

# The Role of Organizational Culture as a Mediating Variable on Employee Performance in the MSME Business World in Semarang City

Susilo Ariana Arfah<sup>1</sup>, Firdaus<sup>2✉</sup>, Nurhayati<sup>3</sup>, Haerudin<sup>4</sup>

<sup>1</sup>Universitas Muhammadiyah Semarang, Semarang, Indonesia.

<sup>2</sup>Universitas Muhammadiyah Semarang, Semarang, Indonesia.

<sup>3</sup>Universitas Muhammadiyah Semarang, Semarang, Indonesia.

<sup>4</sup>Universitas Muhammadiyah Semarang, Semarang, Indonesia.

✉Corresponding author: fir@unimus.ac.id

## Abstract

Small Medium Enterprises (SMEs) have an important role in national economic development. This is an important pillar for further national economic development. This research aims to look at the role of organizational culture in bridging work simplification and accelerated change in employee performance in Semarang City SEMs, both directly and indirectly. This research used a 1-5 scale questionnaire for 100 respondents and was processed using AMOS PLS. The results of this research show that causality between work simplification and accelerated change in employee performance does not have a significant effect, but this research also proves that the role of organizational culture can bridge deviations in this research, the existence of organizational culture as a mediator can improve performance. Employees at SEMs in Semarang City, in this research the results also show that mediating variable plays its full role.

## Abstrak

Usaha Kecil Menengah (UKM) memiliki peran penting dalam pembangunan ekonomi nasional. Ini merupakan pilar penting untuk pengembangan ekonomi nasional lebih lanjut. Penelitian ini bertujuan untuk melihat peran budaya organisasi dalam menjembatani penyederhanaan kerja dan percepatan perubahan kinerja karyawan di SEM Kota Semarang, baik secara langsung maupun tidak langsung. Penelitian ini menggunakan kuesioner skala 1-5 untuk 100 responden dan diolah menggunakan AMOS PLS. Hasil penelitian ini menunjukkan bahwa kausalitas antara penyederhanaan kerja dan percepatan perubahan kinerja karyawan tidak berpengaruh signifikan, namun penelitian ini juga membuktikan bahwa peran budaya organisasi dapat menjembatani penyimpangan dalam penelitian ini, keberadaan budaya organisasi sebagai mediator dapat meningkatkan kinerja. Karyawan di SEM Kota Semarang, dalam penelitian ini hasilnya juga menunjukkan bahwa variabel mediasi memainkan peran penuhnya.

This is an open-access article under the CC-BY-SA license.



Copyright © 2024 Susilo Ariana Arfah, Firdaus, Nurhayati, Haerudin.

## Article history

Received 2024-02-16

Accepted 2024-07-10

Published 2024-08-30

## Keywords

*Simplification Work;  
Speed of Change;  
Organizational Culture;  
Company Performance.*

## Kata kunci

*Penyederhanaan Kerja;  
Kecepatan Perubahan;  
Budaya Organisasi;  
Kinerja Perusahaan.*

## 1. Introduction

Since the starting of the 21st century, the application of advanced, organize, and cleverly innovations have given birth to the fourth mechanical insurgency – Industry 4.0 (Morarr et al., 2017). Industry 4.0 emphasizes the utilize of joining of data innovation and fabricating innovation to convert current mechanical generation and benefit models (Li G et al, 2017). Be that as it may, Industry 4.0 cannot be realized effortlessly, the company's change handle from industrialization to shrewd industrial facilities Industry 4.0 is translated as computerized change (Mittal et al, 2018). The advancement of computerized advances such as enormous information, cloud computing, the Web of Things, blockchain, and mechanical technology disturbs conventional commerce models and advancement approaches (Loonam et al, 2018). As an imperative apparatus for accomplishing feasible advancement, advancement is progressively accepting consideration in commerce investigate (Tolstykh et al, 2020). Hence, it is valuable to investigate the effect of advanced change on development and the working instrument of advanced change.

Advanced change is the capacity to adjust and apply innovation suitably to proceed to develop and rediscover the company for development or competitive procedures (Smith, 2022). In expansion, advanced change marks a reconsidering of how organizations utilize innovation, individuals, and forms in interest of unused trade models and unused income streams. The extreme objective of advanced change is to be gotten to be more astute and make strides the by and large encounter (Sherly, 2023).

