

ABSTRACT

Micro, Small and Medium Enterprises (MSMEs) is a business owned by a person or by a group of people to get a benefit and have benefits to support national economy. The number of MSMEs of DKI Jakarta is 1,214,420 MSMEs. A particular business problem of MSMEs in DKI Jakarta is the global pandemic COVID-19 which has disrupted the resilience of MSMEs in DKI Jakarta. According to Staff of the Ministry of Cooperatives SMEs, there were 37,000 MSME who reported the impact of the global pandemic COVID-19. In addition, according to data from the Ministry of Cooperatives, there were 56 percent of MSMEs reported declining sales. According to BPS data in 2018, there is still a very small proportion of MSMEs using online platforms because of their technological capabilities. In addition, it is difficult to make innovations in order to survive in the uncertainty of the global pandemic for business resilience.

The purpose of this study is to determine the factors that affect business resilience at MSMEs in DKI Jakarta in terms of technology and innovation capabilities. As well as the impact of technology capabilities on business resilience through innovation. The research method used is quantitative research methods and data collection methods in this study were obtained through distributing questionnaires to 400 respondents. The questionnaire used has a 6 point likert scale with 33 statements. The sample method used is probability sampling with a simple random sampling. The data analysis technique used is explanative analysis.

The results of this study state that the Technology Capability variable has a positive and significant effect on Business Resilience, the Technology Capability variable has a positive and significant effect on Innovation Capability, the Innovation Ability variable has a positive and significant effect on Business Resilience, and the Technology Capability has a positive and significant effect on Business Resilience through Innovation Capability.

Keywords: *MSME, Capabilities Technology, Innovations, Business Resilience, COVID-19*