

ABSTRACT

Along with the rapid development of emerging technology through the industrial revolution 4.0, organizations from various sectors carry out Digital Transformation (DT). However, TD's journey has not been easy, and many have met with failure, which is thought to be due to inadequate IT Governance (ITG) practices. Previous research has succeeded in showing the importance of the role of ITG in taking advantage of company advantages such as various types of resources and assets with investment alignment. However, it is suspected that it is still ineffective in guarding and succeeding in DT. Recent research has identified the effect of a hybrid of traditional ITG mechanisms and agile/adaptive ITG on organizational TD success. However, this influence has not been discussed regarding its impact on Organizational Performance (OP). This study aims to determine the effect of hybrid TKTi as a factor influencing the success of TD and TD that influence OP toward the four Balanced Scorecard (BSC) perspectives. This study was conducted using an online questionnaire based on a Likert scale and resulted in 59 respondents who answered. The results of the respondents' answers were then processed using a Structural Equation Modeling (SEM) approach using the SmartPLS 3.0 application. The results showed that there were agile/adaptive mechanisms of ITG, which had a positive but not significant effect on DT, traditional ITG had a positive and significant impact on DT, and DT had a positive and significant effect on OP in Insurance A. This study can contribute to research continuation and become a reference for related industries in implementing hybrid ITG in the success of DT and OP in organizations, especially in the insurance industry.

Keywords: IT Governance, Digital Transformation, Organizational Performance, Structural Equation Modeling (SEM), SmartPLS, Insurance, Indonesia.