Today's world has undergone many changes, ranging from rapid cultural, social, and economic changes. Along with these developments, digital technology plays a very important role in human life. These changes have a major impact on work life, organizational culture, and the use of information technology. Related to these changes, the role of human resources has a major influence on changes in organizational culture in the business environment, including SME'S actors. A few decades ago, the COVID-19 pandemic changed people's lifestyles through increased use of the digital economy. Therefore, accelerating digital transformation in the economic sector can be used as a strategy to ensure that productive economic sectors continue to function to support inclusive economic growth. Computerized change happens due to changes driven by innovative improvements in organizations and situations (Dewi, 2012). Changes that happen are related to altering commerce forms, counting changes in organizational culture, changes between companies with workers and companies with clients, and changes that happen in current showcase conditions (Lucas et al, 2013). Micro, Small, and Medium Enterprises (SME's) have an important role in national economic development. This is an important pillar for further development of the national economy. Therefore, the government continues to strive to run various programs to accelerate digital transformation. Based on information from the Service of Cooperatives and SMEs, the number of SMEs as of now comes to 64.2 million with a commitment to GDP of 61.07 percent or worth 8,573.89 trillion rupiah (Service of SMEs and SMEs 2021). In Semarang City, there are 11,913 SMEs recorded in data from the Cooperatives and SME's Office of Central Java Province. This number makes Semarang City the second city after Surakarta City which has the highest number of SMEs in Central Java Province (SuaraMerdeka.com, 2023). However, the use of E-commerce is still quite low, as revealed by the Head of the Central Java Cooperatives and SME's Office (Rachmawati, 2020), currently, the level of internet use among micro, small, and medium enterprises (SMEs) is only around 3.5 percent in Central Java that utilizes the internet in marketing their products. because not all SME players can carry out digital transformation.

Based on this background, the desired research objective is to find out how the role of organizational culture as a mediating variable for the performance of entrepreneurs in SMEs in Semarang City. This study also formulates the problems that occur, namely, the impact of organizational culture on employee performance, whether the use of technology can simplify work and support the acceleration of change, why the use of technology is currently needed by SME actors, and how the impact of the use of technology on SME'S actors in Semarang City. Based on practical aspects, the results of this study can provide input and consideration materials that are useful for the Government and Stakeholders to increase the acceleration of transformation.

According to Sayuti, (2013: 177) Simplification of work is the application of common sense in an organized manner to eliminate waste of time, energy, space, materials, tools, and so on, thus the effective results to be achieved are from efforts to find better and easier ways to carry out work. Meanwhile, according to Terry in Syamsi (1994: 50), work simplification is the application of the most efficient way of working using labor, objects, machines, time, and space so that the implementation of work becomes easier and better.

According to Wikipedia, revolution is a change that takes place rapidly and concerns the basis or principles of life. Meanwhile, according to Nitisastro, (2010), the notion of revolution is a process of total transformation from traditional life with better technology in the sense of social organization for economic and political patterns. According to Moore, (2018) revolution is a total transformation of common life in technology and social organization towards traditional patterns of economics and politics preceded by Western countries that have stabilized.

According to Yuliantarti, (2016) "Organizational culture is related to the values embraced by organizational members, these values inspire individuals to determine the actions and behaviors accepted by their organizations." Meanwhile, according to Krietner and Kinicki in Zuki (2016: 33), "organizational culture is a form of assumptions that are owned, accepted implicitly by the group and determine how the group feels, thinks and reacts to its diverse environment".

According to Helfert (1999), "Firm performance is the result of many individual decisions made continuously by management". Meanwhile, according to Kaplan and Norton, (1996); Lingle and Schimen, (1996); and Brandon & Dritina, (1997) "company performance is something produced by a company in a certain period concerning established standards".

