

## **ABSTRACT**

*PT Perkebunan Nusantara III is a company engaged in the agro-industry sector, which manages plantations and the production of tea, rubber, palm oil, and coffee commodities. PTPN III is quite active in utilizing technology to meet the needs of its members and consumers, such as the use of the Tea Trade Monitoring application to facilitate the supply chain and the buying and selling process of plantation products, as well as the digitalization of plantation logistics processes. However, there are still doubts about the workflow and questions about how related technology and innovation will drive digital transformation in the agricultural industry.*

*This research addresses the theory of digital transformation and the factors that influence it, especially within an organization. The essence of digital transformation in the agricultural industry lies in the effective and flexible use of modern technology to transition to more efficient and results-oriented processes.*

*This research uses a quantitative method by gathering primary data from respondents based on distributed questionnaires. The questionnaires were distributed to 244 respondents who are employees from various departments of PTPN III, having access to the Tea Trade Monitoring (TTM) application. Distributed in an online format, the collected data will be processed and analyzed using SPSS with exploratory factor analysis. Regarding secondary data, this study examines information, books, articles, and documents from relevant companies and institutions. The objective of this research is to provide findings on the factors hindering digital transformation in PT Perkebunan Nusantara III, identify the most dominant hindering factors, and offer recommendations for mitigating the emerging obstacles*

*Keywords: digital transformation barriers, agriculture, digital capabilities, digital data, factor analysis.*