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Navigating the Tech Frontier: Embracing Innovation in Modern Organizations

Nur Faliza[1*], Febrian Soraya Tanjung[2], Suwarno[3]
[1]Universitas Malikussaleh
[2]Politkenik Unggulan Cipta Mandiri
[3]Universitas Bina Insan
Corresponding Author e-mail: nurfaliza@unimal.ac.id

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Abstract: *This study investigates the impact of advanced technology adoption, strategic alignment, and change management on competitive advantage at PT HM Sampoerna Tbk. A quantitative research design with random sampling was employed, involving a sample of 75 employees. The study utilizes Smart PLS (Partial Least Squares) to assess the relationships among the variables, focusing on the influence of change management as a moderating factor. The findings reveal that while the direct effects of advanced technology adoption and strategic alignment on competitive advantage are not statistically significant, change management plays a crucial role in enhancing competitive advantage. Furthermore, the interaction between technology adoption and change management significantly improves competitive advantage, highlighting the importance of effectively managing organizational transitions during technological integration. However, the interaction between strategic alignment and change management indicates that overemphasis on alignment may reduce competitive flexibility. The research concludes that integrating effective change management practices is essential for maximizing the benefits of technology adoption and strategic alignment in achieving long-term competitive advantage.*

Introduction

In the rapidly evolving business landscape, organizations are increasingly leveraging advanced technologies to stay competitive (Cirillo et al., 2023). The adoption of these technologies is not only critical for maintaining operational efficiency but also plays a significant role in shaping competitive advantage (Sharma & Behl, 2023). Strategic alignment

of technological advancements with overarching business goals is essential for realizing their full potential (Shehadeh et al., 2023). However, the process of integrating new technologies is complex and often mediated by change management practices, which influence how effectively an organization can harness these innovations to enhance its competitive edge (van Wyk et al., 2024). This interplay between technology adoption, strategic alignment, and change management is pivotal in understanding how modern organizations can successfully navigate the tech frontier (Anvarovich, 2023).

Competitive advantage is defined as the unique edge a company achieves over its competitors by delivering superior value to customers or by operating with greater efficiency (Ngo, 2023). This advantage can originate from various factors, including unique products, innovative technologies, cost leadership, or exceptional customer service (Hasani et al., 2023). Such advantages enable companies to secure better financial outcomes and enhance their market positioning relative to rivals. For example, a company that invests in a robust technological infrastructure may experience significant benefits such as reduced production costs, improved product quality, and a heightened ability to respond swiftly to market fluctuations, thereby gaining an edge over its competitors (Stanikzai et al., 2023). The essence of competitive advantage lies in the ability to differentiate from others in ways that are challenging to replicate, which fosters sustainable long-term success within the market (Henry Ejiga Adama et al., 2024). Companies that can successfully leverage their unique capabilities and resources create a significant barrier for competitors, allowing them to capture and retain customer loyalty while achieving greater profitability. Ultimately, cultivating a competitive advantage requires a strategic focus on innovation, efficiency, and customer value, as these elements are crucial for sustaining a leading position in an increasingly competitive business landscape. Organizations must continuously assess their strengths and weaknesses, adapt to changing market conditions, and innovate their offerings to maintain this advantage over time. By doing so, they can ensure not only immediate success but also long-term viability and growth in their respective industries.

The adoption of advanced technologies entails the integration of innovative tools and systems into an organization's operations to improve performance and achieve strategic objectives (Wang et al., 2023). This process often begins with assessing the potential benefits of the technology and its compatibility with existing systems. Successful implementation requires thorough planning, which includes aligning the technology with business goals, providing adequate training for employees, and modifying workflows to accommodate the new systems (Abiola Moshood Komolafe et al., 2024). Technologies such as artificial intelligence, cloud computing, and automation have the potential to significantly enhance efficiency, productivity, and innovation within organizations (Kaur Bagga et al., 2023). Despite these advantages, the adoption process can present challenges, including employee resistance to change, high implementation costs, and the necessity for ongoing support and maintenance. Addressing these challenges through effective change management strategies is crucial for ensuring a smooth transition and maximizing the benefits of new technologies. When managed well, the adoption of advanced technologies can position an organization at the forefront of its industry, providing a substantial competitive advantage and driving sustainable long-term

growth (Phillips & Klein, 2023). Organizations that successfully navigate the complexities of technology adoption not only improve their operational capabilities but also enhance their ability to respond to market demands and innovate continually. Ultimately, embracing advanced technologies is essential for organizations looking to thrive in an increasingly competitive business environment, enabling them to leverage new opportunities and maintain relevance in their respective markets.

