

ABSTRACT

Industrial Revolution 4.0 drives companies to implement digital transformation to enhance productivity and maintain their existence. The textile and textile product (TPT) industry is one sector that applies automation in its production processes. However, many companies face difficulties and even fail to adapt to new technologies. Human resources with adequate digital competence are required to optimize the use of technology. Additionally, due to the labor-intensive nature of the TPT industry, implementing effective knowledge-sharing practices is essential to ensure that all employees can understand and adapt to ongoing changes.

This study aims to identify the levels of Digital Competence, Knowledge Sharing, and Digital Transformation in the TPT industry in the Bandung Raya region. Furthermore, it seeks to analyze the influence of Digital Competence on Digital Transformation, the influence of Knowledge Sharing on Digital Transformation, and the combined effect of these two variables on Digital Transformation.

The research adopts a causal study design using a quantitative approach. Data were collected through questionnaires distributed via Google Forms to 260 respondents working in TPT companies in the Bandung Raya region. A non-probability sampling technique was used to select the sample. Data analysis was conducted using a continuum line approach for variable descriptions and SEM-AMOS version 24 to test the relationships between variables.

The descriptive research results indicate that employees' Digital Competence is at the Competent level, Knowledge Sharing Practices are at the Effective level, and Digital Transformation is at the Good level. Digital Competence has a positive and significant influence on Digital Transformation, and Knowledge Sharing has a positive and significant influence on Digital Transformation. Simultaneously, both variables show a positive and significant influence on Digital Transformation.

This study provides a theoretical contribution by strengthening the understanding of the critical role of Digital Competence and Knowledge Sharing in supporting digital transformation. Practically, it recommends that companies develop training programs based on employees' specific needs, improve technological infrastructure, and facilitate better knowledge-sharing practices. Additionally, companies should integrate digital strategies with business strategies and automate manual processes to accelerate digital transformation. Future research could develop more complex models by incorporating moderating or mediating variables influencing the relationship between Digital Competence, Knowledge Sharing, and Digital Transformation.

Keywords: *Industrial Revolution 4.0, Textile and Textile Products (TPT), Digital Transformation, Digital Competence, Knowledge Sharing.*