## **2. Method**

This consider utilized a quantitative approach. Quantitative investigate strategies point to test theories that have been set. This strategy is within the frame of numbers determined from estimations utilizing surveys on a scale of 1 to 5 on the factors contained within the think about. The populace of this consider is SME's in Semarang City. The sample of this study used as many as 100 respondents obtained directly from SME'S actors in Semarang City. The investigation utilized in this consider could be a Auxiliary Condition Show (SEM) approach helped by Savvy PLS applications (Ghozali & Latan, 2015). Based on the foundation of this investigate, a few theories can be defined, counting; How does rearrangements of work in utilizing innovation influence organizational culture?, how does the speed of alter utilizing innovation influence organizational culture?, how does organizational culture influence worker execution?, how does rearrangements of work in utilizing innovation influence representative execution?, how does speed of utilizing innovation influence worker execution?, how does work disentanglement influence Worker execution interceded by organizational culture? And how the speed of alter influences representative execution interceded by organizational culture.

### **2.1. Test Validity and Reliability**

Legitimacy and unwavering quality tests are carried out to guarantee that the estimations utilized are appropriate for estimation (substantial and dependable). Legitimacy and unwavering quality testing can be seen from:

#### **1) To begin with**

Focalized legitimacy is an marker that's surveyed based on the relationship between thing score or component score with develop score which can be seen from the standardized stacking figure which depicts the greatness of the relationship between each estimation thing (marker) and its develop. The estimate of person reflections is said to be tall in case related  $> 0.7$ .

#### **2) Second**

Discriminant validity may be a estimation show in which the reflection of pointers is surveyed based on cross-loading estimations with develops. Discriminant legitimacy is comparing the square root esteem of normal change extricated (AVE), the instrument is announced substantial on the off chance that it has an AVE score of  $> 0.5$ .

### 3) **Third**

Composite unwavering quality is an indicator to degree a development that can be seen within the see of idle variable coefficients. In this estimation, in case the esteem accomplished is  $> 0.70$ , it can be said that the develop has tall unwavering quality.

### 4) **Fourth**

Cronbach's Alpha could be a unwavering quality test that fortifies the comes about of composite unwavering quality. A variable can be considered solid on the off chance that it encompasses a Cronbach's Alpha esteem of  $> 0.7$ .

## 2.2. **R Square Test**

The R-square for the dependent build is utilized to evaluate the impact of the subordinate idle variable that appears the introduction of the size of impact.

## 2.3. **Investigation Internal Show**

Internal Show Examination commonly called the Auxiliary Demonstrate is used to foresee causal connections between factors tried within the demonstrate. Internal Demonstrate investigation in testing utilizing Smart PLS is done by doing a theory. Theory testing can be seen from the esteem of t-statistics and likelihood values. For theory testing, utilizing measurable values, at that point for Alpha 5%.

## 3. **Result and Discussion**

The description of the respondents in this study, in terms of gender, is mostly men, 57% and 43% women. This also shows that the world of SMEs is still dominated by men, but the interesting thing is that 43% are women. This shows that the world SMEs in the city of Semarang are quite colorful, because of the contribution of women in them. Apart from that, in terms of age, respondents were dominated by young people aged  $>25 - 32$  years as much as 43%,  $>32-39$  years as much as 24%, 18-25 years as much as 12% and the remaining 23% were from ages  $>39$  years, meaning the contribution Millennials are quite large in the world of MSMEs in Semarang City. Based on respondent contribution data, the length of business for each MSME varies greatly, some are new  $> 1-5$  years, amounting to 37%, followed by,  $> 5-10$  years 57% and the remaining  $> 10$  years amounting to 6%. This can be interpreted as the world of SMEs being decorated by newcomers to the business world. In terms of monthly income (turnover), the highest average is IDR.  $>5-10$  million as much as 42%, followed by income of IDR.  $> 10-15$ , as much as 25%, and 17% of income Rp.  $> 15-20$ , 12% of respondents' income was IDR 1-5 million and the final income was IDR.  $>20$  million by 4%. The income of each SME is different because the scale and time or busy hours of each SME actor determines this income and this is very dynamic.

