

ABSTRACT

Micro, Small and Medium Enterprises (MSMEs) is a sector that has an important role in the country's economy and also the largest contributor to the economic life of the community. With a large number, MSMEs make a large contribution in absorbing labor and forming the value of Gross Domestic Product (GDP). Based on data from the Bandar Lampung City Cooperative and UMKM Office, the number of MSMEs in Bandar Lampung City was 51,709 units. Currently the most important problem faced by MSMEs is the occurrence of the Covid-19 pandemic which hinders MSMEs operational activities and also disrupts the resilience of MSMEs businesses in Bandar Lampung City. The difficulties felt by these business actors were related to the high price of raw materials due to scarcity and obstruction of the production process due to constraints in the delivery of raw materials due to social restrictions which also became one of the factors affecting the operations of MSMEs when this.

This study aims to determine what factors affect the business resilience of MSMEs in Bandar Lampung in the face of the Covid-19 pandemic, seen from the technological capabilities and innovation ambidexterity. This study uses a quantitative method where the data required in this study are obtained through the process of distributing questionnaires to 400 MSMEs in the city of Bandar Lampung. This research questionnaire uses a six-point Likert scale with 33 questions. Sampling in this study using the Simple Random Sampling technique.

The results showed that technological capability and innovation ambidexterity had a positive and significant effect on business resilience. In addition, technological capabilities also have a positive and significant effect on ambidexterity innovation. Ambidexterity innovation is proven to play a role as a mediator in the relationship between technology capability and business resilience. This research can be used as information for MSMEs owners to increase resilience and also provide insight into technological capabilities, innovation ambidexterity and business resilience.

Keywords: *Business Resilience, Technological Capability, Innovation Ambidexterity, Covid-19, MSMEs.*