



Digital transformation of non-profit organisations and their impact on project performance

Keywords: Socio-technical system design (STS) theory, Digital Transformation, Non-profit organisations, Leadership, Communication, Project Performance

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Outline



1. Introduction: Social-technical Systems (STS theory)
2. Digital transformation and some challenges in NPOs
3. The impact on project performance
4. Leadership and Communication as moderating factors to project performance
5. The example of a digital transformation project in an NPO
6. Research design, results, discussion and conclusion
7. Expected results and reference list



1. Introduction to Socio-technical Systems theory



Different work systems (projects, organizations, networks and industries) integrate **technical and social components**. Considering these duality of technical and social elements, the work systems are usually called **social-technical systems**.

There are strong **interactions** between technical and social components, influencing how they are **impacting the performance** of the work systems. Usually, it is assumed that by including more technical elements, this leads to a higher system performance. But, it is not always true, the technical components might have also a negative impact.



1. Introduction to Socio-technical Systems theory



Starting from eighties, **information technologies** gained a more important role in the socio-technical systems, due to a higher availability and a higher impact, not only on the production and routine work but also on the administrative and managerial activities.

With the adoption of intelligent technologies, the concept of **digital transformation** emerged. The impact of Artificial intelligence on the work place is considered as transforming completely the way that the work is organized and performed, similar to the impact of electricity (Andrew Ng, 2018)



1. Introduction to Socio-technical Systems theory



Combination of social and technical components	Related questions
Leadership capabilities	<ol style="list-style-type: none"> 1. Can DT happen without CEO support ? 2. What kind of leadership is needed to turn DT investment into DT advantage?
Role of management	<ol style="list-style-type: none"> 1. What will be the changes in the management roles, levels and style? 2. What is the process of identifying breakthrough targets ?
Support systems	<ol style="list-style-type: none"> 1. What information system will be needed to support the various teams (Operation/project teams)? 2. What changes are needed in our financial Mgt tools?
Customer Service and continuous improvement systems	<ol style="list-style-type: none"> 1. How will we bring « the voice of the customer » into every project team ? 2. How will we increase the reliability of our processes ?

Levels

Industry

Organisation

Project

Workplace



Table 1: Adapted from Mohr and Amelvoort 2016

4. DT challenges in medium-sized NPOs



From Nahkhalaji, Shafiee and Hvam (2019)

4. Leader-leader exchange and communication as moderating factors to project performance



- Leader-leader exchange: each project manager establishes a unique relationship with his/ her supervisor (based on social exchange theory, Lin and Chen 2018).
- Communication: Adequate communication positively influences the project team performance during ERP project implementation (Wang, Chou and Jiang 2005)



5. Digital transformation: the case of IPMA



VMOST Model



IPMA 4 Strategic pillars of 2024 strategy

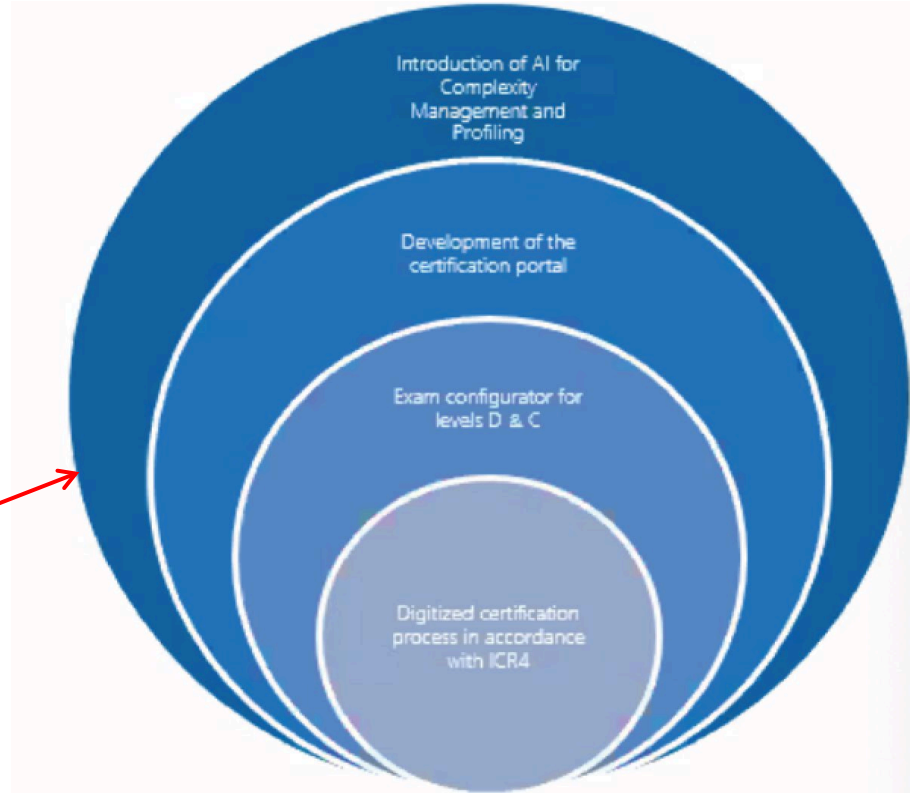
Membership

Advocacy and partnerships

Digital Transformation

A financial and sustainable organisation

5. Digital transformation programme: the case of IPMA



6. Research design, Results, discussion and conclusion



- Qualitative method based content analysis (Mayring, 2010)
- **Interviews with experts, i.e. key project stakeholders** (project sponsor, board members, project manager, project team member)
- Inductive category development
- Coding: replies to each question (excel tool)
- Verification of categories and summarizing categories
- Finalising of coding
- Results
- Discussion and interpretation
- Conclusion



7. Expected Results



- Digital transformation, with leadership and communication as moderating factors increases the overall project performance in NPOs and in particular:
- Leadership/leader-leader exchange (LLX) is a moderating factor when introducing DT and it increases the quality of the relationship between project sponsor and project manager
- Communication as a moderating factor helps to make sure that DT positively impacts overall project performance in an NPO
- If existing digital competences/skills of people are not taken into consideration, both LLX and communication will have limited impact when introducing DT to increase overall project performance



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