### 3.1. **Inner Model (Model Structural)**

The inner model is a model used to guess causal relationships between latent variables. Here is a picture of the *structural model*:

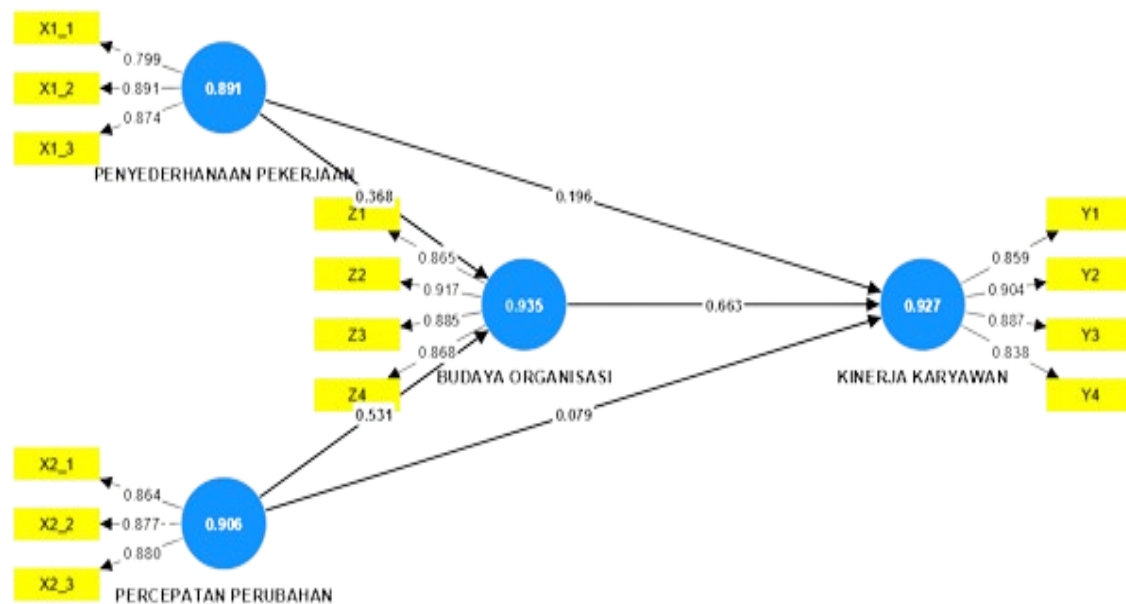


Figure 1. Structural Mode

### 3.2. Outer Model Analysis (Measurement Model)

In this model, there are 2 measurements used, namely the Validity Test and the Reliability Test.

#### 3.2.1. Convergent Validity

The legitimacy test is utilized as a fundamental degree of the legitimacy of a survey. In this think about, legitimacy testing was carried out utilizing merged legitimacy (External Stacking) concurring to Ghazali (2021), external stacking values between 0.6 and 0.7 are considered adequate to meet the merged legitimacy and AVE necessities. The instrument is substantial in the event that the AVE esteem  $> 0.005$  and the external stacking esteem is 0.6-0.7. Within the concurrent legitimacy test table, it can be concluded that pointers of factors of work rearrangements, quickening alter, organizational culture, and representative execution get values over 0.7, and AVE values over 0.5. at that point it can be said to be substantial.

Table 1. Convergent Validity Value

Variable	Instrument Code	Indicator	Outer Loading	Cronbach Alpha	Composite Reliability	AVE	Information
Simplification (X1)	X1.1	Process Simplification	0.799	0.816	0.891	0.732	Valid
	X1.2	Optimize	0.891				Valid
	X1.3	Repair	0.874				Valid
Acceleration of Change (X2)	X2.1	Innovation	0.864	0.845	0.906	0.764	Valid
	X2.2	Employee Productivity	0.877				Valid
	X2.3	Sustainable Business Realization	0.880				Valid
Organizational Culture (Z)	Z1	Mission	0.865	0.907	0.935	0.781	Valid
	Z2	Consistency	0.917				Valid
	Z3	Adaptability	0.885				Valid
	Z4	Involvement	0.868				Valid
Employee Performance (Y)	Y1	Quality of Work	0.859	0.895	0.927	0.761	Valid
	Y2	responsibility	0.904				Valid
	Y3	Cooperation	0.887				Valid
	Y4	Efficiency	0.838				Valid

Description: Significant with  $P > 0.5$

### 3.2.2. Reliability Test

This think about employments two sorts of unwavering quality tests, specifically the Cronbach Alpha test and the Composite Unwavering quality test. Cronbach's Alpha measures the least esteem (lower bound) of unwavering quality. Acceptable composite reliability is  $0.60 > 0.70$  (Hair et al, 2021). Cronbach's alpha value of  $> 0.60$  is still acceptable for exploratory research. In the reliability test table, it can be concluded that the indicators of the variables of job simplification, acceleration of change, organizational culture and employee performance obtain values above 0.7, so it is said to be reliable.

