

Abstract

This study looks at the effects of implementing an agile work environment on employee performance, emphasizing the importance of invention and absorptive capacity. To remain competitive in today's fast-paced business environment, firms must be adaptive and agile. In order to increase productivity and stimulate creativity, an agile work environment supports cooperation and schedule flexibility. The study used a quantitative methodology and Partial Least Squares (PLS) analysis with 200 workers from Jakarta, Indonesian companies. According to the results, fluid work environments greatly increase creativity and absorptive capacity, both of which boost worker performance. Though both invention and absorptive capacity are crucial, innovation does not always result in a noticeable boost in performance accomplishment.