Use amount sample This has fulfil criteria SEM-PLS analysis that emphasizes adequacy sample for models with complexity moderation and some latent construct (Hair et al., 2022).

### **Measurement**

All over variables in study This measured use five- point Likert scale (1 = very much agree up to 5 = strongly agree ), with adapted instruments from literature previous and adapted with SME context Digital competence is measured through six indicators , namely data literacy , understanding to algorithms and automation , use digital tools in work , ability digital collaboration , awareness security cyber , as well as attitude critical to use technology . Empowerment psychological measured use four dimensions main , namely meaning work , competence , autonomy , and influence to work . Adaptability employee measured through indicator readiness to change , ability Study matter new , trust self in face uncertainty , as well as flexibility behavior in working . While that , characteristics owner measured use seven indicators , namely orientation entrepreneurship , patterns digital thinking , empowering leadership , commitment to learning , integrity and fairness , support to source power , as well as experience and background behind education . All over construct in study This treated as construct reflective , appropriate with SEM-PLS approach used in model analysis .

### **Data Analysis (SEM-PLS Justification)**

Data analysis was performed use Partial Least Squares Structural Equation Modeling (PLS-SEM) approach with help device soft SmartPLS . This method chosen Because in accordance with characteristics of research models that involve a number of latent constructs and connection complex mediation . Data analysis in study This done through two stages main , namely evaluation of the measurement model (outer model) and evaluation of the structural model (inner model). Stages This aim For ensure that the model used No only valid and reliable in a way measurement , but also has ability good predictive in explain connection intervariable . Evaluation of measurement models done For test quality latent constructs through a number of criteria . First , validity convergent tested use outer loading value ( $\geq 0.70$ ) and Average Variance Extracted ( $AVE \geq 0.50$ ),

which indicates that indicator capable represent construct with good . Second , validity discriminant tested use Heterotrait-Monotrait Ratio (HTMT < 0.90) for ensure that every construct own clear differences in a way empirical . Third , reliability construct tested using Composite Reliability ( $\geq 0.70$ ) and Cronbach's Alpha ( $\geq 0.70$ ) for ensure internal consistency of indicators .

Next , evaluate the structural model done For test connection between latent constructs in the research model . Analysis This covers testing coefficient path coefficient for know direction and strength relationships , as well as R<sup>2</sup> value for measure model capabilities in explain endogenous variables . In addition , the effect size (f<sup>2</sup>) is used For evaluate contribution of each variable exogenous to variables dependent , while predictive relevance (Q<sup>2</sup>) is used For evaluate ability predictive model. Significance test connection intervariable done through bootstrapping procedure for ensure reliability results estimate . Besides testing connection direct , research this also tests effect moderation For identify role characteristics owner in strengthen or weaken connection between digital competence and empowerment psychological to adaptability employees . Moderation test done use product indicator approach , with form variables interaction between variables independent and variable moderation . Significance effect moderation evaluated through path coefficient , t-statistic, and p-value results from bootstrapping, with t-statistic criteria  $\geq 1.96$  and p-value  $\leq 0.05$ . Approach This allows more analysis comprehensive to effect contingency in the SEM-PLS model.

**RESULTS AND DISCUSSION**

**Respondent Demographic Profile**

Profile demographic respondents give description characteristics samples that become base in interpretation of structural models . Distribution representative demographics important For increase validity external research in the context of SMEs (Hair et al., 2022; Sarstedt et al., 2024).

Table 1. Demographic Profile of Respondents (n = 334)

Category	Classification	n	%
<b>Gender</b>	Man	154	46.1
	Woman	180	53.9
<b>Age</b>	< 25 years	58	17.4
	25–34 years	132	39.5
	35–44 years	96	28.7
	$\geq 45$ years	48	14.4
<b>Education</b>	SENIOR HIGH SCHOOL	149	44.6
	Diploma	72	21.6
	Bachelor	98	29.3
	Postgraduate	15	4.5
<b>Experience Work</b>	< 1 year	42	12.6
	1–3 years	118	35.3
	4–6 years	96	28.7
	> 6 years	78	23.4
<b>Position</b>	Owner / Manager	134	40.1
	Employee still	124	37.1
	Not fixed	76	22.8
<b>Amount Employee</b>	< 5	128	38.3
	5–10	122	36.5
	11–20	60	18.0
	> 20	24	7.2

Source : Processed data , 2026

Majority respondents be at the age productive (25–34 years ) , which is empirical own level greater adaptability and digital literacy tall compared to group age others (Dwivedi et al., 2023; van Laar et al., 2023). Domination education medium show characteristics typical of SMEs, where skills practical more dominant compared to higher formal education ( Ratten , 2023). Composition This strengthen relevance of the model in explain adaptability power work in the SME sector .