### 3.2.3. R-Square

The R-square value is the value of a measure of the influence of an exogenous variable on an endogenous variable. The R2 value is considered valid if it is above 0.5. The criteria for measuring R2 are 0.67 (high), 0.33 (moderate), and 0.19 (low) (Hartono, 2015).

**Table 2. R-Square Test Results**

Variable	R Square	R Square adjusted
Organizational Culture	0.715	0.709
Employee Performance	0.792	0.786

Based on the results of the test table above, it can be concluded that the R2 value is valid above 0.5 with an Adjusted R-Square value of 0.709. Then it is included in the criterion (height) above 0.67.

### 3.3. Test Mediation

Within the intervention test, the test utilized is to discover out whether the relationship through the intervention variable is altogether capable of a arbiter within the relationship or not (Basuki, 2021). Within the intervention test, there are 3 groupings of intervention, specifically; non-mediation, that's, if the relationship between exogenous and endogenous factors is positive and the intervention variable is negative. Full Intercession happens in case the exogenous, and endogenous factors are negative, and the intervention factors are positive, Halfway Intercession happens if the exogenous and endogenous factors are positive, and the intervention factors are too positive. It can moreover be seen in case P Values in Particular Circuitous Impact  $> 0.05$  which is negative and  $< 0.05$  which is positive.

### 3.4. Hypothesis Test

In determining the significance of the influence between constructs that need to be investigated using bootstrapping procedures. Use of bootstrapping by using the entire sample real for resampling of 100 samples (Hair et al, 2011). Test this hypothesis by looking at T-statistics and P-values. This hypothesis can be accepted if the P-value  $< 0.05$ . (Ghozali and Latan, 2015).

#### 3.4.1. Hypothesis 1: Variables of job simplification of organizational culture

The first hypothesis (H1) accepted is to show that there is a significant influence between the variables of simplification of work on organizational culture with a Path Coefficient value of  $0.368 > 0.000$  and a P-Value of  $0.001 < 0.05$ . The magnitude of the effect of simplifying work on organizational culture lies between 0.162 and 0.572. The variable of simplification of work on organizational culture has a low influence on the structural level (f square = 0.199). Thus the use of technology is low-influential. So the use of technology has not had much impact in simplifying work and changing organizational culture from a traditional trading system to a modern trading system.

**Table 3. Results of the Mediation Effect Hypothesis Test**

Hipotesis	P Value	95% Interval Trust	Upsilon (V)
-----------	---------	--------------------	-------------

	Path Coefficient		Path Coefficient		
			Lower Limit	Upper Limit	
Simplification of Work > Organizational Culture > Employee Performance	0.244	0.009	0.085	0.445	0.595
acceleration of Organizational Culture > Change > Employee Performance	0.352	0.000	0.193	0.519	0.123

Description: Significant with  $P < 0.05$

**Table 4. Results of the Direct Influence Hypothesis Test Hipotesis**

	Path Coefficient	P Value	T Statsitic (O/STEDV)	95% Interval Trust Path Coefficient		F Square
				Lower Limit	Upper Limit	
Simplification of Work > Organizational Culture	0.368	0.001	3.477	0.162	0.572	0.199
Accelerating Change > Organizational Culture	0.531	0.000.	5.505	0.333	0.710.	0.413
Organizational Culture > Employee Performance	0.663	0.000.	5.309	0.418	0.897	0.604
Job Simplification -> Employee Performance	0.196	0.099	1.648	-0.046	0.424	0.064
Acceleration of Change > Employee Performance	0.079.	0.494	0.684	-0.119	0.318	0.009

Description: Significant with  $P < 0.05$

### 3.4.2. Hypothesis 2: Variable acceleration of change to organizational culture

The second hypothesis (H2) is accepted, namely, there is a significant influence on the variable of accelerating change on organizational culture with a path coefficient of  $0.531 > 0.000$  and P-value  $0.000 < 0.05$ . The magnitude of the influence of the variable acceleration of change on organizational culture lies between 0.333 to 0.710. The existence of the variable acceleration of change has a moderate or intermediate influence on the structural level (f square = 0.413). Thus, the use of technology has been able to accelerate changes in SME's in Semarang City and affect organizational culture or work culture in SME's that previously only relied on target buyers who came directly or offline to turn into target buyers online.