Strategic alignment is the process of ensuring that an organization's technology, resources, and operations are synchronized with its overall business goals and strategies (Jangjarat et al., 2023). This involves aligning technological investments and initiatives with the company's strategic objectives to maximize effectiveness and achieve the desired outcomes (Agustian et al., 2023). For instance, if a company's goal is to become a leader in innovation, its technology strategy may emphasize adopting cutting-edge research and development tools, cultivating a culture of innovation, and aligning operational processes to facilitate rapid product development (Javaid et al., 2023). Effective strategic alignment ensures that all elements of the organization contribute to broader objectives, enhancing overall performance, improving efficiency, and reinforcing competitive advantage. In the absence of proper alignment, even the most advanced technologies and well-crafted plans may fail to yield the anticipated results (Hasan Emon, 2023). Misalignment can lead to wasted resources, confusion among employees, and a failure to capitalize on market opportunities. Therefore, organizations must continuously evaluate and adjust their strategic alignment to adapt to changing market conditions and evolving business goals. This dynamic process requires ongoing communication between departments, a clear understanding of strategic priorities, and a commitment to integrating technology into every facet of the organization. By fostering a cohesive strategy that aligns technological initiatives with business objectives, companies can better position themselves for success, drive innovation, and achieve long-term growth in an increasingly competitive landscape. Ultimately, strategic alignment is crucial for harnessing the full potential of technological advancements and ensuring that organizational efforts are focused on achieving shared goals.

Change management refers to the structured approach aimed at guiding individuals, teams, and organizations from their current state to a desired future state (Waqar et al., 2023). It emphasizes managing the human aspects of change to ensure the effective adoption of new processes, technologies, or strategies while minimizing disruption (Sancak, 2023). Key components of change management include preparing for change, facilitating clear communication, providing necessary training, and addressing any resistance or concerns that may emerge during the transition (Zhang et al., 2023). Effective change management is crucial as it helps employees adjust to new working methods, aligns organizational practices with strategic objectives, and promotes the seamless implementation of change initiatives (Temitayo Oluwaseun Abrahams et al., 2023). By recognizing and addressing both psychological and operational challenges associated with change, organizations can enhance their overall effectiveness and achieve superior outcomes. This approach not only supports immediate transitions but also helps sustain improvements over time, fostering a culture that is resilient to

change (Setyaningrum et al., 2023). Organizations that prioritize change management are better positioned to navigate the complexities of transformation, ensuring that employees feel supported and engaged throughout the process. Ultimately, effective change management is essential for driving successful change initiatives, enabling organizations to remain competitive and responsive in a rapidly evolving business environment. By integrating change management practices into their overall strategy, companies can harness the potential of new technologies and processes, ultimately enhancing their performance and achieving long-term goals. Through this structured approach, organizations can cultivate a workforce that is not only adaptable but also committed to continuous improvement and innovation.

In the of PT HM Sampoerna Tbk, a prominent player in the tobacco industry, the research variables take on a specific significance. Competitive Advantage is evaluated by examining how the company leverages advanced technologies and aligns them with its strategic goals to stay ahead of competitors. Adoption of Advanced Technologies focuses on how Sampoerna integrates new technological innovations into its production and operations to enhance efficiency and product quality. Strategic Alignment looks at how these technological advancements are aligned with the company's long-term business objectives and market positioning. Change Management is crucial in understanding how Sampoerna manages the transition to new technologies and processes, ensuring that the workforce adapts smoothly and that the changes contribute effectively to the company's strategic aims. PT HM Sampoerna Tbk, a key issue revolves around effectively integrating advanced technologies into its traditional manufacturing processes while maintaining alignment with its strategic objectives. The company faces the challenge of balancing innovation with the operational intricacies of the tobacco industry, where established practices are deeply entrenched. As new technologies are adopted, there is a need to manage the transition smoothly to avoid disruptions and ensure that technological advancements translate into improved efficiency and competitive advantage. Additionally, strategic alignment of these technologies with long-term business goals is crucial for sustaining growth and market leadership. Change management becomes essential in this context, as it addresses how well the organization navigates the shifts in processes and culture required to fully capitalize on technological advancements.

