The Impact of Organizational Change on Work Performance among Airline Employees in Malaysia.

Dean Nelson Mojolou*, Stephen Laison Sondoh Jr, Toh Pei Sung, Faerozh Madli

Faculty of Business, Economy and Accountancy, University Malaysia Sabah, Malaysia

***Corresponding author**

DOI: https://dx.doi.org/10.47772/IJRISS.2025.90600080

Received: 22 May 2025; Accepted: 26 May 2025; Published: 01 July 2025

ABSTRACT

With the fourth highest volume of air passenger traffic in South and Southeast Asia, the Malaysia Airlines Industry makes a substantial financial contribution to the country and significantly influences the global transportation market. Recently, there has been an increase in customer complaints regarding the mishandling of luggage, processing funds, and facilities services. The previous study's inconsistent relationship between organizational change and work performance motivates the study. Even though this industry has many challenges, various strategies and systems may be developed to tackle this modern era's challenges. The organizational change that determines the quality of this sector is subject to the influence of numerous factors that may impact work performance. Therefore, this study investigates the relationship between organizational change and work performance among airline employees in Malaysia. The employee's work performance consists of tasks and contextual performance. There are 194 data collected from employees in four airline companies in Malaysia, and it was analyzed using SPSS version 21 and Structural Equation Modelling (SEM) version 3. The result proves that organizational culture and technology variables in organizational change influence employee work performance. Meanwhile, people, structure, and task have no significant relation with the dependent variable. The study will help the airline's employees increase their awareness about the importance of organizational change. Besides, it will help the organizations improve their ability to alter and learn to boost their performance.

Keywords: Organizational Change, People, Structure, Task, Technology, Organizational Culture, Work Performance

JEL Classification: L2, L8

INTRODUCTION

Background of Study

Employee performance is vital for success in any organization, especially in the Airline industry. Even though this industry has many challenges, various strategies and systems may be developed to tackle this modern era's challenges. An organization's success can most often be attributed to internal and external parameters, each playing varying roles and contributing significantly to the overall success (Ebonkeng, 2018). She further stated that an organization should achieve a competitive advantage; more emphasis must be placed on the personnel in the organization as this constitutes the tangible assets of every organization that has a significant and immense role to play in achieving overall organizational success. Organizational and technological change are the most crucial elements that every management should not take for granted. It becomes an important element when the organization faces increased competitors and technology. According to Petkova (2015), companies face tough competition and must cope with challenging market conditions. Organizational change is a growing area of importance for modern organizations to strategically develop and effectively manage the organizational process, representing a crucial achievement for competitive companies (Gomes, 2009). Burke and Litwin (1992) claim that this paradigm specifies a variable within organizations instead of driving factors. Leavitt (1965) states a significant shift could begin in four components. Due to its size, all components will need time to adapt, which could lead to major modifications.

Change will always occur in an organization, and the rate of change is accelerated (Karanja, 2015). It needs effort from the employee and leader to make the change happen within their organization and make them successful. Karanja (2015) further stated that a successful change must involve top management, including the board and chief executive. An agent of change should translate the vision and carry out the plan. Most businesses today change, and internal and external environmental influences drive many. Organizational change does not occur in a vacuum; if nothing changes or disturbs organizational life, the change will be gradual and sometimes unintentional. (Senior & Fleming, 2006). Since managing change is difficult, organizational change is crucial for any firm. When a company refers to managing change, it means making it systematic and planned. According to Ndahiro, Shukla, and Oduor (2015), change management techniques benefit business performance by contributing significantly to organizational skills, greatly boosting innovation.

The Malaysian Airline industry was selected as the context of the study because it is a significant industry contributing to Malaysia's economic growth. It includes airline companies such as Malaysia Airlines, AirAsia Berhad, Firefly, and Malindo Air. Malaysia has the fourth largest air passenger traffic in South and Southeast Asia, after China, India, and Indonesia. According to the Ministry of Transportation Portal (2019), Malaysia has a modern and fully equipped domestic and international airport network. The airports in Malaysia have world-class facilities and airport capacities that can accommodate additional passengers and airlines' operations either locally or abroad. The Ministry of Transportation's portal (2019) stated that Malaysia has six (6) international airports, 16 domestic airports, and 18 airport aerodromes (short take-off landing ports-STOL ports) to accommodate the passenger demand and sustain various aircraft types. Recently, Malaysia Air Passenger traffic in Malaysia has seen slight moderation with 6.5% growth and required the airline industry to ramp up as significant players parallel with the growth that could reach 8.6% (MAVCOM, 2018). In addition, the total MAHB network of airports registered a 40% growth in 2018 over 2017, with only 133 airport networks. There are about 1 million passenger movements, a high volume of passengers handled to date (MAHB, 2018). MAHB further stated that international and domestic passenger movements registered a growth of 5.9% and 2.3% to 63.3 million and 69.8 million passenger movements, respectively.

2018 was challenging for Malaysia's airline industry against a few uncertainty backdrops. According to Malaysia Airlines Holdings Berhad's 2018 report, these challenges, including the interim increase in fuel price, US-China trade tension, a few natural disasters, and an aircraft crash incident in the region, significantly affected the growth momentum. The 2.5% growth, or 99.0 million passenger volumes for 2018, was lower than expected. While this lower growth followed a much higher 8.6% growth in 2017, the lower number is partly due to the shift of airline seat capacity by the local carriers from domestic to international sectors, resulting in much growth for the domestic sector in the first half of the year 2018 (MAHB, 2018). Eight hundred twenty-one complaints were received between 1 July and 31 December 2018, with 810 complaints from airlines and 11 from the airport (Malaysia Aviation Commissioner, 2019). The number of complaints increased by 11.7% compared to the period from 1 July to 31 December 2017, when MAVCOM registered 735 complaints. According to the MAVCOM report (2019), mishandled baggage, processing of refunds, and flight delays represent 51.6% of the complaints received by MAVCOM during this period. Through the Commission's review of the complaints from 1 July to 31 December 2018, 55.0% of the complaints resulted in the airlines reversing their initial decision and producing a more equitable resolution to the initially provided consumer. This increased by 3.8% compared to 1 July to 31 December 2017.