### 3.4.3. Hypothesis 3: Organizational culture variables on employee performance

The third speculation (H3) is acknowledged, to be specific, there's a noteworthy impact of organizational culture factors on worker execution with a way coefficient of  $0.663 > 0.000$  and P-value  $0.000 < 0.05$ . The size of the impact of organizational culture factors on worker execution lies between 0.148 to 0.897. At that point the presence of organizational culture factors encompasses a near to tall impact at the auxiliary level (f square = 0.604). Thus, digital transformation in SME's in Semarang City has been able to change the organizational culture or work culture that was originally traditional into a modern organizational culture and can utilize technology and organizational culture variables that have a direct effect on employee performance, so that employee performance becomes more effective and efficient.

### 3.4.4. Hypothesis 4: Job simplification variables on employee performance

The fourth speculation (H4) was rejected, which appeared that the way coefficient esteem of  $0.196 > 0.000$  and the P-value of  $0.099 > 0.05$ . The variable of work rearrangements on representative execution contains a negative or immaterial level of impact with a direct level of esteem at the auxiliary level (f square = 0.064). This implies that there's a negative or immaterial influence between work rearrangements factors on representative execution. Work rearrangements factors don't have a positive impact on representative execution.

### **3.4.5. Theory 5: The variable of quickening alter in representative execution**

The fifth speculation (H5) is rejected, which appears that the way coefficient esteem is  $0.079 > 0.000$  and the P-value is  $0.079 > 0.05$ . The variable of quickening alter on representative execution contains a negative or insignificant level of impact with a moo level of esteem at the basic level (f square = 0.009). This implies that there's a negative or immaterial impact between the factors of quickening alter on worker execution.

### **3.4.6. Theory 6: The variable of work disentanglement to worker execution is interceded by organizational culture**

The 6th speculation (H6) is acknowledged, which appears that there's a critical impact between work rearrangements factors on worker execution interceded by organizational culture factors with Way Coefficient values of  $0.244 > 0.000$  and P-Value  $0.009 < 0.000$  and a P-Value of  $0.000 < 0.05$ . The size of the impact lies in 0.193 to 0.519 with a moo impact at the structural level (Upsilon V = 0.123), since the coordinate impact of the variable quickening alter on employee performance isn't critical, and the variable of organizational culture includes a critical impact in intervening the variable of increasing speed of alter and the variable of representative execution, at that point the role of organizational culture is (Full Intervention). Hence, the part of organizational culture contains a positive impact in interceding the factors of quickening alter and representative execution in the utilize of technology in SMEs in Semarang City.

### **3.4.7. Speculation 7: Variable Speeding up of alter to representative execution interceded by organizational culture**

The seventh speculation (7) is acknowledged, which appears that there's a noteworthy impact between the variable of quickening alter on worker execution interceded by organizational culture with a Way Coefficient esteem of  $0.352 > 0.000$  and a P-Value of  $0.000 < 0.05$ . The greatness of the impact lies in 0.193 to 0.519 with a moo impact at the basic level (Upsilon V = 0.123), since the coordinate impact of the variable quickening alter on employee execution isn't noteworthy, and the variable of organizational culture incorporates a critical impact in intervening the variable of increasing speed of alter and the variable of representative execution, at that point the role of organizational culture is (Full Intercession). In this way, the part of organizational culture includes a positive impact in interceding the factors of quickening alter and worker execution within the utilize of innovation in SMEs in Semarang City.

