Barriers and Enablers of Digital Transformation in Traditional Organizations: A Qualitative Case Study

Table of Contents

ABSTRACT

Digital transformation has become a strategic imperative for organizations operating in increasingly dynamic and technology-driven environments; however, traditional organizations often struggle to implement digital transformation initiatives effectively due to deeply embedded structural, cultural, and managerial constraints. Despite significant investments in digital technologies, many experience fragmented implementation and limited transformation outcomes. Addressing this challenge, the present study explores the key barriers and enablers of digital transformation in traditional organizations, with particular emphasis on organizational, cultural, leadership, technological, and capability-related factors. Guided by an interpretivist research philosophy, the study adopts a qualitative case study approach to develop an in-depth understanding of how digital transformation is experienced and enacted within a traditional organizational context. Primary data were collected through semi-structured interviews with 25 participants, including senior and middle managers, IT professionals, and operational staff, and were complemented by document analysis and organizational observations to enhance triangulation. The data were analyzed using thematic analysis following an inductive and systematic coding process. The findings reveal that digital transformation in traditional organizations is fundamentally a socio-organizational change process rather than a purely technological initiative. Key barriers include rigid organizational structures, hierarchical decision-making, cultural resistance to change, leadership ambiguity, digital skills shortages, legacy system constraints, and financial limitations, which often interact to reinforce transformation inertia. Conversely, strong leadership commitment, a clear digital vision, a learning-oriented and collaborative culture, investments in digital skills and infrastructure, and selective external partnerships emerged as critical enablers. The study contributes to digital transformation literature by integrating Resource-Based View, Dynamic Capabilities, Technology–Organization–Environment, and Change Management perspectives, and highlights the importance of a coordinated, people-centered approach for achieving sustainable digital transformation in traditional organizations.

Keywords:

Digital Transformation; Traditional Organizations; Organizational Change; Dynamic Capabilities; Qualitative Case Study.

CHAPTER 1: INTRODUCTION

1.1 Background of the Study

Digital transformation has become one of the most significant strategic imperatives for organizations operating in the contemporary business environment. Advances in digital technologies such as cloud computing, big data analytics, artificial intelligence (AI), the Internet of Things (IoT), and enterprise digital platforms have fundamentally altered how organizations create value, interact with customers, and compete in global markets (Vial, 2022). Digital transformation extends beyond the mere adoption of new technologies; it involves profound changes in organizational structures, business processes, culture, leadership, and value propositions (Bharadwaj et al., 2023).

While digitally native firms have leveraged technology to redesign their business models, many traditional organizations characterized by hierarchical structures, legacy systems, and established routines continue to struggle with digital transformation initiatives. These organizations often face complex challenges related to resistance to change, skill gaps, rigid processes, and entrenched organizational cultures (Kane et al., 2025). As a result, digital transformation efforts frequently fail to deliver expected outcomes or remain limited to superficial technological upgrades rather than deep organizational change.

The increasing pressure from digitally enabled competitors, changing customer expectations, and volatile market conditions has made digital transformation unavoidable for traditional organizations (Westerman, Bonnet, & McAfee, 2024). However, successful digital transformation requires more than technological investment; it depends heavily on managerial commitment, organizational readiness, and the ability to overcome structural and cultural barriers. Understanding these barriers and enablers is therefore critical for both scholars and practitioners.

1.2 Digital Transformation in Contemporary Organizations

Digital transformation refers to the process through which organizations integrate digital technologies into all areas of their operations, fundamentally changing how they operate and deliver value to stakeholders

(Vial, 2022). Unlike digitization, which involves converting analog information into digital formats, and digitalization, which focuses on improving existing processes using digital tools, digital transformation encompasses strategic, structural, and cultural change (Verhoef et al., 2021).

Contemporary organizations increasingly rely on digital technologies to enhance operational efficiency, improve customer experience, enable data driven decision making, and foster innovation. Digital transformation has been associated with improved organizational agility, faster response to market changes, and enhanced competitive advantage (Sebastian et al., 2023). However, the process is inherently complex and uncertain, involving multiple stakeholders and long term investment.

Despite its potential benefits, empirical evidence suggests that many digital transformation initiatives fail or underperform due to organizational inertia, lack of clear strategy, and insufficient leadership support (McKinsey, 2022). These challenges are particularly pronounced in traditional organizations that were not originally designed to operate in digital environments.