Problem Statement

Organizations nowadays face many problems that may affect the organization's performance and survival in the marketplace. Many experts believe that the employee is the critical factor that will lead to the success and failure of the organization. A study conducted by Fonkeng (2018) shows that 31.25% of selected public and private employees cast doubt on their relationship with the organization. The employees complain that their work seems uninteresting and prefer working elsewhere than at their current workplace. Besides, 75% of the employees agree that they are working under pressure. This can be related to the organization's work environment and high demand to boost productivity to meet a particular target, as is often the case toward the end of the year. This matter will lead to poor work performance as the employees feel demotivated by the job and organization.

There are several research gaps found in this study which this study will undertake based on the objectives

derived. Firstly, a lack of studies was conducted on organizational change and work performance, especially in the airline industry. The study by Mohammad AL-Ameri (2015) focused on the public sector in the UAE and investigated the direct relationship between technological change and work performance. Besides, the study conducted by George (2015), Johnek (2015), and Stephen (2015) focused on educational institutions and government offices. They selected Leavitt's (1963) organization model instead of considering the other change models, such as Burke-Litwin's (1993) model.

Another research gap in this study is the inconsistent relationship between organizational change and work performance. A study by Dauda and Akingbade (2014) found no significant relationship between technological change and employee performance. Al-Jaradat, Nagresh Al-Shegran, and Jadellah (2013) found a positive relationship between organizational change and worker performance. This study shows a gap where it needs to be conducted, especially in the airline industry in Malaysia.

Research Objective

The research objective is to investigate the relationship between organizational change and work performance. Organizational change consists of people, structure, technology, tasks, and organizational culture, while work performance consists of tasks and contextual performance.

Scope of Study

This study employs the model of organization changes, namely Leavitt's (1965) and Burke-Litwin's (1992) models, which are being used for the independent variable, and Borman's (2004) model for the dependent variable. The scope of the study focuses on investigating the relationship between organizational change, which consists of people, technology, and structure among employees in the Airline industry in Malaysia. The study also includes Resource Based View (RBV) as the underlying theory to connect all the study variables. The RBV theory has been integrated into the organizational change model by identifying the resources and capabilities necessary for performance improvement. The organizational change variables such as people, technology, structure, task, and organizational culture are the organization's resources and capability, which can impact the employee's work performance.

LITERATURE REVIEW

Organizational Change

The independent variable of the study is organizational change. Organizational change is any action or set of actions resulting in a shift in direction or processes that affect how an organization works (Karanja, 2015). It happens in every organization, especially with many staff and modern equipment in their business. The study conducted by Karanja (2015) revealed that employee performance had been positively influenced by organizational change, and the technology variable had the most positively influenced performance. Thus, organizational change happens in any organization to increase its productivity and survival or the organization in the market. It is also crucial for the organization to move forward in its field to compete with globalization and change in the dynamic environment. According to Nickols (2010), making planned, managed, or systematic changes is called organizational change. Nickols (2010) has further mentioned that organizational change aims to implement new methods and systems in an ongoing organization more effectively.

The first important variable in organizational change is people. It refers to establishing leadership, counseling people and team development, and changing employees' attitudes and motivation (Ashok, 1971). The people variable is related to organizational leadership and how they can motivate the employees. Romi Ilham (2018) states that leadership is the agent of organizational success that shifts from time to time and is contextually based on the social, political, and cultural development prevailing in its era. Leadership is a process of interaction between leaders and followers where the leader attempts to influence followers to achieve a common goal (Northouse, 2010). Besides, Rikfi (2012) stated that leadership, working environment, and compensation have a positive and significant relationship toward job satisfaction of pt nindya karya persero employees in Jakarta,

Indonesia. This means that the better the leadership is, the more organizational change can occur and enhance employee performance. In a situational approach, it is realized that none of the best leadership styles universally apply to all situations and environments; the leader can also act as an agent of culture change. There are five leadership styles: participative, nurturant, authoritarian, bureaucratic, and task-oriented, which have been investigated by Romi Ilham (2018). It is found that leadership style has a positive relationship with work performance, and it strongly influences employee work performance, including organizational culture. A study by George (2015) illustrated that several organizational change factors could contribute to the work performance of the non-academic personnel in University Technology Mara (UiTM), Kota Samarahan, Sarawak. Cherrina (2015), and the most significant is the leadership dimension. According to Hargreaves et al. (2014), they identified evidence that successful leaders with entrepreneurial instincts are more innovative and manage to build "social capital" to improve the fortunes of an organization and sustain that improvement. Therefore, leaders with a clear vision, high inspiration, creativity, and innovation will lead the employees to perform what is expected (Ros et al., 2012).

