

# Meaning of Work and Employee Adaptation to Digital Transformation in SMEs in Makassar: A Phenomenological Study

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## Abstract

This study examines how employees in small and medium-sized enterprises (SMEs) in Makassar, Indonesia, perceive the meaning of their work amid the accelerating digital transformation wave. Employing an interpretive phenomenological design, the research engaged 20 purposively selected participants through in-depth interviews to illuminate their lived experiences of adapting to new digital tools, evolving job roles, and heightened productivity demands. Thematic analysis produced five overarching themes: changing meaning of work (employees discovering renewed purpose through skill acquisition and personal development); digital adaptation (learning strategies and coping mechanisms for new technologies); productivity pressure (stress arising from accelerated work demands); organizational support (the role of training programs and managerial communication); and employee resilience (proactive and coping behaviors). Findings are situated within theories of work adjustment, technology acceptance, and work design. The study contributes to work psychology by demonstrating how SME workers actively reconstruct meaning and adapt during technological change. Managerial implications include prioritizing employee training, supporting work–life balance, and engaging workers in the formulation of digital strategy.

**Keywords:** Meaning of Work, Digital Transformation, SMEs, Employee Adaptation, Phenomenology, Makassar.

## 1. Introduction

Digital transformation has fundamentally reshaped organizational life across the globe (Zhou et al., 2025). In Indonesia, micro, small, and medium enterprises (MSMEs) occupy a particularly critical economic position, accounting for approximately 97% of all registered businesses and contributing 61% of the national gross domestic product (Purnomo et al., 2024). Evidence suggests that digitalization can substantially expand market reach, operational efficiency, and profitability for these enterprises; however, its implementation remains constrained by limited capital, skill gaps among the workforce, and persistent data security concerns (Purnomo et al., 2024). Research conducted in the Makassar context corroborates these dynamics: Yusuf et al. (2023) found that local SMEs adopting digital tools achieved greater business agility and competitive advantage, pointing to a strong relationship between technology use and organizational adaptability.

Alongside these organizational benefits, the sweeping changes digital transformation imposes on work patterns carry significant psychological consequences. Scholars have drawn



attention to a new category of work-related stressors, including technostress, cognitive overload, and an emergent always-on culture that risks employee burnout and diminished well-being (Akbar et al., 2025; Zheng et al., 2025). Workers can face heightened uncertainty and multitasking demands that undermine psychological comfort and sustained engagement (Akbar et al., 2025).

Critically, work remains one of the most significant domains in which individuals construct personal meaning. Liu et al. (2026) argue that work is not merely a mechanism for economic survival but also a primary site for existential meaning-making. Workers commonly seek a sense of purpose in their daily activities and ask fundamental questions about why their labor matters. In theory, digital tools alter the conditions through which work generates meaning by reshaping autonomy, skill utilization, feedback mechanisms, and social interaction factors that collectively influence experiences of mastery, value alignment, and perceived impact (Liu et al., 2026).

Despite the growing body of research on digital transformation, most studies have concentrated on organizational outcomes or technology adoption rates, with comparatively little attention paid to how workers themselves interpret and construct meaning during such transitions. This gap is especially pronounced in the context of SMEs in emerging economies such as Indonesia, where resource constraints and cultural factors are likely to shape adaptation processes in distinctive ways.

The present study addresses this gap by examining how SME employees in Makassar experience and interpret their work amid digital transformation. A qualitative phenomenological approach was adopted to center employees' voices and lived realities. The guiding research questions are: How has digitalization altered the meaning employees attach to their work? What adaptation strategies do they employ in response to technological change? How do they cope with the productivity pressures that digitalization introduces? By integrating meaning-of-work theory, technology acceptance models, and change management perspectives, this research contributes both empirically and theoretically to the field, while generating practical insights for SME managers supporting employees through digital transitions.

## **2. Literature Review**

### **2.1. Meaning of Work**

The meaning of work refers to the significance, purpose, and sense of fulfillment that individuals derive from their professional activities (Liu et al., 2026). This concept extends well beyond financial compensation to encompass dimensions of personal growth, social connection, and self-realization. In the digital era, research has established that new technologies reshape key characteristics of work, including autonomy, skill utilization, feedback, and interpersonal relationships, thereby influencing how workers make meaning (Liu et al., 2026). Employees may discover deeper meaning through the mastery of new competencies, the alignment of tasks with personal values, the perception of tangible impact, or a sense of broader societal contribution. A systematic review by Liu et al. (2026) further argues that the demands of digital work prompt employees to develop coping strategies through which they actively maintain or reconstruct their sense of purpose. The present study builds on this framework by exploring how SME workers engage in meaning-making practices in everyday contexts.

