## **ABSTRACT**

In its development efforts PT. Telkom Indonesia is trying to carry out digital transformation and this has proven to have a positive impact on the company in 2021. PT. Telkom has 3 main domains in the digital business realm, namely digital connectivity, digital platforms, and digital services. One of the strategies undertaken by PT. Telkom is to improve digital literacy for all company employees and the company's digital capability.

The purpose of this study was to determine the level of digital literacy, digital capability and personal innovativeness at PT. Telkom Lampung Telecommunication Business Area and how the influence of digital literacy and digital capability on personal innovativeness of employees at PT. Telkom Lampung Telecommunication Business Area. The research method used is quantitative method with data collection techniques obtained from distributing questionnaires to 146 respondents.

Respondents involved are employees of PT. Telkom Lampung Telecommunication Business Area. The questionnaire in this study had 38 question items using a five-point Likert scale. The sampling method used is probability sampling. Then the results in this study will be explained through data analysis techniques in the form of descriptive analysis, multiple linear regression, hypothesis testing, and coefficient of determination.

This study shows that digital literacy has a positive effect on personal innovativeness which sharpens the statement put forward by (Güngör & Kurtipek, 2020:761), namely that an individual's curiosity towards digital products can be said to be related to the individual's perspective on innovation. It was also found that digital capability had a positive effect on personal innovativeness, which sharpened the statement put forward by (Khin & Ho, 2019:14), namely the influence between digital capability and personal innovativeness. The results of the coefficient of determination test show that the digital literacy and digital capability variables have an influence of 55.6% on the personal innovativeness variable, while the remaining 44.4% is influenced by other variables outside of this study.

The results of this study are expected to be input for PT. Telkom Lampung Telecommunications Business Area in improving the digital literacy of its employees and the company's digital capability which will later create innovations to advance the company.

Keywords: Digital Literacy, Digital Capability, Personal Innovativenes