Technology changes are a significant phenomenon gaining traction in for-profit and nonprofit organizations. The implementation of large-scale information systems, like enterprise resource planning (ERP), customer relationship management (CRM), and supply chain management (SCM), is one example of the IT-driven technological changes that have been increasingly adopted in a variety of organizations in recent years (Harrison & Boonstra, 2009). According to Harrison and Boonstra (2009), technology changes are self-explanatory and represent technology-driven organizations, capturing the wide range of factors influencing and relating to organizational job performance. The established organizational structures and procedures are reorganized as a result of a technology transformation, which is a process that involves a significant redesign of the institutional framework through its information technology system (Ciborra, 2002). Technology advancements should not just be assessed and considered in terms of changing organizational procedures, roles, and technology, according to Checkland (1981). They should be regarded in a larger sense, considering the idea of systems thinking and how it relates to organizational change. Technology changes are frequently managed from a single, limited viewpoint on the organizational process, and change managers typically concentrate on organizational or information technology challenges rather than gaining a comprehensive understanding of the change process (Harrison & Boonstra, 2009). When a company adopts new information technologies that significantly alter work processes and organizational performance, Harrison and Boonstra (2009) found that technology transformation initiatives fall within the definition's purview. Although technological advancements may significantly enhance organizational performance, they also have the potential to disturb managers', customers', and workers' daily routines. This suggests that technology transformation involves users, project managers, technologists, and others. The changes are not just seen as the simple introduction of a new software system or the start of an IT project (Sawyer, 2000).

There are numerous goals for introducing structural variable changes, including altering how the task, technology, and people variables are organized (Ashok, 1971). Additionally, altering the organizational structure may involve altering how communication systems are organized, how appraisals and evaluations are conducted, how jobs are defined and how they should be related to one another, how the system of authority is set up, and how to control over-centralization and decentralization of authority affects people's motivation (Ashok, 1971). Leavitt (1965) asserted that institutions that incorporate communication and authority must also adapt and alter, providing additional support for the theories (Leavitt, 1965). Wilson and Rosenfeld (1990) assert that the structure of an organization is the established pattern of relationships between its constituent parts, outlining both communication and authority patterns as well as control and authority patterns. The structure also distinguishes the constituent parts of an organization and defines the relationships between them. According to Stacey (2003), the organizational structure can also be characterized as a formal method of designating who will oversee what, who will have authority over whom, and who will be responsible to whom. One of the issues facing organizational communication scholars in the twenty-first century is figuring out how to convey a planned organizational change (Jones et al., 2004). This study focuses on how communication affects specific employees and, more specifically, reactions to a deliberate organizational change. Any business needs communication, but manufacturing environments with several shifts need it. Without it, production and quality may suffer, and workers may resent one another (Hancock & Zayko, 1998). Companies that can adapt to continually changing internal and external conditions, consistently innovate, and have the internal knowledge to make decisions to

attain organizational success have and will survive (Choo, 1998).

According to Frankenhaeuser and Gardel, tasks will perform comparatively badly when stress levels are low because arousal levels are also low (1976). This idea highlights the importance of tasks. As an illustration, Davenport and Short (1990) define a process as a group of logically connected actions to accomplish a certain business objective. Additionally, they propose that processes can be divided into two categories: management-oriented processes, which deal with acquiring and allocating resources, and operationally-oriented processes, which are customer- and product-focused. The task can be characterized in a complex organization as producing goods and services, including the many different but operationally important subtasks that may occur. This is in line with Leavitt (1965). According to Leavitt (1965), tasks or jobs should be specified in terms of characteristics that facilitate the creation and sharing of knowledge. To accomplish this, workers must internalize implicit knowledge and make it explicit through routine tasks. The organization should create a group, have that group come together, and then construct a shared vision for corporate change. This vision should be straightforward to articulate and go beyond the normal five-year forward-looking plan that most businesses generate yearly. Stanleigh (2008) contends that in addition to being communicated through words and speeches, a clear vision should involve coordinated transformation phases that move the business toward the overall objective. According to Stanleigh (2008), a company's transformation must contain measurable short-term objectives to demonstrate to executives and staff that the long road would be worthwhile despite temporary setbacks like job cutbacks.

The next organizational change variable taken from Burke-Litwin's (1992) model of organizational change is organizational culture. Organizational culture is an important variable that becomes an organization's core value in a strong culture (Saira et al. (2018). A Saira Irfan and Najib Marzuki (2018) study shows that organizational culture influences work motivation and commitment. The study is supported by several researchers, namely May, Bandar, Hutasuhut, and Yahya (2014), who believe that organizational culture significantly increases employee productivity. To a large extent, an organization's culture determines the performance of the individual who works in that organization and, by extension, the organization's performance. As stated by Martin (1992), cited in Romi Ilham (2018), organizational culture has three approaches: integration, differential, and fragmentation. The integration approach is where every organization has one type of culture that colors all its members' values and activities, while differentiation approaches emphasize the sub-consensus. The last approach is fragmentation, where there is no consensus among members of the organization and no similarity or agreement of values adopted among members. A study by Romi Ilham (2018) found that organizational culture positively impacts work performance. He further explained that conducive organizational culture creates job satisfaction, work ethic, and employee motivation. This vital dimension in organizational change will greatly influence employee work performance.

Work Performance

Employee work performance is one of the crucial elements in the airline industry in Malaysia, and it can directly impact an organization's profit and survival in the market. Many previous studies on work performance include Borman (2004) and Motowidlo (1992). Most agree that work performance is an important element in enhancing productivity. The Airline industry in Malaysia contributes highly to Malaysia’s economy; for instance, it creates job opportunities and income for the country. According to the Oxford Economics report (2014), 120,000 jobs were created directly, and 100,000 supply chain jobs were related to the airline industry. Researchers believe that quality service is related to employee performance. Work performance creates a critical impact on the organization's profits and quality. Therefore, it is important to learn about the link between work performance, people, and situational factors to understand their effectiveness on the job better (Khalid et al., 2017). The study by Khalid Al-Omari and Haneen Okasheh (2017) found that situation constraints are the major conditions in the work environment that negatively impact work performance. Therefore, organizations must plan strategies or programs for their employees to enhance their work performance. According to Borman (2004), work performance can be divided into tasks and contextual tasks. This different category will bring different measurements to the employees. Some researchers, such as George (2015) and Johnek (2015), believe that work performance that includes this element is still relevant as a measurement of employee work performance. Thus, the study was applied to Borman's (2004) work performance variable for the dependent variable. As Borman

(2004) suggested, task and contextual performance are discussed in the following subsections.

