# ABSTRACT

*The emergence of new technological disruptions, changes in stakeholder behavior, and the emergence of the COVID-19 pandemic have made many incumbent organizations accelerate digital transformation (DT). However, many investments related to DT have not met expectations due to the alleged lack of good IT governance practices (ITG). Previous research has shown the impact of f3fITG on organizational performance. However, traditional ITG practices are not necessarily effective in controlling DT. There is still little research on the effect of ITG on DT and on exploring the influence of DT on organizational performance (OP). Therefore, this study aimed to examine the model of hybrid ITG (traditional and agile/adaptive) influence on DT and the effect of DT on OP on the balanced scorecard (BSC) perspective. The method used is a survey by distributing Likert scale online questionnaires to 11 roles related to BP in Insurance C, and 52 respondents were successful. The data were then analyzed using a Structural Equation Modeling (SEM) approach with support for SmartPLS 3.0. The formative model testing is divided into two: testing the outer model and the inner model. The results showed that agile/adaptive and traditional TKTI mechanisms significantly and positively influenced DT. Then DT also has a significant positive influence on OP. This research contributes to the knowledge base of similar research, as well as a reference to the implementation of the hybrid TKTI mechanism to oversee the success of DT's journey, especially in the insurance industry in Indonesia.*

***Keywords****— IT Governance, Digital Transformation, Organizational Performance, Structural Equation Modeling, SmartPLS, Insurance, Indonesia.*