OPTIMIZING ADAPTIVE LEADERSHIP AND SUSTAINABILITY MINDSET TO ENHANCE EMPLOYEE RESILIENCE IN THE GIG ECONOMY ERA

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Abstract. The dynamic nature of the gig economy requires employees to possess high levels of resilience. This study aims to examine the effect of adaptive leadership and sustainability mindset on employee resilience in CV KARYA WINAZAR Sukabumi. Using a quantitative approach, data were collected from 69 contract employees who had worked for more than one year. Data analysis was conducted using multiple linear regression along with classical assumption tests, coefficient of determination, and multiple correlation. The findings reveal that adaptive leadership significantly and positively influences employee resilience, making it the dominant contributing factor. Meanwhile, the sustainability mindset also shows a positive impact, though with lesser influence. These results suggest that building resilience in gig economy settings requires strategic investment in adaptive leadership capabilities and deeper internalization of sustainable values within the workplace.

Keywords: Adaptive Leadership, Sustainability Mindset, Resilience, Gig Economy, Leadership Transformation

1 Introduction

Human resources are one of the most crucial factors in supporting the progress and success of an organization, especially in facing an increasingly dynamic work environment. As stated by [1], organizational productivity can be optimally achieved when supported by high-quality human resources and a work system that is responsive to change [1]. A competitive work environment drives companies to continuously innovate and adapt, which also requires employees to possess high adaptability

This shift in work systems has given rise to a new employment model known as the "Gig Economy." According to [2], the Gig Economy refers to a labor system that involves short-term project-based employment characterized by flexible work that is not bound by long-term contracts [2]. Data from [3] show that in February 2023, there were 46.47 million freelance workers or 32% of the total workforce in Indonesia, an increase from 24% the previous year [3]. This rise demonstrates the growing appeal of flexible work systems, but on the other hand, it presents new challenges such as job uncertainty, time exploitation, and unclear compensation. This is reinforced by [2] research, which shows that many freelance workers experience stress due to the unpredictable nature of the work system.

These challenges require organizations to adopt an appropriate leadership style that can provide direction and solutions, one of which is adaptive leadership. According to [4], adaptive leadership is the leader's ability to encourage their team members to adapt to challenges, problems, and changes that occur [4]. This aligns with [5], who explain that adaptive leadership includes dimensions such as self-awareness, emotional resilience, change management, and collaboration. Amid the demands for flexibility and workplace pressures in the Gig Economy era, such leadership is vital in helping employees develop resilience or the capacity to endure and thrive in difficult situations [5].

In addition to adaptive leadership, mindset is another key factor. A sustainability mindset reflects long-term thinking that balances economic, social, and environmental goals. According to [6], a sustainability mindset includes dimensions of sustainable thinking, environmental awareness, and social responsibility [6]. Verheyen (2023) asserts that the Gig Economy can contribute to SDG 8, which advocates for decent work and economic growth, provided it is accompanied by the application of a sustainability-oriented mindset [7].

Employees with a sustainability mindset are more capable of enduring work-related changes because they understand the importance of social values and environmental responsibility in everyday work life. Thus, adaptive leadership and a sustainability mindset are considered to have a significant influence on increasing employee resilience—the ability of individuals to remain strong in facing work pressure and job uncertainty. According to [8], employees with high resilience tend to manage work stress better and report higher job satisfaction [8].

However, in [6] study, resilience does not always directly correlate with job satisfaction, especially in high pressure environments such as the Gig Economy. In other words, resilience must be supported by internal and external factors such as leadership style and individual mindset. Support from leaders who can adapt and from employees who possess a sustainability mindset will enhance mental endurance against workplace stress.

This phenomenon is also found at CV KARYA WINAZAR, Sukabumi—a wood kitchenware craft company that has operated for over 30 years. Based on internal company data (2024), among its 69 contract employees, 40% expressed dissatisfaction with the wage system, while 65% reported experiencing high levels of work-related stress due to increased workloads and ineffective team communication. These findings indicate problems within the company's work management system and highlight the need for improvements in leadership and mindset aspects to build employee resilience.

This issue is further exacerbated by limited career development programs and low attention to employee well-being. According to [9], job satisfaction is influenced by compensation systems, promotion opportunities, and harmonious working relationships [9]. Therefore, increasing resilience requires not only personal endurance from

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employees but also the right organizational strategy—especially in terms of leadership and sustainability mindset. Consequently, the company needs a managerial approach that is not only adaptive but also promotes sustainability values among all its members.

In this context, this research is important because it addresses strategic issues related to the role of leadership and mindset in shaping employee resilience, particularly in the uncertain era of the Gig Economy. This study also fills a gap in previous literature that has largely focused on startups and digital technology sectors, rather than the manufacturing or craft industry such as CV KARYA WINAZAR. The objective of this study is to analyze how optimizing adaptive leadership and a sustainability mindset can enhance employee resilience in facing the challenges of flexible work in the Gig Economy era.