Linkage between Organizational Change and Work Performance

To improve the productivity of its workforce, every firm must strengthen its organizational change program. Organizational change involves implementing fresh organizational concepts and practices (Daft, 1998). Work performance has two dimensions: task performance and contextual performance. The contextual scale measures leadership, teamwork, and positive behavior, consistent with the interpersonal facilitation dimension of contextual performance. In contrast, the task performance scale comprises technical knowledge and problem-solving items (Borman & Motowidlo, 1993). According to Ashford et al. (1989), when an organization experiences organizational change, such as restructuring, downsizing, or merging, it results in employee worry, stress, and insecurity, negatively impacting productivity, satisfaction, and organizational learning. Organizational change, including communication, leadership, and employee development, has affected work performance in the banking industry (Fong et al., 2011). Nicolaidis and Katsaros (2011) assert a positive correlation between employee tolerance for change and performance. Tolerance modification is necessary to maintain the status quo. According to Dulger (2009), the degree to which employees are tolerant of and committed to change significantly impacts their performance and the organization. Karanja (2015) also discovered a significant relationship between organizational change and employee performance in the Postal Corporation of Kenya. Karanja (2015) believes that motivation and an internship program to facilitate organizational change will improve work performance.

Additionally, the overarching goal of organizational change is an environmental adaptation or performance improvement (Boeker, 1997). Additionally, Wanza and Nkuraru (2016) discovered a link between change management and employee work performance at the University of Eldoret. They discovered that organizational change factors such as leadership, culture, structure, and technology affected employee performance across the university. It is anticipated that it will improve work performance in the context of the people, which includes motivation and leadership. Effective leadership leads to greater participation from the entire workforce, which has a favorable impact on both individual and organizational performance, according to Bass (1997), Mullins (1999), and Liu (2010). A well-led organization will understand employee motivation and the strengths and weaknesses influencing their decisions, behaviors, and interpersonal connections. Additionally, performance and employee development are positively correlated. According to Anne (2002), daily responsibilities frequently divert management focus during organizational change, placing staff development in a subordinate position (Proctor et al., 2003). Hurduzeu (2015) also found that organizational leadership positively impacts worker performance and output.

The structure enables an organization to have a shared vision and mission because they emanate from a single point, ensuring no command conflicts and that information flows smoothly. It has been found to correlate with work performance (Wanza & Nkuraru, 2016). Additionally, the organization has been restructuring itself over the last few years, significantly improving employee performance (Karanja, 2015). Additionally, she states that the organization's restructuring aims to optimize management processes, improve performance, reduce costs, and strengthen the organization's competitive position. Savage (2003) also agrees that changes in an organizational structure, such as downsizing, mergers, and acquisitions, significantly impact management style, organizational culture, and employee work performance.

In the context of technology, changes in organizational technology can alter the nature of employee conditions, such as workload, work environment, and interpersonal relationships, without considering the impact on employee work performance (Wanza & Nkuraru, 2016). Additionally, technological change is defined as an improvement in the efficiency of a product or process that increases output, which in this context refers to work performance (Bauer & Bender, 2004). It is also supported by Kwizera et al. (2019). They discovered that organizational and technological changes significantly impact employee performance and that considerable emphasis should be placed on ensuring they are considered.

In the task context of organizational change, reorganizing tasks affects an individual's workplace and daily routine and improves work performance (Beehr, 2001). Additionally, Kwizera et al. (2019) discovered that task elements such as job functions, job duplication elimination, the development of new policies, periodic change

that aligns with market demand, and the creation of new departments in response to market shifts all contribute to performance improvement through work quality. Organizational change in tasks is critical to consider when improving work performance.

In organizational culture, Awadh and Saad (2013) discovered a correlation between this variable. They believed that the methodology used to assess an organization's culture affects the process, employees, and system. Additionally, a positive culture strengthens and guides operations by assisting employees in developing a positive mindset, which improves work performance (Wanza & Nkuraru, 2016). Additionally, they state that focusing on developing and sustaining organizational culture demonstrates to employees that they are valued organization members. Once a strong organizational culture is established, it will take on a life of its own, allowing people to feel valued and express themselves freely. The excitement and energizing atmosphere will ultimately positively affect employee work performance. Additionally, Wanbugu (2014) discovered a significant influence of organizational culture and work performance in Wartsila Limited, a Kenyan organization. Finally, organizational change involving people, technology, structure, tasks, and organizational culture will affect employee performance in Malaysia's aviation industry.

Airlines Industry in Malaysia

One of the key drivers of the Malaysian economy is the country's aviation sector. The management of Malaysia's aviation sector, which includes all activities involving aircraft, is handled by the Malaysia Aviation Group and Deviation Group of the Company. Despite being dominated by just two organizations, Malaysia Airlines and AirAsia Group, commercial aviation in Malaysia is a key and expanding economic sector. AirAsia Group's fleet comprises 72 aircraft, compared to Malaysia Airlines' 112 aircraft. When an aircraft is in operation, substantial emissions are produced. The commercial aviation sector in Malaysia is intertwined with the country's existing support infrastructures, and it is anticipated to expand in tandem with the rising demand for air travel, particularly due to the expanding tourism sector. According to the International Air Transport Association (IATA), the overall demand for the entire market has increased by 5.6 percent since 2012. This indicates that the global aviation business is expanding at a healthy rate.