## 2.2. Employee Adaptation and Organizational Change

The Theory of Work Adjustment (TWA) posits that when a mismatch arises between an employee's capabilities and job requirements, the individual undertakes deliberate efforts, whether through skill development or attitudinal change, to restore alignment (Zhou et al., 2025). More recent scholarship has integrated this framework with the Ability–Motivation–Opportunity (AMO) model, arguing that digital transformation enhances employee performance by expanding abilities through training, motivation through a learning orientation, and autonomy through structural enablement, all accompanied by a process of unlearning outdated knowledge and routines (Zhou et al., 2025). Adaptation, in other words, simultaneously demands upskilling and the deliberate release of prior ways of working. Qualitative studies have documented that during technological transitions, workers engage in job crafting proactively reconfiguring tasks and responsibilities as well as role negotiation to manage the demands of change (Zhou et al., 2025). The present study anticipates analogous adaptive behaviors among SME employees.

## 2.3. Technology Acceptance

The Technology Acceptance Model (TAM) identifies the factors that predispose individuals to embrace new systems. In its original formulation, TAM held that perceived usefulness and ease of use are the primary determinants of user attitudes and behavioral intentions toward technology (Park et al., 2022). Subsequent extensions TAM2 and the Unified Theory of Acceptance and Use of Technology (UTAUT) incorporated additional variables, including social influence and facilitating conditions, to improve predictive validity (Park et al., 2022). In organizational contexts, technology acceptance is further shaped by performance expectancy, social support, and perceived risk. This study draws on the TAM framework to interpret how employees' perceptions of digital tools in terms of usefulness, ease of use, and available support mediate their adaptation experiences.

## 2.4. Change Management

Effective digital transformation typically requires structured change management support. Research consistently indicates that clear communication, visible leadership commitment, and active employee involvement reduce resistance and strengthen adaptive capacity. Key factors that facilitate successful adaptation include the quality of the change strategy, the clarity of organizational communication, the availability of social support networks, and the reduction of role ambiguity (Asrori, 2024). These contextual factors are considered throughout the analysis to understand how the organizational environments of Makassar SMEs shape employee experiences during digital change.

## 2.5. Employee Well-Being

Digitalization alters the balance of job demands and resources in ways that carry significant implications for employee well-being. Applying the Job Demands–Resources (JD-R) model, Zheng et al. (2025) contend that workplace digitization simultaneously reduces routine demands through automation and generates new demands in the form of digital anxiety and cognitive strain. Empirical evidence corroborates that technology adoption can increase multitasking burdens and uncertainty, diminishing autonomy and eroding well-being (Akbar et al., 2025). Conversely, adequately resourced support systems, including training programs and work–life balance policies, have been shown to buffer the effects of digital stressors (Akbar et al., 2025). Sansovini and Magida (2025) additionally report that when digital technology adoption is accompanied by organizational support, it correlates positively

with employee mental health outcomes. The present study examines both the challenges and the coping mechanisms associated with employee well-being in digitally transforming SMEs.

### 3. Methods

This study adopted a qualitative phenomenological design to illuminate the lived experiences of SME employees. Phenomenology is particularly well-suited to exploring how individuals make sense of transformative shifts in their work environments (Priyatna, 2024). A purposive sample of 20 employees was drawn from diverse SMEs in Makassar (see Table 1), with participants selected to ensure representation across industries (including retail, manufacturing, services, and food and beverage), age groups, and job levels. Data collection proceeded until thematic saturation was achieved, at which point no new themes emerged from additional interviews.

Data were gathered through in-depth semi-structured interviews conducted between May and June 2025. Each interview lasted between 60 and 90 minutes and explored how digital tools had altered participants' tasks, roles, productivity demands, and subjective experience of their work. All interviews were audio-recorded with informed consent and subsequently transcribed verbatim. Ethical approval for the study was obtained from the University's Institutional Review Board.

Analysis followed established thematic analysis procedures. Transcripts were coded iteratively: open coding identified significant statements and experiences, while axial coding grouped these into coherent themes (Ahmed, 2024). NVivo software supported the organization of data, and the research team collaboratively reviewed codes to ensure interpretive consistency. Validity was strengthened through data triangulation, comparing interview data with field notes and available organizational documents, and through member checking, whereby preliminary theme summaries were shared with participants for feedback and verification. Consistent with Lincoln and Guba's trustworthiness criteria, credibility was established through prolonged engagement and triangulation; dependability through a systematic audit trail of coding decisions; and confirmability through peer debriefing and member validation (Ahmed, 2024).

