

Midocean University

Faculty of Management

Bachelor of Project Management



The Impact of Digital Transformation on Project Management

Arwa Abdulaziz Alnajim

Graduation Project – 1

Faculty of Management - Midocean University

Supervisor

Dr. Mona Moustafa Elashry

Faculty member – Faculty of management – Midocean University

Introduction

Digital transformation has had a profound impact on project management, revolutionizing the way projects are planned, executed, and monitored. digital transformation has revolutionized project management by streamlining processes, enabling collaboration, facilitating data-driven decision making, and enhancing project outcomes. It has brought greater agility, efficiency, and effectiveness to project management practices, enabling organizations to deliver projects more successfully in an increasingly digital world.

Purpose: The purpose of this paper was to describe the digital transformation journey in an IT services company. The study aimed to examine the impact of project management styles on the success of the cloud-based ERP implementation in the company. This study was conducted using a qualitative case study method to analyze the project management styles and their influence on the success of the digital transformation of the company. The study discovered that the “visionary” and “affiliative” leadership styles are the key factors that affect the digital transformation of a company. The findings also highlighted the importance of the situational leadership style in the digital transformation journey. **Unique contribution to theory, practice, and policy:** The study concluded by suggesting a management competency framework that leadership team could further develop to successfully drive the digital transformation of the company. The study contributed to the literature by elaborating on a solid characterization of digital transformation journey. The study also offered useful insights to practitioners on how to execute effective and sustainable strategies for digital transformation.

While digital transformation has brought significant benefits to project management, there are still some gaps and challenges that organizations may face. Here are a few gaps related to the impact of digital transformation on project management: **Skills and Training:** Digital transformation requires project managers and team members to have the necessary skills and knowledge to effectively utilize digital tools and technologies. However, there may be a gap in the skill sets of existing project teams, requiring organizations to invest in training and upskilling initiatives to bridge this gap. **Change Management:** Implementing digital transformation in project management often involves significant changes in processes, workflows, and tools. Organizations may face challenges in managing this change effectively, including resistance from team members, difficulty in adopting new practices, and ensuring smooth transition and adoption of digital tools. Addressing these gaps requires a strategic approach, including investment in training and development, effective change management practices, robust cybersecurity measures, data management strategies, and a focus on cultural transformation. By addressing these gaps, organizations can maximize the benefits of digital transformation in project management and overcome challenges along the way.

This research aims to investigate the challenges faced by project managers during the adoption of digital transformation in project management and how these challenges impact project success. This research will contribute to the understanding of the impact of digital transformation on project management by uncovering the specific challenges faced by project managers during its implementation. The findings will help project managers and organizations better prepare for and navigate the digital transformation journey, leading to improved project success rates. Additionally, the research will provide insights into strategies and best practices that can be employed to overcome challenges and drive successful digital transformation in project management.

Research Significance: Assessing the Impact of Digital Transformation on Project Management Performance and Organizational Success. Digital transformation has become a prevalent phenomenon across industries, and its impact on project management practices is significant. Understanding the implications and outcomes of digital transformation initiatives in project management can provide valuable insights for organizations seeking to enhance their project performance and overall organizational success. **Improved Project Performance:** Investigating the impact of digital transformation on project management performance can help identify the specific areas where digital technologies and tools bring the most significant benefits. This knowledge can guide organizations in making informed decisions regarding the adoption and implementation of digital solutions, leading to improved project planning, execution, monitoring, and control. By conducting research on the impact of digital transformation on project management, organizations can gain valuable insights into the specific benefits, challenges, and strategies associated with digital adoption. This knowledge can guide their decision-making processes, improve project outcomes, and enable them to harness the full potential of digital technologies for organizational success in the digital age.

Research Problem

This research aims to investigate the challenges faced by project managers during the adoption of digital transformation in project management and how these challenges impact project success. This research will contribute to the understanding of the impact of digital transformation on project management by uncovering the specific challenges faced by project managers during its implementation. The findings will help project managers and organizations better prepare for and navigate the digital transformation journey, leading to improved project success rates. Additionally, the research will provide insights into strategies and best practices that can be employed to overcome challenges and drive successful digital transformation in project management.

1. Theoretical gaps:

These gaps represent areas where further research can contribute to a deeper understanding of the topic. Here are a few theoretical gaps related to the impact of digital transformation on project management. There is a need for the development of comprehensive theoretical frameworks that explicitly capture the multifaceted nature of digital transformation in project management. Existing frameworks often focus on specific aspects, such as technology adoption or agile methodologies, but a holistic framework that integrates various dimensions of digital transformation and their impact on project management is lacking.

Addressing these theoretical gaps can contribute to a more comprehensive understanding of the impact of digital transformation on project management. It can help develop robust theoretical frameworks, provide insights into long-term effects, consider the organizational context and stakeholder perspectives, explore ethical and social implications, and facilitate cross-sector comparisons. By addressing these gaps, researchers can advance the knowledge in this field and provide practical recommendations for organizations undergoing digital transformation in project management.