The demand for international air travel has increased by 20 percent in Southeast Asia in just 18 months, whereas Malaysia saw a 25 percent increase in seat capacity from April 2012 to October 2013. The number of weekly seats in Malaysia has also climbed by about 205,000 from the previous year. The commercial aviation sector in Malaysia has grown in recent years, and it is anticipated that it will do so again in the years to come. The IATA Airline Industry Forecast for 2012–2016, which projects a 5.3 percent annual growth in passenger numbers from 2012 to 2016—or a 28.5 percent rise in total passengers over four years—further supports this prognosis.

METHODOLOGY

Research Design

The study's quantitative research design investigates the relationship between organizational learning and work performance in the Malaysian airline industry. The target population is AirAsia Berhad, Malaysia Airlines Berhad, and Malindo Airlines employees.

Sampling size and technique

The study uses purposive sampling. The researcher determines what information is required and then seeks out individuals who can and are willing to provide information classified as knowledge or experience. The advantages of this technique are that it helps by saving time and money while collecting data. The sampling size is 194 employees, which is the number suggested for using G*Power tools.

Instrument and Validity

The survey instrument that was used to collect data is the survey questionnaire. It is designed as precisely as possible to enable respondents to answer the questions quickly. The questionnaires are distributed by hand to

each respondent for this research. The questionnaire on organizational learning is adapted from DellaNeve's (2007) study, and the questionnaire on job performance is based on Bormon and Motowidlo (1993). The study used a five-point Likert scale in the survey instrument, ranging from strongly disagree (1) to strongly agree (5).

Data analysis

The data collected from the Malaysia Airline Industry will be entered into SPSS version 26 for further analysis by coding the data. This study will use two software, i.e., SPSS version 26 for descriptive and some basic information. Partial Least Square (PLS) path modeling will construct measurement and structural models to react to the conclusions. The next step is to describe the data, and for this purpose, descriptive statistics will be used to describe the relevant procedure given in detail. Later, the normality of the data will be measured and penned down accordingly. The correlation among latent variables will be tested using Pearson Correlation and Multiple Regression analysis to check the relationship between variables.

FINDINGS AND DISCUSSION

Demographic Profile

Table 1 below represents the respondent's demographic profile, and the overall total of the respondents is 194. The information includes job status, respondents' gender, age, education level, working experience, and job status. Again, descriptive statistics are used to present the respondents' profiles.

Table 1: Demographic Profile

	Items	**Frequency**	**Percentage**	**Valid Percent**
	Male	105	54.1	54.1
Gender	Female	89	45.9	45.9
	Total	194	100	100
	25 and below	15	7.7	7.7
	26 – 35 years old	121	62.4	64.2
Age Range	36 – 45 years old	41	21.1	21.1
	46 – 55 years old	11	5.7	5.7
	56 and above	6	3.1	3.1
	Total	194	100	100
	SPM	50	25.8	25.8
Education	STPM/Diploma	83	42.3	42.3
	Bachelor Degree	46	23.7	23.7
	Master Degree	10	5.2	5.2
	Other	5	2.6	2.6
	Total	194	100	100
	Less than one year	6	3.1	3.1
	2 – 5 years	118	60.8	60.8
Working Experience	6 – 10 years	49	25.3	25.3
	11 – 20 years	6	3.1	3.1
	More than 20 years	15	7.7	7.7
	Total	194	100	100

	Full-time	155	79.9	79.9
Job Status	Part-time	11	5.7	5.7
	Contract	24	14.4	14.4
	Total	194	100	100

Measurement Model

The measurement model should consider convergent validity, discriminant validity, and cross-loading items. Convergent validity is utilized to characterize the degree of various things measured inside the same concept in an understanding. Hair et al. (2010) suggest that data from factor loading, composite reliability, and average variance extracted (AVE) is obligatory to run this convergent validity. The result suggests that this study's composite reliability range is between 0.831 to 0.923. Meanwhile, the average variance extracted (AVE) ranges from 0.516 to 0.705. The data is considered acceptable. The degree of correlation within items among distinct constructs was measured using discriminant validity. In discriminant validity, elements from the same group will correlate more strongly than those from other constructs, supposedly not intended to correlate (Adriana & Elena, 2011). The value denotes that discriminant validity has been established. For instance, the AVE, a technological latent variable, is 0.650. Hence, the square root is 0.806. All latent variables have a square root of 0.724 to 0.846. Any hint of cross-loading, defined as an item with coefficients greater than 0.5 on more than one factor, is also examined. It is called cross-loading when something loads at .32 or greater on two or more variables (Costello & Osborne, 2005). Five items were deleted because the item loading on its construct was lower than its cross-loadings.

The step is a structural model assessment, an important part of PLS-SEM. Three criteria have been assessed by the structural models, such as path coefficients (β), Path signification (p-value), and variance explanation (R2). The validation of the structural model is achieved using SmartPLS 3.0. According to Ringle et al. (2005), the model is designed in PLS as per the guidelines given in the SmartPLS Guide. The bootstrap resampling method is vital to test the statistical significance of each path coefficient. Five hundred iterations use randomly selected sub-samples to estimate the theoretical model and hypothesized relationships. The findings indicate that the R2 value for work performance was 0.528, indicating that 52.8% of the work performance variance was significantly explained by all exogenous latent variables, people, technology, structure, task, and organizational culture. Therefore, by referring to Cohen's (1998) guidelines (0.26 is substantial, 0.13 is moderate, and 0.2 is weak), this research model can be categorized as substantial compared to the baseline value. Figure 1 below indicates the structural model result in which the path coefficients (β) are obtained for the structural model relationships, testing the hypothesized relationship among the constructs.