Based on recent research, there is a noticeable gap in understanding how advanced technology adoption impacts competitive advantage in traditional manufacturing sectors, specifically in the tobacco industry. For instance, the study by (Appio et al., 2024) highlights that while technological adoption is crucial, its alignment with strategic objectives remains underexplored, particularly in industries with entrenched practices. Similarly, (Iverson, 2024) discuss the challenges of managing change within established companies but do not provide detailed insights into how change management specifically affects technology adoption in the tobacco industry. Furthermore, (Sadikin et al., 2023) explore competitive advantage through technology but focus on high-tech industries, leaving a gap in understanding its implications for companies like PT HM Sampoerna Tbk. Addressing these gaps can provide a more comprehensive view of how technology impacts competitive positioning in sectors with a legacy of traditional practices.

The aim of this research is to explore how PT HM Sampoerna Tbk can effectively leverage advanced technologies to enhance its competitive advantage. Specifically, the study seeks to examine the relationship between the adoption of these technologies and the company's strategic alignment, and to understand the role of change management in facilitating this process. By investigating how technological innovations are integrated into traditional manufacturing practices and assessing their impact on strategic objectives, the research aims to provide insights into optimizing technology adoption and managing associated changes to sustain and strengthen competitive positioning in the tobacco industry.

The following is the framework for this research:

