SUMMARY

ANESTI ADIRATNA. Employee Readiness in Facing Bank NTB Transformation into Bank NTB Sharia. Supervised by IDQAN FAHMI and SADIKIN KUSWANTO.

Bank NTB as the spearheading institution of the local economy always strive to provide excellent services to the community through performance and services improvement through product innovation, information technologies improvement, and human resources quality enhancement. Changes that occurs within the company, especially the transformation from Conventional Bank to Sharia Bank, require the supports from the board and the employees rapidly, appropriately, and with high motivation to run the programs that have been set. This study identifies the factors that support all of the successful transformation of Bank NTB into Bank NTB Sharia. The methodology used is SEM - PLS.

Overall, it can be said that Bank NTB’s employees are ready to face the transformation from Conventional Bank to Sharia Bank. The variables which significantly affect the Organizational Commitment is Psychological Capital, Leadership Practices, and Way of Thinking. Whereas the variables which affect Readiness to Change is Psychological Capital and Organizational Commitment.

In order to improve change readiness and reducing resistance to change, the main strategy that board and human capital management can implement is to reinforce reward and punishment systems to support change, create a comfortable and conducive working environment, and maintain regular two ways communication, and provide employees with opportunities to develop their skills and abilities. The second strategy is to develop their critical thinking competencies, start from setting individual strategies.

Keywords: change readiness, organization commitment, transformation, partial least square.