The hypotheses proposed in this study are as follows:

H1: Adaptive leadership has a significant effect on employee resilience in the Gig Economy era. This hypothesis is supported by the study of [10], which found that adaptive leadership significantly influences employee adaptability in complex work environments [10]. Their research used a mixed-methods approach combining quantitative and qualitative analyses, revealing that leaders who are self-aware, emotionally resilient, and capable of managing change effectively foster better adaptability and psychological stability among employees. In addition, [11] emphasized that adaptive leadership and flexibility are key to strengthening organizational resilience during digital transformation [11]. These findings underscore the necessity of adaptive leadership, especially in environments such as CV KARYA WINAZAR, where a high percentage of employees face stress due to workload and poor communication.

H2: A sustainability mindset has a significant effect on employee resilience in the Gig Economy era. This hypothesis aligns with the insights of [6], who asserted that a sustainability mindset—comprised of sustainable thinking, environmental awareness, and social responsibility—is critical for personal and organizational resilience. Moreover, the study by [12] revealed that emotional regulation has a greater influence than social capital in building workplace resilience among millennial employees [12]. This further supports the idea that internal mental frameworks, such as sustainability-oriented thinking, play a major role in employee endurance. Goldsworthy (2023) also argued that leaders must shift from a fixed to a growth mindset to effectively implement sustainable practices, which is particularly relevant in settings like CV KARYA WINAZAR where employee motivation is affected by limited career development and compensation dissatisfaction.

This research is expected to contribute theoretically to the development of human resource management knowledge and practically to organizations in formulating leadership strategies and developing adaptive and sustainable employee mindsets.

2 Research method

This study used a quantitative associative descriptive method aimed at analyzing the effect of adaptive leadership and a sustainability mindset on employee resilience in the Gig Economy era. The research was conducted at CV KARYA WINAZAR, a woodcraft company located in Sukabumi, Indonesia. The approach was chosen because it enables researchers to examine the statistical relationship between variables using numerical data [13].

2.1 Population and Sampling

The population in this study consisted of contract employees at CV KARYA WINAZAR who had worked for a minimum of one year. Based on internal company data, the total number of eligible employees was 69. Due to the manageable size of the population, the sampling technique employed was saturated sampling [14], meaning the entire population was included as the sample [14]. This technique was appropriate to ensure comprehensive coverage of the study subject and enhance the generalizability of the findings within the organization.

Respondent characteristics showed that 60% of employees had 1-3 years of work experience, while 40% had more than 3 years. Most employees were aged between 25-30 years (50%) and were predominantly male (65%). These demographic details are essential in understanding the context of the workforce studied, which is mostly composed of young, contract-based male workers in their early careers.

2.2 Data Measuring and Collecting

The primary data in this study were collected through a questionnaire distributed via Google Form, structured using a Likert scale of 1-5, with "1" indicating "Strongly Disagree" and "5" indicating "Strongly Agree." The questionnaire was designed based on previously validated theoretical frameworks. Indicators for adaptive leadership were adapted from [5], consisting of aspects such as self-awareness, emotional resilience, change management, and collaboration. For the sustainability mindset, the items were developed from [6], involving dimensions of sustainable thinking, environmental awareness, and social responsibility. Meanwhile, the employee resilience indicators referred to the constructs of [8], covering how individuals respond to stress, manage adversity, and maintain motivation.

Besides the questionnaire, non-participant observation and semi-structured interviews were conducted to gain deeper qualitative insight into employee behavior and organizational dynamics. Secondary data were obtained from internal company documentation, including employee statistics, organizational structure, and policy documents related to work systems, leadership, and performance evaluation.

Before full-scale data analysis, the instrument underwent validity and reliability testing using SPSS version 25. The validity test was based on the Pearson correlation coefficient, with an r-table value of 0.235 (n = 69, α =

0.05). All questionnaire items for each variable showed r-count values above 0.235, indicating they were valid. Reliability was measured using Cronbach's Alpha, with results above 0.69 for all variables: 0.798 for Adaptive Leadership, 0.729 for Sustainability Mindset, and 0.763 for Resilience. These values confirm that the research instrument was reliable [15].