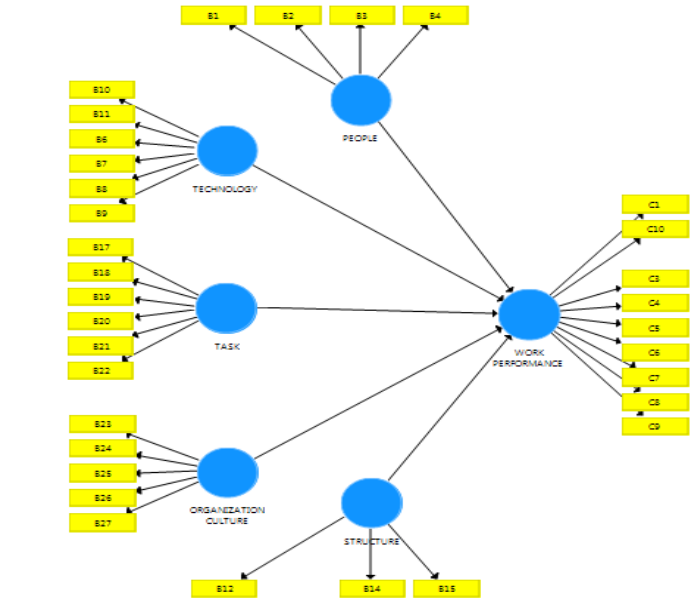

Figure 1: Structural Model

Hypothesis 1 – 5

For H1, the result suggests that the relationship between people and work performance was insignificant with β=-0.056, t=0.708, and p>0.05, indicating that people have no direct influence on work performance. Thus, H1 was not supported. For H2, the result suggests that the relationship between technology and work performance was significant, with β=0.312, t=2.996, and p<0.05, indicating that technology directly influences work performance. Thus, H3 was supported. For H3, the result suggests that the relationship between structure and work performance was insignificant, with β=0.163, t=1.662, and p>0.05, indicating that structure does not influence work performance. Thus, H3 was not supported. For H4, the result suggests that the relationship between task and work performance was insignificant, with β=-0.072, t=0.835, and p>0.05, indicating that task has no direct influence on work performance. Thus, H4 was not supported. For H5, the result suggests that the relationship between organizational culture and work performance was significant, with β=0.221, t=2.022, and p<0.05, indicating that organizational culture directly influences work performance. Thus, H5 was supported.

Table 2: Summary of Hypotheses

Hypothesis	Relationship	Std. Beta	t-values	p-value	Decision
H1	People -> Work Performance	0.056	0.708	0.479	Not Supported
H2	Technology -> Work Performance	0.312	2.996	0.003	**Supported**
H3	Structure -> Work Performance	0.163	1.662	0.097	Not Supported
H4	Task -> Work Performance	0.072	0.835	0.404	Not Supported
H5	Organizational Culture -> Work Performance	0.221	2.022	0.05	**Supported**

CONCLUSION

Discussion of results

The study investigates the relationship between organizational change and work performance among staff in the Malaysia Airline Industry. The factors in organizational change include people, technology, structure, tasks, and organizational culture. Therefore, five hypotheses are tested. 2 out of 5 hypotheses are accepted: technology and organizational culture directly influence work performance, while people, structure, and tasks do not directly influence work performance.

People variables in organizational change, such as motivation, have no bearing on the work performance implemented in the Malaysia Airlines industry. It demonstrates how critical leadership motivates employees to participate in any implemented change. Management strategy is critical to ensuring the organization's plans run smoothly. Employees may lack motivation due to an ineffective management system or a lack of leadership. The activity has been demonstrated not to affect the work performance. This occurs because some of the skills acquired are insufficient for them to continue learning on the job. The result does not align with Hurduzeu (2015), who found that organizational leadership positively impacts worker performance and output. It has been shown that motivation and leadership elements cannot produce good work performance. This happens because other elements are more crucial for the employee to enhance their work performance.

Organizational technology can alter employee conditions, such as workload, work environment, and interpersonal relationships, without considering the impact on employee work performance (Wanza & Nkuraru, 2016). Additionally, technological change is defined as an improvement in the efficiency of a product or process that increases output, which in this context refers to work performance (Bauer & Bender, 2004). It is also supported by Kwizera *et al.* (2019). They discovered that organizational and technological changes significantly impact employee performance and that considerable emphasis should be placed on ensuring they are considered. It is shown that shared technology and innovation can increase employees' work performance. Additionally, the creativity of using technology can help employees increase contextual and task performance.

The organizational structure enables an organization to have a shared vision and mission because they emanate from a single point, ensuring no command conflicts and that information flows smoothly. It has been found to correlate with work performance (Wanza & Nkuraru, 2016). Additionally, the organization has been restructuring itself over the last few years, significantly improving employee performance (Karanja, 2015). Additionally, she states that the organization's restructuring aims to optimize management processes, improve performance, reduce costs, and strengthen the organization's competitive position. The result indicates that the elements of organizational structure, such as frequent changes in top management, cannot produce good work performance. Besides, the communication and support system in the organization also does not impact the organizational performance. This can happen due to another factor that might be more vital to the employees, such as organizational learning or motivation to boost their work performance.

Reorganizing tasks affects an individual's workplace and daily routine, improving work performance (Beehr, 2001). Additionally, Kwizera et al. (2019) discovered that task elements such as job functions, job duplication elimination, the development of new policies, periodic change that aligns with market demand, and the creation of new departments in response to market shifts all contribute to performance improvement through work quality. Organizational change in tasks is critical to consider when improving work performance. Unfortunately, the study shows different findings where the organization's support channel or workflow design cannot impact work performance. Additionally, even frequent changes in the work process or flow cannot produce good results in work performance. It is shown that change in task elements does not affect employee work performance.