2. Empirical gaps:

There is a need for longitudinal studies that track the impact of digital transformation initiatives on project management practices and outcomes over an extended period. Longitudinal research can capture the dynamic nature of digital transformation and provide insights into how its effects evolve over time, including potential challenges, benefits, and sustainability of the changes implemented. Evaluation of Digital Tools and Technologies: Empirical research can evaluate the effectiveness and impact of specific digital tools and technologies used in project management. Comparative

studies can compare different tools and technologies, assessing their suitability for different project types, team sizes, and organizational contexts. This empirical evidence can guide organizations in selecting and implementing the most appropriate digital tools for their project management needs. By conducting empirical research to address these gaps, scholars and practitioners can gain valuable insights into the impact of digital transformation on project management. These empirical studies can inform decision-making, provide evidence-based practices, and contribute to the knowledge base in this evolving field.

This study addresses the following main research question:

“How does digital transformation impact project management practices and project outcomes?”

Research Significant

Assessing the Impact of Digital Transformation on Project Management Performance and Organizational Success. Digital transformation has become a prevalent phenomenon across industries, and its impact on project management practices is significant. Understanding the implications and outcomes of digital transformation initiatives in project management can provide valuable insights for organizations seeking to enhance their project performance and overall organizational success.

Improved Project Performance: Investigating the impact of digital transformation on project management performance can help identify the specific areas where digital technologies and tools bring the most significant benefits. This knowledge can guide organizations in making informed decisions regarding the adoption and implementation of digital solutions, leading to improved project planning, execution, monitoring, and control. By conducting research on the impact of digital transformation on project management, organizations can gain valuable insights into the specific benefits, challenges, and strategies associated with digital adoption. This knowledge can guide their decision-making processes, improve project outcomes, and enable them to harness the full potential of digital technologies for organizational success in the digital age.

1. Theoretical gaps:

Digital transformation is influenced by various organizational factors, such as culture, leadership, and structure. However, there is a lack of research that examines the role of these contextual factors in shaping the impact of digital transformation on project management. Further research is needed to explore how organizational context interacts with digital transformation initiatives and how it influences project management practices and outcomes. While studies have examined the impact of digital transformation on project managers and project teams, there is a need for research that explores the perspectives of other stakeholders, such as clients, customers, and end-users. Understanding how digital transformation affects these stakeholders and their involvement in project management processes can provide valuable insights into the broader impact of digital transformation initiatives.

2. Empirical gaps:

While qualitative studies have provided valuable insights, there is a need for more quantitative analysis of project performance metrics in the context of digital transformation. Empirical research can explore how digital transformation initiatives affect project success factors such as cost, schedule, quality, and customer satisfaction. Quantitative analysis can provide more robust evidence and enable statistical comparisons across different projects and organizations. While some studies

have examined the benefits of digital transformation, there is a need for empirical research that specifically focuses on the challenges and barriers faced during the adoption and implementation of digital transformation initiatives in project management. Understanding the factors that contribute to successful or unsuccessful implementation can help organizations anticipate and address potential challenges. Empirical studies can explore the influence of organizational factors, such as culture, leadership support, and change management, on the impact of digital transformation on project management outcomes. These factors can significantly shape the success or failure of digital transformation initiatives, and empirical research can provide insights into their role and impact.

References

Kozarkiewicz, A. (2020). General and specific: The impact of digital transformation on project processes and management methods. *Foundations of Management*, 12(1), 237-248.

Khan, M. A. (2020). The impact of project management styles on digital transformation: A Case Study of an IT services company. *International Journal of Project Management*, 4(1), 1-9.

Gonçalves, M. L. A., Penha, R., Silva, L. F., Martens, C. D., & Silva, V. F. (2023). The relationship between project management and digital transformation: Systematic literature review. *RAM. Revista de Administração Mackenzie*, 24, eRAMR230075.

Corejova, T., Bielik, P., & Genzorova, T. (2020). Approaches to project management in the process of digital transformation in the company. *ENTRENOVA-ENTERprise REsearch InNOVAtion*, 6(1), 531-541.

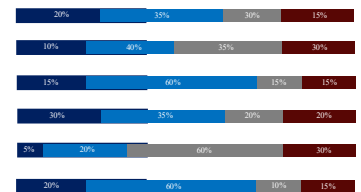
P. M. Institute. *A Guide to the Project Management Body of Knowledge (PMBOK Guide)* , Sixth Edition, Project Management Institute, 2017

Andersen, E. S. (1987) *Goal-Directed Project Management*, London: Kogan Page.

Appendices List

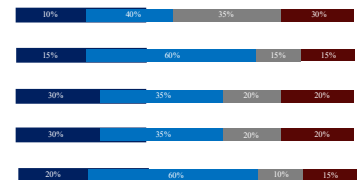
1st Questionnaire

We use technologies such as analytics and social media, to understand our customer better.
 In uncertain times, digital transformation becomes more, not less, important.
 Digital transformation investments are growing briskly, though more slowly than last year.
 Digital maturity's advantages go beyond traditional business benefits.
 Digitally native business units can be an incubator for transformation.
 Digital transformation continues to drive financial performance.



2nd Questionnaire

Does company have a formal Project Management Approach.
 Does company use any approach to verify the project complexity.
 ability to meet project objectives.
 Ability to make decisions.
 What changes have occurred in project cost management and resource allocation due to digital transformation.



Strongly Agree
 Agree
 Disagree
 Strongly Disagree