2.3 Variable and Data Analysis

This study consisted of two independent variables and one dependent variable:

X1: Adaptive Leadership X2: Sustainability Mindset Y: Employee Resilience

The model used in this research is a multiple linear regression model, expressed in the following equation: Y = a + b1X1 + b2X2

Which in this study becomes: Y = -2.269 + 0.420X1 + 0.069X2

Data analysis was carried out in several stages. First, classical assumption testing was conducted to ensure the validity of the regression model:

Normality Test: Kolmogorov–Smirnov test showed a significance value of 0.600 (>0.05), indicating normally distributed data. Multicollinearity Test: Tolerance = 0.758 (>0.1), VIF = 1.319 (<10), confirming no multicollinearity. Heteroscedasticity Test: Significance values for both independent variables were below 0.05. However, based on scatterplot observation, no clear pattern was observed, so it was concluded that heteroscedasticity did not occur.

The hypothesis testing involved:

t-test (partial): Adaptive Leadership (X1) and Sustainability Mindset (X2) both had t-values greater than t-table at α = 0.05, indicating a significant partial effect on Employee Resilience (Y). F-test (simultaneous): The F-count value was 18.221, exceeding the F-table value, signifying a simultaneous significant effect.

The coefficient of determination (R^2) was 0.356, meaning 35.6% of the variation in resilience could be explained by the two independent variables, while the rest was influenced by other factors not included in the model. The multiple correlation coefficient (R) was 0.593, indicating a moderate positive relationship between the variables.

This comprehensive quantitative approach, supported by strong statistical validation, provides robust insights into how adaptive leadership and a sustainability mindset can be optimized to improve employee resilience in the Gig Economy, especially within small and medium-sized manufacturing enterprises like CV KARYA WINAZAR.

3 Results and discussion

This section presents the research results and their discussion. The data analysis used multiple linear regression, and classical assumption tests to examine the relationship between adaptive leadership (X_1) , sustainability mindset (X_2) , and employee resilience (Y). The following tables summarize the main findings: Table 1. Validity and Reliability Test

Variable r-Count Range r-Critical Cronbach's Alpha Adaptive Leadership (X₁) 0.297–0.726

0.235 0.798

Sustainability Mindset (X₂)

0.390-0.695 0.235 0.729

Resilience (Y) 0.562-0.771 0.235 0.763

All items showed r-count values above the critical value (0.235), indicating valid instruments. Cronbach's Alpha values for all variables exceeded 0.7, demonstrating high reliability.

Table 2. Classical Assumption Test

Test Type	Criteria	Result	Interpretation
Normality	Sig. > 0.05	0.60	Data are normally distributed

Multicollinearity	Tolerance > 0.1, VIF < 10	T:0.758,VIF:1.319	No Multicollinearity
Heteroskedasticity	Sig. > 0.05	X ₁ : 0.000, X ₂ : 0.000	No heteroskedasticity

The data met the classical assumptions required for regression analysis.

Table 3. Regression Analysis and Hypothesis Testing

Analysis	Result	Interpretation
Multiple Correlation Coefficient (R)	0,593	Moderate correlation
Coefficient of Determination (R²)	0,356	35.6% variance explained
Regression Equation	$Y = -2.269 + 0.420X_1 + 0.069X_2$	Positive effect from both independent variables
Simultaneous Significance (F Test)	F = 18.221 > F table	Significant influence simultaneously
Partial Significance (T Test)	X ₁ : 0.420 (p < 0.05) X ₂ : 0.069 (p < 0.05)	Both variables significantly affect Y

Discussion:

The results demonstrate that adaptive leadership has a stronger and more significant effect on employee resilience, indicated by a higher regression coefficient (0.420). This suggests that flexible and responsive leadership is key in helping employees withstand stress and adapt in dynamic gig economy settings.

The sustainability mindset also has a positive influence on resilience, although the coefficient (0.069) is smaller. This aligns with research by [8], indicating that awareness of sustainability principles fosters long-term thinking and responsibility, contributing to employee resilience.

The findings support [10], emphasizing that adaptive leadership enhances employee adaptability. They also extend previous literature by highlighting how sustainability values can act as an internal motivator in fostering resilience, especially in small-to-medium enterprises (SMEs) like CV KARYA WINAZAR.

4 Conclusion and recommendation

This study concludes that adaptive leadership has a significant influence on employee resilience at CV KARYA WINAZAR. A leadership style that is responsive, flexible, and collaborative has been shown to help employees manage work stress and increase job satisfaction in dynamic gig economy environments. Adaptive leadership is the dominant factor in shaping employee resilience.

On the other hand, the sustainability mindset also contributes positively to resilience, although its impact is less substantial than adaptive leadership. Internalized values such as social responsibility and environmental awareness encourage employees to adopt long-term thinking and strengthen their ability to cope with work-related pressures.

Based on the findings, it is recommended that the company enhance adaptive leadership capacity through regular training, strengthening inter-team communication, and cultivating a collaborative work culture. Additionally, embedding sustainability values through employee education, corporate social responsibility programs, and socially and environmentally conscious work policies is essential. These strategies will help build a workforce that is not only productive but also resilient in facing the challenges of the modern work era.

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