In organizational culture, Awadh and Saad (2013) discovered a correlation between this variable. They believed that the methodology used to assess an organization's culture affects the process, employees, and system. Additionally, a positive culture strengthens and guides operations by assisting employees in developing a positive mindset, which improves work performance (Wanza & Nkuraru, 2016). Additionally, they state that focusing on developing and sustaining organizational culture demonstrates to employees that they are valued organization members. Once a strong organizational culture is established, it will take on a life of its own, allowing people to feel valued and express themselves freely. The excitement and energizing atmosphere will ultimately positively affect employee work performance. Organizational culture promotes values to the employee, which will help them to increase their work performance. Additionally, organizational change will assist the employee to change their attitude in the workplace to increase the task and contextual performance.

Contribution of the Study

The study also generalizes the findings by applying them to the airline industry. The study sample includes employees from companies such as MAB, AirAsia, Firefly, and Malindo Air. The study's research methodology information can guide an academician interested in discovering knowledge in similar areas, such as the airline industry. Additionally, future researchers can use the research instrument to conduct studies in various industries, including the hotel industry, government offices, and education. The theoretical implication of measuring organizational change variables includes people, technology, structure, task, and organizational culture. Leavitt's (1965) model consists of the four items above, and one variable has been added to the framework, such as organizational culture, which is adapted from Burke-Litwin's (1992) suggested variable. Burke-Litwin (1992) stated that organizational culture is a significant variable in organizational change and should be considered by researchers in this field. Thus, organizational culture is essential in the context of the study to fulfill the organizational change variable.

The findings of this study have several managerial implications for practitioners, particularly those involved in management and research and development in the business process of the airline industry in Malaysia. This research provides solid evidence to aid practitioners in better understanding business processes, such as organizational transformation, learning, and work performance. The study findings will help organizations improve their ability to alter and learn to boost performance. It will also assist the organization in better understanding organizational change dimensions such as people, technology, structure, tasks, and organizational culture. The outcome will serve as a baseline or principle for future organizational learning strategies. Furthermore, the study may aid the airline industry in recognizing the importance of organizational change and learning, which will aid in management and performance improvement.

Limitation of Study

The limitation of the study includes the variable adapted by the resource-based view theory. Besides, the distributed questionnaire did not fully respond to the questions. A total of 230 questionnaires were distributed to Malaysia Airlines Berhad, AirAsia Berhad, Malindo Air, and Firefly; only 197 questionnaires were returned, and three questionnaires were unusable or damaged. Therefore, the final number of respondents was 194. The study solely focused on the employees working with airline companies in Malaysia.

The study's main limitation is the COVID-19 effect, where the government had implemented a Movement Control Order (MCO) that affects the airline company's operation. The implementation of MCO in March 2020 challenges data collection because most airline companies reduce their number of flight operations and employees. The data collection could not run according to schedule because it was very difficult to access the airline company.

CONCLUSION

This research also concluded that organizational change, such as technology and organizational culture, influences employee work performance in an airline company. The other dimensions, such as structure, people, and task, fail to impact task and contextual performance. According to Dicle and Okan (2015), autonomy and self-regulation enable an organization to discuss alternatives to investigate novel concepts and solutions in a constantly changing environment where research and development activities call for the acquisition of skills and expertise by organization members. They concur that the organizational learning process increases the organization's ability to quickly and effectively complete tasks. In brief, employment that has been altered to consist of straightforward tasks carried out repeatedly and strictly prescribed so that only a few abilities are required for success will rarely contain a learning stimulus. It was found that the organizational context can facilitate effective organizational change in any organization and foster the development of the learning behaviours required by the intervention (Coelho & Borges-Andrade, 2011). Organizational change involves people, technology, structure, tasks, and organizational culture to improve employee work performance. Besides, learning as a phoneme at the individual level can have repercussions at the group and organizational levels.

ACKNOWLEDGEMENT

We sincerely thank all the respondents who participated in this study. Besides that, thanks to the content experts who helped validate the questionnaire. We did not forget our friends and family, who gave us ideas and support until the completion of this paper.

REFERENCES

1. Ashford, S. J., Lee, C., & Bobko, P. (1989). Content, causes, and consequences of job insecurity: A theory-based measure and substantive test. Academy of Management Journal, 32(4), 803–829.
2. Ashok, S. (1971). Approaches to Organization change and development. Cleveland State University.
3. Borman, W. C. & Motowidlo, S. J. (1993). Expanding the Criterion Domain to Include Elements of Contextual Performance. In N. Schmitt & W.C. B. a. Associates (Eds.). Personnel Selections in Organizations. San Francisco: Jossey-Bass.
4. Borman, W. C. (2004). The Concept of Organizational Citizenship. Current Directions in Psychological Science, 13(6), 238–241.
5. Choo, C. W. (1998). The Knowing Organization: How Organizations Use Information to Construct Meaning, Create Knowledge, and Make Decisions. Oxford University Press: New York.
6. Cohen, J. (1988). Statistical Power Analysis for the Behavioural Sciences. Hillsdale, NJ: Lawrence Erlbaum Associates, Publisher.
7. Costello, A. B., & Osborne, J. W. (2005). Exploratory Factor Analysis: Four recommendations for getting the most from your analysis. Practical Assessment, Research, and Evaluation, 10(7), 1–9.
8. Daft, R. L. (1998). Organizational Theory and Design. 6th edition. Southwestern: Cincinnati, OH, USA
9. Davenport & Short. (1990). "The New Industrial Engineering: Information Technology and Business