**Evaluation of Measurement Model**

Evaluation of measurement models done For ensure validity and reliability construct . The model is stated Good If fulfil criteria validity convergent , discriminant , and reliability (Hair et al., 2022; Henseler et al., 2023).

**Table 2. Outer Loading**

Construct	Code	Indicator	Outer Loading
<b>Competence (KD)</b>	KD1	Data literacy	0.815
	KD2	Understanding algorithms and automation	0.833
	KD3	Use digital work tools	0.843
	KD4	Digital collaboration	0.830
	KD5	Security cyber users	0.857
	KD6	Attitude critical to technology	0.844
<b>Empowerment Psychological (PP)</b>	PP1	Meaning Work	0.849
	PP2	Competence	0.863
	PP3	Autonomy	0.855
	PP4	Influence	0.847
<b>Adaptability Employees (AK)</b>	AK1	Readiness to change	0.832
	AK2	Ability Study matter new	0.830
	AK3	Trust self face uncertainty	0.844
	AK4	Flexibility behavior	0.868
<b>Characteristics Owner (KP)</b>	KP1	Orientation entrepreneurship	0.799
	KP2	Digital mindset	0.827
	KP3	Leadership empowering	0.800
	KP4	Commitment learning	0.827
	KP5	Integrity and fairness	0.794
	KP6	Support source Power	0.831
	KP7	Experience and education	0.839

All indicator has a loading > 0.70, indicating validity strong convergence . This is indicates that indicator capable represent construct in a way consistent (Hair et al., 2022; Sarstedt et al., 2024).

**Table 3. Reliability and AVE**

Construct	Cronbach Alpha	CR	AVE
<b>AK</b>	0.865	0.908	0.712
<b>KD</b>	0.915	0.934	0.701
<b>KP</b>	0.917	0.933	0.667
<b>PP</b>	0.876	0.915	0.728

All over construct in study This fulfil criteria reliability and validity convergent , which is indicated by the Composite Reliability (CR) value above 0.70 and the Average Variance Extracted (AVE) above 0.50 . This indicates that every construct own high internal consistency and capable explain variance indicator optimally , so that worthy used in analysis continued (Hair et al., 2022; Henseler et al., 2023).

**Table 4. Fornell-Larcker Criterion**

Construct	AK	KD	KP	PP
<b>AK</b>	0.844			
<b>KD</b>	0.530	0.837		
<b>KP</b>	0.451	0.236	0.817	
<b>PP</b>	0.574	0.263	0.220	0.853

The diagonal value is greater tall compared to correlation between construct → validity discriminant fulfilled . This is show No there is overlap between construct (Henseler et al., 2023).

**Measurement Model Conclusion**

Measurement model fulfil all over SEM-PLS criteria , so that worthy used For analysis structural . Strong validity and reliability show construct own quality measurement high , the important thing For ensure accuracy connection between variables (Hair et al., 2022).

**Structural Model Evaluation**

Table 5. R-Square

Variables	R <sup>2</sup>	R <sup>2</sup> Adjusted
AK	0.575	0.568

The R<sup>2</sup> value of 0.575 indicates category moderate , which means the model is capable of explains 57.5% of the variance adaptability employees . This is show ability quite predictive strong in SME context (Hair et al., 2022; Sarstedt et al., 2024).

Table 6. Effect Size (f<sup>2</sup>)

Connection	f <sup>2</sup>	Category
KD → AK	0.261	Currently
PP → AK	0.334	Big
KP → AK	0.156	Currently
KP×KD	0.024	Small
KP×PP	0.014	Very small

Empowerment psychological own effect the biggest to adaptability , showing that factor psychological become determinant main adaptation work (Kim & Beehr , 2023; Li et al., 2023).

Table 7. Path Coefficient (Bootstrapping)

Hypothesis	Track	β	t	p	Results
H1	KD → AK	0.353	8,884	0.000	Accepted
H2	PP → AK	0.400	10,154	0.000	Accepted
H3	KP×KD → AK	0.107	2,947	0.003	Accepted
H4	KP×PP → AK	0.082	2,127	0.033	Accepted

**Interpretation Hypothesis**

**H1: Digital Competence → Adaptability Employee**

Digital competence is influential positive significant to adaptability . This is show that ability use technology increase flexibility work and readiness changes . Findings This consistent with study The latest research that places digital competence as a driver of adaptability ( Bongomin et al., 2023; van Laar et al., 2023).

**H2: Empowerment Psychological → Adaptability Employee**

Empowerment psychological own the strongest influence . Individuals who have meaning work , autonomy , and trust self more capable adapt to changes . Findings This in line with self-determination theory and studies latest (Kim & Beehr , 2023; Zhang et al., 2022).