Table 1. Participant Demographic and Employment Profiles

Participant	Age	Gender	Education	Position	Industry	Years
P1	28	Female	Bachelor's	Sales Associate	Retail (Fashion)	3
P2	35	Male	Diploma	Production Worker	Manufacturing	7
P3	42	Female	High School	Administrative Assistant	Services (Finance)	5
P4	26	Male	Bachelor's	IT Support Officer	IT/Technology	2
P5	31	Female	Bachelor's	Marketing Coordinator	Food & Beverage	4
P6	39	Male	Master's	Factory Supervisor	Manufacturing	10
P7	24	Female	Bachelor's	Sales Representative	E-commerce	1
P8	50	Male	High School	Senior Technician	Retail (Electronics)	15
P9	29	Female	Bachelor's	Office Manager	Services (Consulting)	6
P10	37	Male	Bachelor's	Warehouse Manager	F&B Logistics	8

## 4. Results and Discussion

Thematic analysis generated five major themes, each capturing a distinct facet of how employees construct meaning and adapt to digital transformation.

### 4.1. Changing Meaning of Work

A majority of participants reported that digitalization had fundamentally shifted the grounds on which they found their work meaningful. Tasks that had previously felt repetitive and devoid of purpose acquired new significance through the acquisition of digital skills and the mastery of unfamiliar tools. A production worker (P2) articulated this transformation:

*"Before, work was just about showing up. Now I feel proud when I manage to master the new application; it makes my job feel important."*

This account reflects the theme of enhanced *skill mastery* as a source of renewed meaning. Consistent with Liu et al. (2026), technology-induced changes to work characteristics, such as demands for new competencies, directly reshaped employees' meaning-making processes. Participants described tangible personal growth: a marketing coordinator (P5) noted that digital marketing training aligned with her values of continuous self-development and signaled to her that the organization genuinely invested in her growth. This finding echoes the theoretical claim that *personal value alignment* intensifies as job roles expand under the influence of technology (Liu et al., 2026).

Alongside these gains, some participants experienced a sense of loss associated with more traditional sources of meaning. An administrative assistant (P3) expressed nostalgia for the tactile and relational dimensions of paper-based work, noting that digital communication felt less human and more impersonal. This relational dimension of the social fabric of work can be disrupted by technological mediation. Nevertheless, the prevailing tendency among informants was to reformulate meaning: many came to regard their work as a *platform for continuous learning* rather than simply a source of income.

### 4.2. Digital Adaptation

All participants reflected on their experience of adapting to new digital systems. Initial reactions ranged across a wide spectrum, from enthusiasm to pronounced anxiety. An IT support officer (P4) explained that while he embraced the new system immediately, many colleagues found the transition deeply stressful, requiring collective learning efforts. Adaptation strategies included seeking guidance from peers, experimenting through trial and error, and attending company-organized training sessions. These patterns align with key technology acceptance factors: employees who perceived digital tools as useful and received adequate facilitation reported more positive orientations toward technology (Park et al., 2022).

The findings also reflect the AMO framework: employees attributed successful adaptation to gains in competence (ability) and the presence of a supportive environment (motivation and opportunity). A sales associate (P1), for instance, described how a company workshop on e-commerce operations left her feeling both capable and genuinely motivated to manage online orders, illustrating how targeted training translates directly into motivational outcomes (Zhou et al., 2025). By contrast, the absence of training generated frustration: a senior technician (P8) acknowledged that low self-confidence led him to avoid certain new devices altogether.

The study also observed behaviors consistent with *job crafting*. Many informants proactively restructured their workflows to accommodate digital systems. A warehouse manager (P10) described reorganizing delivery schedules to align with the logic of a new

tracking application, which he believed enabled his team to operate more efficiently. This exemplifies the kind of active role renegotiation predicted by work adjustment theory, employees modifying their context to achieve a workable fit with new technological demands (Zhou et al., 2025).

### 4.3. Productivity Pressure

Digital tools frequently brought accelerated and intensified performance expectations. Several participants reported experiencing near-constant pressure to work faster and handle greater volumes of tasks. An office manager (P9) shared that remote systems had conditioned clients to expect immediate responses even outside standard working hours, compelling her to work late regularly. Such *always-on* pressures substantiate findings from Akbar et al. (2025), who document that digitalization escalates multitasking demands, job uncertainty, and reduced autonomy in ways that progressively erode employee well-being. A factory supervisor (P6) similarly recounted how the introduction of real-time performance tracking had led management to monitor output on a minute-by-minute basis, generating sustained stress for workers.

