

ABSTRACT

Digital transformation is still one of the challenges for the MSME business sector, as evidenced by data from the Ministry of MSMEs which states that around 70.2% of MSMEs face obstacles when they are about to carry out digital transformation. The COVID-19 pandemic situation has worsened the situation with various policies imposed by the government. The business ecosystem in Indonesia also always prioritizes efficiency in their business operations, so Digital Transformation is a suitable way to bridge business needs. This research aims to see the influence of Drivers and Barriers factors on Digital Transformation readiness in MSMEs fostered by Rumah BUMN. The Drivers factor consists of 10 statements, Barriers consists of 11 statements, and Digital Transformation Readiness has 7 statements. The object of research is an organization engaged in developing MSME businesses to form a Digital Economy Ecosystem which is the goal of the Ministry of BUMN, so it is very suitable to be used as a research object with the topic of Digital Transformation. This research uses quantitative methods by testing the hypothesized relationship between the variables under study. The methodology used is based on an inductive approach by collecting data through questionnaires from 101 samples, with respondents who are MSME partners of Rumah BUMN. The research findings reveal that the level of digital transformation readiness in MSMEs is high. Furthermore, the drivers variable has a positive and significant impact on the digital transformation readiness variable, while the barriers variable has a negative impact with a relatively weak relationship. The results of this study are expected to be a consideration for Rumah BUMN in fostering and helping MSMEs to transform from conventional businesses to digital-based businesses, especially on the factors that drive MSMEs in transformation.

Keywords: Barriers, drivers, digital transformation, MSME