## **4. Conclusion**

Improving employee performance in SMEs in Semarang City is certainly not an easy thing, it takes effort and the right strategy for this, in this study, the business or strategy used is to use technology for SME'S actors in Semarang City. The existence of digital transformation in SME's in Semarang City can provide convenience in working so that work will be easier and simpler. In addition, the use of technology can also speed up work. This will provide many benefits for SME'S players in Semarang City in utilizing technology. The study provides analysis results related to direct influence and indirect influence. From the results of this study, it can be concluded that the variables of job simplification and job acceleration variables have an insignificant influence on employee performance directly. However, when the variables of simplifying work and the variables of accelerating change are mediated by organizational culture, the results are quite satisfactory, that is, they have a significant influence. This can be interpreted that the use of technology in SMEs in Semarang City has a good impact, but organizational culture must also be able to adapt to the use of technology. So the organizational culture that was originally carried out traditionally must be changed with a more modern organizational culture by utilizing technology. Digital Transformation for SME's in the City Semarang has a good impact, but its organizational culture must also be able to adapt to the use of technology.



This study offers a comprehensive view of the role of technology on SME players in Semarang City. In addition, the limitation of this research only analyzes the role of technology utilization for SME actors in Semarang City. In improving employee performance, future research can be enriched by paying attention to other aspects, recruitment systems, payroll systems, and the need to deepen differences in results before and after technology adoption in SMEs. In addition, researchers are further advised to use longitudinal research, which is research conducted by distributing questionnaires periodically within a certain time, so that the data obtained is accurate.

### Acknowledgment

I would like to express my thanks to all the parties involved who I cannot mention one by one, thank you to the leadership of the Faculty of Economics and Business, Muhammadiyah University, Semarang, I also express my thanks to the leadership of the undergraduate management study program, and thank you to all respondents who were willing to support the research. Thank you for the material and non-material assistance that has been provided for this research.

### References

- Abdillah, W., & Hartono, J. (2015). Partial Least Square (PLS): alternative structural equation modeling (SEM) in business research. Yogyakarta: Andi Publishers, 22, 103-150.
- Abid Muhtarom, M. Imam Syairozi, Reva Desy. (2022). Brand Image Analysis, Price, Product Quality, and Promotion of Purchase Decisions Mediated by Buying Interest.
- Afriani, F. (2016). Small and Medium Enterprises (SME's) Opportunities in the Indonesian Economy. *Economic Sharia: Journal of Islamic Economic Thought and Development*, 1(2), 13-32.
- Between News.com, 08 April (2020). Only 3.5 percent of SME's in Central Java use the internet. Available at: <https://www.antaraneews.com/berita/1411426/baru-35-persen-umkm-di-jateng-manfaatkan-internet>.
- B. Hinings, T. Gegenhuber, and R. Greenwood. (2018). "Digital innovation and transformation: An institutional perspective," *Inf. Organ.*, vol. 28, no. 1, pp. 52-61.
- Dara Sawitri, (2019). Industrial Revolution 4.0: Big Data Answers the Challenges of Industrial Revolution 4.0. Vol. 4, No. 3.
- Dea N. Ilsan M. Munsyaw S. Putri Y. (2021). Efficiency of Simplifying Work on Public Services during the Covid-19 Pandemic. (Study Case in Margasari Village, T Buah Batu District, Bandung City). *PROCEEDINGS UIN SUNAN GUNUNG DJATI BANDUNG*, 1 (26).
- Edward UP Nainggolan. (2022). "SME's Rise, Indonesia's Economy Leveraged", accessed January 28, Nainggolan. Available at: <https://www.djkn.kemenkeu.go.id/artikel/baca/13317/UMKM-Bangkit-Ekonomi-IndonesiaTerungkit.html>.
- Fajar Ananda Lubis, (2023). The Role Of Job Satisfaction and Work Motivation In Mediated Organizational Culture On Lecturer's Performance.
- Ghozali, Imam and Hengky Latan (2015). Partial Least Squares Engineering Concepts and Applications with Smart PLS 3.0 Program. Semarang: Diponegoro University Semarang.
- Gregory D, Diana K., (2023) "Unleashing value from digital transformation: Paths and pitfalls. Available at: <https://www.deloitte.com/global/en/ourthinking/insights/topics/digital-transformation/digitaltransformation-value-roi.html>
- Hamza, L. M., & Agustien, D. (2019). The Influence of the Development of Micro, Small and Medium Enterprises on National Income in the SME'S Sector in Indonesia. *Journal of Development Economics*, 8(2), 127-135.
- Henry Lucas et al. (2013). "Impactful Research on Transformational Information Technology: An Opportunity to Inform New Audiences." *MIS Quarterly* 37(2): 371-82.
- Hair, Risher, Sartetd & Ringle. (2019). When to Use and How to Report PLS-SEM Results.