This intensification at times undermined the very meaning employees sought in their work. A production worker (P2) reflected: *"Efficiency is important, but sometimes I feel like a machine; there's no time to think about why this work actually matters."* These accounts suggest that while technology can drive efficiency gains, mismanaged implementation risks reducing employees to mere instruments of productivity rather than purposeful agents. This is consistent with the broader literature cautioning that digital transformation must be managed thoughtfully to avoid chronic overload (Akbar et al., 2025; Zheng et al., 2025).

### 4.4. Organizational Support

The degree of organizational support provided during digital transitions varied substantially across the SMEs in this study. Employees from organizations that offered structured support comprising training sessions, transparent communication about changes, and encouragement from leadership reported smoother and less stressful adaptation experiences. A marketing coordinator (P5) described how her manager held weekly briefings to explain the new point-of-sale system and actively solicited employee feedback, describing this as making a considerable difference to her experience. This pattern aligns with Asrori's (2024) conclusion that the quality of change strategy and organizational communication significantly predict employees' capacity to adapt.

In organizations where such support was absent, employees felt isolated in their struggles. A sales representative (P7) recounted that her manager announced the introduction of a new mobile ordering application without any accompanying training, leaving employees to figure out the system independently. Workers in these contexts reported frustration, confusion, and declining morale. These contrasting experiences underscore the critical importance of active managerial involvement in guiding employees through digital change, as well as the relevance of facilitating conditions as conceptualized in the TAM framework (Park et al., 2022).

### 4.5. Employee Resilience

Despite the challenges they faced, many participants demonstrated considerable resilience. They managed difficulties by cultivating constructive mindsets, mobilizing peer support networks, and actively negotiating boundaries between professional and personal life. A service sector employee (P3) described a deliberate effort to reframe every technical difficulty as a learning opportunity. An IT support officer (P4) established an informal peer

messaging group to enable rapid problem-solving, an initiative that demonstrably built collective confidence across his team. These resilience behaviors reflect the job resources pathway of the JD-R model: when framed constructively, digital tools can function as resources that strengthen competencies and attenuate anxiety (Zheng et al., 2025).

A particularly notable adaptive response was *role negotiation*. A factory supervisor (P6) negotiated with management to revise key performance indicators to account for the learning curves associated with new machinery. This reflects how resilient employees actively reframe constraints and reconfigure their working contexts rather than passively absorbing demands, a dynamic consistent with the role adjustment processes described in work adjustment theory (Zhou et al., 2025).

Taken together, these five themes illustrate how digital transformation simultaneously reshapes *what work means* and *how employees respond to that change*. Workers in Makassar SMEs pursued meaning through personal growth and perceived impact (Liu et al., 2026), navigated adaptation by leveraging technology acceptance factors and organizational resources (Park et al., 2022), and relied on both institutional support and personal resilience to manage the psychological burdens of digital change (Akbar et al., 2025; Asrori, 2024). The interplay among these themes offers a holistic account of how technology alters job design, shifts intrinsic motivation, and necessitates new coping capacities.

## 5. Conclusion

This phenomenological study reveals that SME employees in Makassar are active agents in reconstructing the meaning of their work in the face of digital transformation. The study's contributions can be organized across three dimensions.

**Theoretical contributions.** The study extends meaning-of-work literature by demonstrating how technology-induced changes in job characteristics lead workers to foreground skill mastery, personal development, and value alignment as primary sources of meaning (Liu et al., 2026). The findings simultaneously illustrate TWA and TAM in applied contexts: employees improved their abilities and attitudes in pursuit of person–job fit while evaluating digital tools in terms of usefulness and ease of use. The study also corroborates the dual pathway of digitization within the JD-R model, simultaneously reducing routine demands and generating novel stressors.

**Practical implications.** For managers, actively supporting employees' adaptive journeys is not merely desirable but strategically necessary. The study recommends: (1) comprehensive training and upskilling programs that build genuine digital competence; (2) clear, two-way communication regarding the rationale and scope of digital initiatives; (3) cultivation of a supportive organizational culture through peer learning structures and visible leadership encouragement; and (4) policies that protect work–life boundaries and counter the pressures of an always-on culture.

**Directions for future research.** Given the qualitative nature of this study, future research could quantify the effects identified here across larger and more geographically diverse samples. Longitudinal designs would enable tracking of how the meaning of work evolves as digital transformation matures within organizations. Comparative studies might examine variation between urban and rural SMEs, or across industries with differing rates of technological adoption. Finally, intervention-based research could evaluate the efficacy of specific support mechanisms such as digital literacy training and resilience workshops in improving employee well-being and performance outcomes.

By foregrounding the lived experiences of workers, this study affirms that the success of digital transformation in SMEs ultimately depends not on technology alone, but on an organization's capacity to sustain meaningful work and cultivate human-centered adaptation at every level.

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