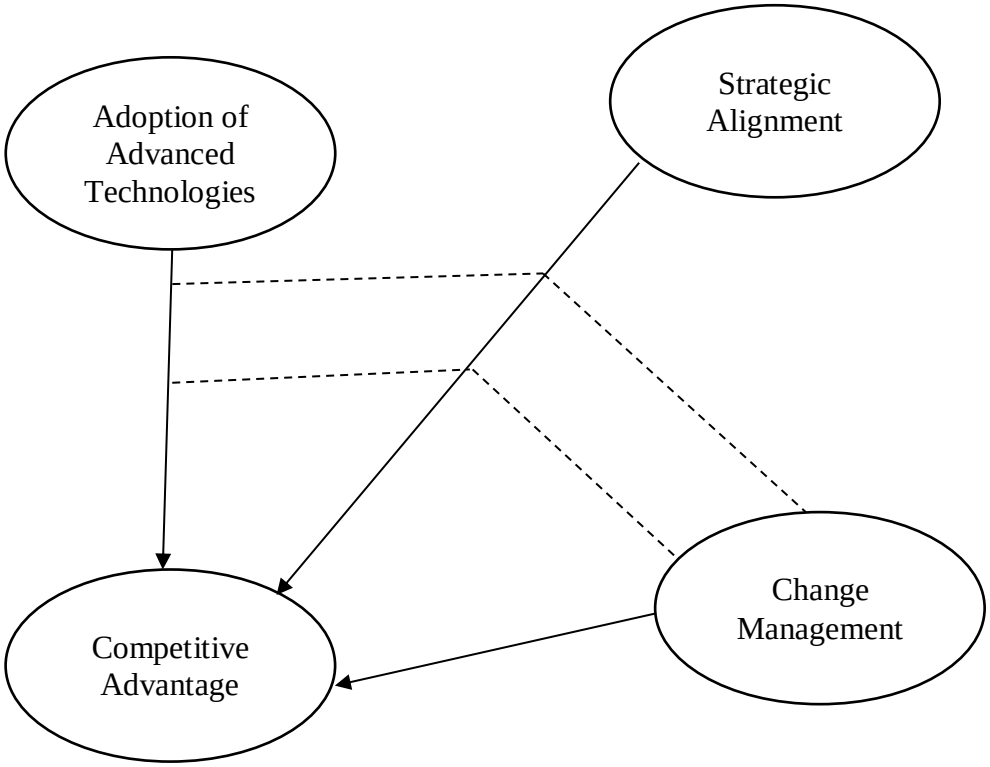

Figure 1. Framework

Research Methods

This research employs a quantitative design with random sampling to explore the impact of advanced technology adoption on competitive advantage at PT HM Sampoerna Tbk. A total of 75 employees were randomly selected, ensuring a representative cross-section of the workforce. This method facilitates the collection of data that accurately reflects the perspectives and experiences of various employees within the organization. The study focuses on three key variables: the dependent variable of Competitive Advantage, the independent variables of Adoption of Advanced Technologies and Strategic Alignment, and the moderating variable of Change Management. By examining these variables, the research aims to understand the intricate relationships between technology integration, alignment with strategic goals, and the overall competitive positioning of the company.

To analyze the data, the study utilizes Smart PLS (Partial Least Squares), a robust analytical tool adept at assessing complex relationships and evaluating path models. This approach allows for a comprehensive examination of how technology adoption and strategic alignment contribute to enhancing competitive advantage while considering the influence of change management on these dynamics. Smart PLS provides insights into the degree to which advanced technology integration, when aligned with organizational strategies, leads to improved performance and market positioning. Furthermore, by incorporating change management as a moderating variable, the research highlights the importance of effectively managing the human aspect of change during technology adoption. Understanding how change management can facilitate or hinder the implementation of new technologies and strategic initiatives will be crucial for organizations looking to leverage their technological investments for sustainable competitive advantage. This study ultimately seeks to provide valuable insights that can inform both academic discourse and practical strategies for organizations aiming to thrive in a technology-driven market environment.

Result and Discussion

Prior to conducting the hypothesis testing in this research, validity and reliability assessments were performed, with the results exceeding average benchmarks. This ensures that the measurement instruments used in the study accurately capture the intended constructs, thereby enhancing the credibility of the findings. With established validity and reliability, the research moves forward to test the hypotheses, aiming to uncover the relationships between the adoption of advanced technologies, strategic alignment, change management, and competitive advantage at PT HM Sampoerna Tbk. This rigorous methodological foundation lays the groundwork for drawing meaningful conclusions and implications from the analysis.

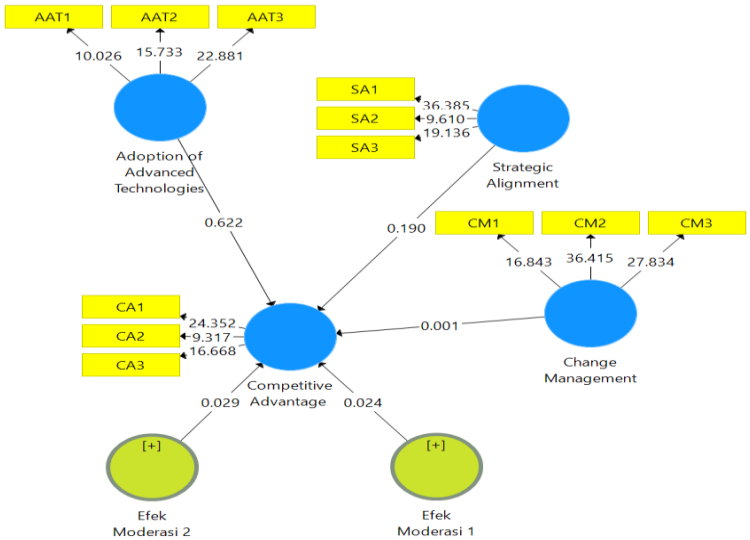

Figure 2. Hypothesis Testing

The following are the results of the hypothesis testing presented in table form:

Table 1. Hypothesis Testing

Path	Original Sample	Sample Mean	Standard Deviation	T Statistic	P Values
Adoption of Advanced Technologies -> Competitive Advantage	0,083	0,105	0,167	0,494	0,622
Strategic Alignment -> Competitive Advantage	0,217	0,214	0,165	1,313	0,190
Change Management -> Competitive Advantage	0,487	0,467	0,151	3,233	0,001
Adoption of Advanced Technologies* Change Management -> Competitive Advantage	0,393	0,402	0,173	2,272	0,024
Strategic Alignment*Change Management -> Competitive Advantage	-0,365	-0,363	0,167	2,184	0,029

