

ABSTRACT

ANALYSIS OF THE IT GOVERNANCE INFLUENCE ON DIGITAL TRANSFORMATION AND ORGANIZATIONAL PERFORMANCE: A CASE STUDY OF MINISTRY A

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Along with the disruption of digital technology, changes in the mindset and behavior of stakeholders towards digital, as well as the Covid-19 pandemic, have directed various organizations to accelerate digital transformation (DT). However, many TD failures are thought to be caused by poor governance. Various previous studies have shown the importance of IT governance (ITG) in optimizing IT-related resources and risks and realizing investment benefits. Still, it is suspected that it is not necessarily effective in controlling DT. Recent research has identified the effect of traditional and agile/adaptive ITG hybrids on the success of DT. Still, it is limited to the private sector, particularly the banking and insurance industry, and has not yet explored its effect on organizational performance (OP). Therefore, research on the influence of ITG on digital transformation and organizational performance in the public sector was carried out. This research draws on a case study in ministry A, which has received many awards for DT success, hoping to identify best practices for ITG and DT. Research data were collected through semi-structured interviews, triangulation of internal documents, then processed by thematic analysis. The analysis resulted in 4 themes, 16 categories, and 97 codes. It succeeded in finding that the hybrid ITG mechanism also had a positive effect on the success of DT and the achievement of OP targets in public sector organizations, especially ministries. This research contributes to the knowledge base for further study and is a reference for implementing hybrid ITG mechanisms to oversee the success of DT and OP in public sector organizations.

Keywords—IT Governance, Digital Transformation, Organizational Performance, Case Study, Public Sector, Ministry.