Process Re-design". Sloan Management Review.
10. Dicle, Ü., & Okan, R. Y. (2015). The Relationship between Organizational Structure and Organizational Learning in Turkish Automotive R & D Companies. 3(8), 62–71.
11. Fonkeng, C. (2018). Effects of Job Stress on Employee Performance in an Enterprise. International Review of Business Research Papers, 5(4), 1–102.
12. Frankenhaeuser, M. & Gardell, B. (1976). Underload and Overload in Working Life: Outline of a Multidisciplinary Approach, Journal of Human Stress, 2, 35-46.
13. George, C. A. (2015). Organizational Change as a Contributor to Employees Work Performance Among Non-Academic Staff In Universiti Teknologi Mara (UiTM) Sarawak. Universiti Teknologi Mara, Kota Samarahan, Sarawak, Malaysia.
14. Hair, J. F., Black, B., Babin, B. & Anderson, R. E. (2010). Multivariate Data Analysis 7th Edition. Pearson Prentice Hall. Upper Saddle River: NJ.
15. Hancock, W. M. & Zayko, M. J. (1998). "Lean production implementation problems", IIE Solutions, 30(6), 38–42.
16. Hargreaves, D. J., Robson, S., Greenfield, S. & Fumoto, H. (2014). Ownership and autonomy in early learning: The Froebel Research Fellowship project, 2002–2015. Journal of Early Childhood Research, 12(3), 308–321.
17. Helen Ebonkeng. (2018). Organizational Change and Performance. (Thesis, March).
18. Ilham, R. (2018). The Impact of Organizational Culture and Leadership Style on Job Satisfaction and Employee Performance, 6(1), 50–53.
19. Johnek, C. (2015). Organizational Change as a Contributor to Employees' Work Performance among Non-Executive Staff in Sarawak Land Consolidation and Rehabilitation Authority (SALCRA) Sarawak. Universiti Teknologi Mara, Kota Samarahan, Sarawak, Malaysia.
20. Karanja, A. W., & Kenyatta, J. (2015). Organizational Change and Employee Performance: A Case on the Postal Corporation of Kenya. European Journal of Business and Management, 7(11), 232–242.
21. Khaled Aladwan, Ramudu Bhanugopan, Alan Fish. (2014. Managing human resources in Jordanian organizations: challenges and prospects. International Journal of Islamic and Middle Eastern Finance and Management, 7(1), 126-138.
22. Kwizera Methode, Olutayo K. Osunsan, Irau Florence, Wandiba Augustine, Patricia Abiria & Bayo Innocent. (2019). Effect of Organizational Change on Employee Performance among Selected Commercial Banks in Bujumbura, Burundi. East African Scholars Journal of Economics, Business and Management. 2 (4), 225-234.
23. Leavitt, H. (1965). Applied Organizational Change in Industry: Structural, Technological and Humanistic Approaches. In: Handbook of Organizations. Chicago: Rand McNally.
24. MAHB, (2020). Malaysia Airports Focused on Cost Containment and Strengthening Revenue Streams In 2020. Retrieved from Malaysia Airports HoldingsBerhad: https://www.malaysiaairports.com.my/mediacentre/news/malaysia-airports-focuses-costcontainment-and-strengthening-revenuestreams-2020 on 5 May 2022.
25. MAHB, (2020). Operational and Cost Optimisation Allow Malaysia Airports To Remain Steadfast Amidst Global Pandemic Pressure. Retrieved from Malaysia Airports Holding Berhad https://www.malaysiaairports.com.my/media -center/news/operational-and-cost-optimizationallow-Malaysia-airportremain-steadfast amidst.
26. Malaysia Airlines Berhad-About Malaysia Airlines. (2022). Retrieved from https://www.malaysiaairlines.com/my/en/about-us.html on 13 June 2022.
27. Malaysia Industry Research Aviation Industry. (2012). Customer Annual Report. MAVCOM.
28. May, N. S., Bandar, N. F. A., Hutasuhut, I. J., & Yahya, F. (2014). The Relationship between Organizational Culture and Work Motivation among Employees in Hotel Industry in Kuching, Sarawak. Paper presented at UUM International Conference on Governance.
29. Ministry of Transport Malaysia. Retrieved from https://www.mot.gov.my/en. On 08 January 2020.
30. Ndahiro, S., Shukla, J., & Oduor, J., (2015). Effect of change management on the performance of government institutions in Rwanda: A case of Rwanda revenue authority. International Journal of Business and Management Review, 3(5), 94-107.
31. Nickols, F. (2010). Change Management 101: A primer. Distant Consulting LLC.
32. Northouse, P. G. (2013). Leadership: Theory and Practice, 6th Edition., Sage, Thousand Oaks, CA:

Nussbaumer.
33. Petkova, D. (2015). Communicating Techno changes Communication practices and how employees perceive them. Communication Change in IT: Communication methods and how employees.
34. Rose, R. C. (2009). The Effect of Organizational Learning on Organizational Commitment, Job Satisfaction and Work Performance. Journal of Applied Business Research, 25(6), 55–66.
35. Saira Irfan & Najib Marzuki. (2018). The Moderating Effects of Organizational Culture on the Relationship between Work Motivation and Work Commitment of University Academic Staff. International Journal of Learning and Development, 8(1), 137-155.
36. Senior, B. & Fleming, J. 2006. Organizational Change, Pearson Education Limited, 3.
37. Stacey, R. D. (2003). Strategic Management and Organizational Dynamics: The Challenge of Complexity, Harlow: Financial Times Prentice Hall Pearson Education.
38. Stanleigh, M. (2008). Effecting Successful Change Management Initiatives. Industrial and Commercial Training, 40(1), 34-37.
39. Wanza, L. and Nkuraru, J.K. (2016). Influence of Change Management on Employee Performance: A Case of University of Eldoret, Kenya. International Journal of Business and Social Science, 7, 190-199.
40. Wernerfelt, B. (1984). A resource-based view of the firm. Strategic Management Journal, 5(2), 171–180.
41. Wilson, D. C & Rosenfeld, R. H 1991. Managing Organization: Text, Reading, and Cases: Instructor's Resource Book, Maidenhead: McGraw-Hill.