The results of the hypothesis testing in this study provide a detailed understanding of the relationships between the adoption of advanced technologies, strategic alignment, change management, and competitive advantage at PT HM Sampoerna Tbk. Table 1 shows that the direct effect of the adoption of advanced technologies on competitive advantage is not statistically significant (T = 0.494, P = 0.622). This finding suggests that simply adopting advanced technologies does not necessarily lead to a significant competitive advantage on its own, a conclusion consistent with previous research that emphasizes the importance of other organizational factors in making technology adoption impactful (Cirillo et al., 2023). While technology can drive operational improvements, the results highlight that other elements, such as how these technologies are integrated and managed within the organization, play a more crucial role in driving competitive success (Wang et al., 2023).

In contrast, the path from strategic alignment to competitive advantage, while not statistically significant (T = 1.313, P = 0.190), shows a positive relationship. This implies that aligning technology adoption with broader business goals may have the potential to contribute to competitive advantage, but in this study, the effect does not reach significance. Prior studies have emphasized the importance of aligning technological innovations with strategic objectives to realize their full potential (Shehadeh et al., 2023). In this case, it is likely that the alignment between strategic goals and technology needs further refinement, or other factors are influencing the degree of alignment's impact. The lack of significance may also reflect challenges in fully embedding strategic alignment into day-to-day operations, which has been highlighted as a common obstacle in achieving competitive advantage (Javaid et al., 2023).

A striking finding is the strong positive effect of change management on competitive advantage, with significant results (T = 3.233, P = 0.001). This suggests that effective change management is a critical driver of competitive advantage in the context of advanced technology adoption. Organizations that manage the human side of technological transitions effectively can better leverage these innovations to outperform competitors (Sancak, 2023). The results echo the importance of managing employee adaptation, ensuring smooth transitions, and addressing resistance to change, as highlighted in previous studies (Setyaningrum et al., 2023). Change management ensures that the workforce is not only equipped to handle new technologies but is also aligned with the strategic goals of the organization, resulting in improved performance and competitive positioning.

Additionally, the interaction effects between adoption of advanced technologies and change management further emphasize the importance of this moderating factor. The results show that when change management is integrated into the process of technology adoption, the impact on competitive advantage becomes significant (T = 2.272, P = 0.024). This indicates that the adoption of advanced technologies only contributes meaningfully to competitive advantage when supported by effective change management practices. Previous research has similarly identified that technology implementation requires not just the tools themselves but a well-managed process of organizational change to ensure these tools are utilized effectively (Phillips & Klein, 2023). This finding highlights the need for organizations to prioritize change management when adopting new technologies to fully realize their potential for driving competitive success.

Lastly, the interaction between strategic alignment and change management reveals an interesting dynamic. The negative coefficient (T = 2.184, P = 0.029) suggests that when strategic alignment is coupled with change management, the effect on competitive advantage may actually decrease. This result may seem counterintuitive but can be explained by potential overemphasis on managing alignment efforts at the expense of other operational needs. It could also reflect the complexity of balancing multiple strategic priorities during periods of technological change, where over-management of alignment could stifle flexibility and innovation (Agustian et al., 2023). This finding underscores the importance of a balanced approach where change management supports, rather than hinders, strategic alignment efforts, ensuring that both elements work together harmoniously to enhance competitive advantage. Overall, the study highlights the complex, interrelated factors that influence competitive advantage in the context of technology adoption, providing valuable insights for organizations navigating this landscape.

Conclusion and Recommendation

The findings of this study reveal that while the direct adoption of advanced technologies and strategic alignment alone do not significantly impact competitive advantage, effective change management plays a crucial role in ensuring these elements contribute meaningfully to organizational success. Specifically, change management not only directly enhances competitive advantage but also amplifies the positive effects of technology adoption when properly implemented. However, the interaction between strategic alignment and change management suggests that a careful balance is needed to avoid overemphasizing alignment efforts, which may inadvertently reduce flexibility and hinder innovation. Overall, the research underscores the importance of integrating change management into technology adoption and strategic alignment processes to fully leverage their potential for driving competitive advantage.

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