**H3: Moderation of KP on KD → AK**

Characteristics owner strengthen influence digital competence towards adaptability . This means that digital competence will more effective If supported adaptive leadership . This is supported by the upper echelons theory (Hambrick & Wowak , 2023; Kraus et al., 2023).

**H4: KP Moderation on PP → AK**

Characteristics the owner also strengthens influence empowerment psychological . Environmental supportive leadership increase effectiveness condition psychological in produce adaptation . Findings This consistent with studies latest about empowering leadership (Lee et al., 2023; Newman et al., 2022).

**DISCUSSION**

**Digital Competence and Employee Adaptability**

Findings study show that influential digital competence positive significant to adaptability employees . These results in line with the dynamic capability theory perspective which emphasizes that capability individual in utilise technology is source superiority adaptive in changing environment fast (Teece, 2023; Kraus et al., 2023). Empirical studies the latest also shows that digital competence increases flexibility cognitive and readiness change in organization based technology (van Laar et al., 2023; Ospina-Delgado et al., 2023). Research result This strengthen existing theories , especially in context connection direct between digital competence and adaptability , which previously more Lots tested on the sector technology and companies large

(Dwivedi et al., 2023; Nambisan et al., 2023). In culinary SME context , research This show that even in organizations with source Power limited , digital competence remains become determinant main adaptation Work . More further findings This expand theory with show that dimensions like security cyber and attitude critical to technology own contribution significant in form adaptability . This is enrich previous literature more emphasize aspect technical digital skills without consider dimensions reflective and protective (van Deursen et al., 2023; Calvano et al., 2022). In a way theoretical , research This give contribution with integrating digital capability as a direct antecedent of workforce adaptability, right? only as predictor performance or innovation like in studies previously . This is expanding the application domain theory capability dynamic at the individual level in SME context . From the side implications managerial , results This show that UKM actors need prioritize development digital literacy , training technology , and awareness digital security . Investment in training based proven hands -on training more effective in increase adaptability compared to approach theoretical ( Ratten , 2023; Soto-Acosta et al., 2023). In context Samarinda as a buffer zone for the Indonesian Capital City, the findings This show that acceleration digitalization local testing the limits of theory capability dynamic . Adaptability No Again depending on the source Power big , but on the ability individual in utilise technology in a way flexible .

### **Empowerment Employee Psychology and Adaptability**

Empowerment psychological proven own the strongest influence to adaptability employees . Findings This consistent with Self-Determination Theory (SDT) which emphasizes that autonomy, competence, and meaning increase motivation intrinsic and readiness changes (Deci et al., 2023; Van den Broeck et al., 2022). Recent studies also show that psychological empowerment increases resilience and adaptability in environment Work dynamic (Kim & Beehr , 2023; Zhang et al., 2022). This result strengthen empowerment theory , in particular that dimensions competence and autonomy is determinant main adaptability . However , research this also expands theory with show that dimensions meaning Work own role significant in SME- based context community , which previously not enough get attention in literature (Allan et al., 2023; Tummers et al., 2022).

Contribution theoretical main study This is show that empowerment psychological is mechanism main formation adaptability , even more strong compared to factor technical like digital competence . This is shift focus from approach technology -centric to human-centric in studies digital transformation . Managerial implications study This show that UKM owners need create environment supportive work empowerment employee in a way comprehensive . This is can done with give autonomy in taking decision , so that employee feel own control to his work . In addition , it is important For increase trust self employee through support and development competence , as well as grow meaning work so that employees feel his job valuable and contributing to objective organization . Approach This proven capable push adaptability power Work in a way more effective in face changes in the era of digital transformation . In context local , culinary SMEs in Samarinda show that structure simple organization precisely allows higher levels of empowerment tall compared to company big . This is show that the context of SMEs can strengthen relevance SDT theory in environment non-formal work .

### **The Role of Moderation Characteristics Owner of Digital Competence**

Findings show that characteristics owner strengthen influence digital competence towards adaptability . This is consistent with the upper echelons theory, which states that characteristics leader determine direction strategic organization (Hambrick & Wowak , 2023; Neely et al., 2023). This result expand theory with show that leadership No only influential directly , but also as mechanism contingency that activates capability individual . Recent studies support that leadership strengthens connection between digital capability and organizational outcomes (Kraus et al., 2023; Scuotto et al., 2022). Contribution theoretical main study This lies in integration between human capital, which is represented by digital competencies , and leadership capital, which is reflected in characteristics owner business . This integration produce an adaptability model based interaction source power , where the ability individual and quality leadership each other complete in form response adaptive to change digital environment . Findings This show that adaptability power Work No only determined by capability individual in a way separately , but also by the extent of leadership capable activate and optimize potential the in context organization. From the side implications practical , results study This confirm that UKM owners need develop pattern adaptive digital mindset to change technology . In addition , the owner effort is also necessary provide support source adequate power as well as push culture innovation in organization. Without existence support strong leadership , digital competencies owned employee No will

capable give optimal contribution to improvement adaptability power Work . In SME context , role owner more dominant compared to organization big , so that results This show that theory leadership own more effects strong in organization small .