- J. Loonam, S. Eaves, V. Kumar, and G. Parry. (2018). "Towards digital transformation: Lessons learned from traditional organizations," *Strateg. Chang.* vol. 27, no. 2, pp. 101–109.
- Junaidi. (2023). DGT Ministry of Finance July 15, 2023. "Ministry of Cooperatives and SMEs," 2021.
- K. Osmundsen, J. Iden, and B. Bygstad. (2018). "Digital Transformation: Drivers, Success Factors, and Implications," *Mediterr. Conf. Inf. Syst. Proc.*, vol. 12, pp. 1–15.
- Li G., Hou Y., Wu A. (2017). Fourth Industrial Revolution: technological drivers, impacts and coping methods. *Chin. Geogr. Sci.*; 27(4):626-637.
- Loonam J., Eaves S., Kumar V., Parry G. (2018) Towards digital transformation: lessons learned from traditional organizations. *Strat. Change*.27(2);101-109.
- Mary Pratt and C. Boulton, (2023) "What is digital transformation? A necessary disruption | CIO," *CIO Asean*. Available at: <https://www.cio.com/article/230425/what-is-digital-transformation-a-necessary-disruption.html>
- Mittal S., Khan M.A., Romero D. (2018) Wuest T.A Critical review of smart manufacturing & Industry 4.0 maturity models: implications for small and medium-sized enterprises (SMEs) *J. Manuf. Syst.* 49:194-214.
- Morrar R, Arman H., Mousa S. (2017). The Fourth Industrial Revolution (Industry 4.0): a social innovation perspective *Technology innovation management review.* (11):12-20.
- Ni Made W. Ni Luh Putu., Berty C. (2021) The Application of Digital Transformation in SME's During the Covid-19 Pandemic in Denpasar City. *Scientific Journal of Management and Business* Vol 6. No. 1.
- Pengyu Chen, Sang Kyum Kim, (2023). The Impact of Digital Transformation on Innovation Performance The Mediating Role of Innovation Factors.
- Persada, "Data UMKM Per/Kab". January 30, (2022), Available at: <https://satudata.dinkopumkm.jatengprov.go.id/data/umkm-kabkota>.
- Rijalus Sholihin, Wahyu Arianto, Dina Khasanah (2018). Advantages Of Social Media In Development Creative Economic Digital Economy In Indonesia.
- Serafica Gischa. (2023) Understanding Revolution According to Experts. Available at: <https://www.kompas.com/skola/read/2023/07/18/140000769/pengertian-revolusi-menurut-para-ahli?page=all>
- Siti Zulaikha, Reny Fitriana, Popy Novita. (2021). The Digital Asset Contribution Toward the SME'S's Performance in Bekasi During COVID-19 Pandemic Era
- SuaraMerdeka.com, August 07, (2023). "This is the City with the Highest Number of SME's in Central Java, Semarang Occupies the Second Position. Availble at: <https://www.suaramerdeka.com/ekonomi/049730179/ini-kota-dengan-jumlah-umkm-terbanyak-di-jateng-semarang-tempati-posisi-kedua>.
- Holy, Y. R. (2017). Development of SME's (Micro, Small, and Medium Enterprises) in Indonesia. *Cano Ekonomos*, 6(1), 51-58.
- Tolstykh T., Gamidullaeva L., Shmeleva N. (2017) Elaboration of a mechanism for sustainable enterprise development in innovation ecosystems. *J. Open (Industry 4.0): a social innovation* .
- Widiastoeti, Hendy, and Chatarina Agustin Endah Sari. (2020) "Application of Sakemkm-Based Financial Statements to the Quality of Financial Statements in SME's
- Wikipedia Indonesian. (2023). *Revolution*. The free encyclopedia. Availble at: <https://id.wikipedia.org/wiki/Revolusi>.
- Yuliantarti, K. (2016). Pengaruh Budaya Organisasi Direktorat Jenderal Basis Karyawan Di Kementerian Perindustrian The people generally know that our employees have civil service performance (performance) is not so good in completing a task. *The performance of the civil service*.
- Zuki, K. (2016). Human resources in organization and management. *Jakarta: PT. Rineka*.