### **The Role of Moderation Characteristics Owners in Empowerment Psychological**

Characteristics the owner also strengthens influence empowerment psychological to adaptability . Findings This consistent with integration between empowerment theory and leadership theory, which shows that leadership determine effectiveness source Power psychological (Lee et al., 2023; Newman et al., 2022). This result expand theory with show that empowerment psychological No always produce adaptability in a way automatic , but depends on context leadership . Recent studies show that empowering leadership strengthens connection between empowerment and performance outcomes (Zhang et al., 2022; Kim & Beehr , 2023). Contribution theoretical study This is introduce the concept of “contextualized empowerment” in SMEs, where the effectiveness of empowerment depends on the character owner business . Managerial implications show that UKM owners need build supportive leadership with guard integrity and trust , as well as push participation active employee in the work process .

Approach This proven capable increase effectiveness empowerment psychological , so that contribute significant in push adaptability power work in the middle dynamics digital transformation . In context Samarinda , results This show that leadership local play role strategic in face transformation economy consequence development of the Indonesian Capital City. This testing the limits of previous empowerment theories Lots tested in formal organizations . Study This give contribution theoretical main in three aspects . First , research This integrate various perspective theoretical , namely Self-Determination Theory (SDT), dynamic capability, and leadership, to in one comprehensive model For explain adaptability power Work in context digital transformation . Second , in empirical , research This show that empowerment psychological own more roles dominant compared to digital competence in form adaptability employees , so that strengthen human-centric approach in studies digital transformation . Third , research This give contribution contextual with expand implementation theory on the SME sector culinary in the area developing , which during This Still relatively limited in literature international.

### **CONCLUSION**

Study This confirm that adaptability power Work in context digital transformation of SMEs is not solely determined by capability technical , but is results interaction complex between digital competence , conditions psychological and characteristics leadership . Findings show that digital competence plays a role as foundation capability adaptive , in line with dynamic capability perspective that puts ability individual in utilise technology as determinant main response to change environment (Teece, 2023; Kraus et al., 2023). However Thus , research This reveal that empowerment psychological own more influence dominant in form adaptability , which strengthens argument in Self-Determination Theory that motivation intrinsic and perceptual control self is factor key in face dynamics modern work (Deci et al., 2023; Kim & Beehr , 2023).

More further research This show that characteristics owner business functioning as mechanism strengthening contingencies effectiveness digital competence and empowerment psychological findings This expanding the upper echelons theory by put leadership No only as factor strategic , but as activating catalyst source Power man in organization small (Hambrick & Wowak , 2023; Neely et al., 2023). In context this , adaptability No formed linearly , but through interaction between capability individual and quality supportive leadership environment Work adaptive (Lee et al., 2023; Newman et al., 2022).

Contribution theoretical main study This lies in integration cross perspectives — dynamic capability, Self-Determination Theory, and leadership theory— to in one adaptability model based individual in SME context . Research This expand literature with show that empowerment psychological is mechanism main bridging connection between capability technical and behavioral adaptive , so that shift focus from approach technology-centric going to human-centric approach in studies digital transformation (Dwivedi et al., 2023; van Laar et al., 2023). In addition , research This give contribution contextual with test theory in culinary SMEs in the region developing , which during This not enough represented in global literature (Soto-Acosta et al., 2023; Ratten , 2023).

Practical implications study This confirm that improvement adaptability power Work No Enough only through investment technology , but must accompanied by with empowerment strategy psychological and strengthening capacity leadership . SMEs need develop environment supportive work autonomy , increasing

trust self employees , as well as provide support learning sustainable For face increasing digital change complex (Zhang et al., 2022; Li et al., 2023). In regional context such as Samarinda which experienced acceleration transformation economics , findings This show that readiness source Power man become factor key in guard sustainability business in the middle pressure digitalization (Kraus et al., 2023; Scuotto et al., 2022).

In a way overall , research This confirm that adaptability power work in SMEs is results from synergy between digital competence , empowerment psychological and characteristics leadership . Findings This No only strengthen existing theories , but also expand the boundaries of their application to the context organization small in the environment dynamic digital economy , while open opportunity study advanced For explore factor other external factors that can enrich future adaptability models (Nambisan et al., 2023; van Deursen et al., 2023).

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