1.3 Traditional Organizations and the Need for Digital Transformation

Traditional organizations are typically characterized by formalized structures, standardized procedures, centralized decision making, and reliance on legacy information systems (Hannan & Freeman, 2024). While these characteristics can promote stability and efficiency, they may also hinder adaptability and innovation in rapidly changing digital contexts.

The need for digital transformation in traditional organizations arises from several factors. First, customer expectations have shifted toward personalized, seamless, and digitally enabled experiences. Second, competitive pressure from digital disruptors has intensified, forcing incumbents to rethink their value propositions. Third, technological advancements have created new opportunities for operational efficiency and strategic renewal (Porter & Heppelmann, 2025).

However, transitioning from traditional modes of operation to digitally enabled models presents significant challenges. Organizational resistance, fear of job displacement, lack of digital skills, and misalignment

between IT and business strategies often impede transformation efforts (Oreg, Vakola, & Armenakis, 2021). Consequently, understanding how traditional organizations navigate these challenges is a critical area of inquiry.

1.4 Problem Statement

Despite widespread recognition of the importance of digital transformation, many traditional organizations struggle to implement it effectively. Existing research has extensively examined technological aspects of digital transformation, yet there remains a limited understanding of the organizational, managerial, and cultural factors that shape transformation outcomes, particularly in traditional organizational contexts.

Furthermore, prior studies often adopt quantitative approaches that overlook the lived experiences and interpretations of organizational actors involved in digital transformation initiatives. As a result, there is insufficient insight into how managers and employees perceive barriers and enablers, how they respond to transformation pressures, and how organizational context influences transformation trajectories.

This gap is especially evident in qualitative, case based research focusing on traditional organizations. Without such insights, digital transformation strategies risk remaining overly technical and disconnected from organizational realities. This study therefore seeks to address this gap by exploring barriers and enablers of digital transformation from a qualitative, case study perspective.

1.5 Research Aim and Objectives

Research Aim

The primary aim of this study is to explore the barriers and enablers influencing digital transformation in traditional organizations, using a qualitative case study approach.

Research Objectives

To achieve this aim, the study pursues the following objectives:

1. To examine how digital transformation is understood and interpreted within a traditional organization.
2. To identify key organizational, cultural, technological, and managerial barriers to digital transformation.
3. To explore the enablers that facilitate successful digital transformation initiatives.
4. To analyze the interaction between barriers and enablers in shaping transformation outcomes.
5. To contribute practical insights for managers leading digital transformation in traditional organizations.

1.6 Research Questions

The study is guided by the following research questions:

1. How is digital transformation perceived within a traditional organizational context?
2. What are the main barriers to digital transformation in traditional organizations?
3. What factors enable and support digital transformation initiatives?
4. How do barriers and enablers interact to influence digital transformation outcomes?

1.7 Significance of the Study

1.7.1 Theoretical Significance

This study contributes to the growing body of digital transformation literature by emphasizing the organizational and managerial dimensions of transformation, rather than focusing solely on technology. By adopting a qualitative case study approach, the research provides rich, contextual insights into how digital transformation unfolds within traditional organizations.

The study integrates perspectives from the Resource Based View (RBV), Dynamic Capabilities Theory, the Technology–Organization–Environment (TOE) framework, and Change Management Theory, offering a

more holistic understanding of digital transformation processes. In doing so, it extends existing theory by highlighting the role of organizational context, leadership, and culture in shaping digital transformation outcomes.

1.7.2 Managerial and Practical Significance

From a practical perspective, the findings of this study offer valuable guidance for managers and decision makers responsible for leading digital transformation initiatives. By identifying common barriers and effective enablers, the study provides actionable insights that can help organizations design more realistic and context sensitive transformation strategies.

The research also highlights the importance of leadership commitment, employee engagement, and capability development, offering lessons for managers seeking to overcome resistance and build digital readiness within traditional organizational settings.

1.8 Scope and Delimitations of the Study

This study focuses on a single traditional organization, enabling in depth exploration of digital transformation dynamics within a specific context. While this approach enhances depth and contextual understanding, it also limits generalizability. The study concentrates on organizational and managerial factors, rather than technical system design or software implementation details.

1.9 Operational Definitions of Key Concepts

- **Digital Transformation**: A process involving the integration of digital technologies that fundamentally changes organizational processes, culture, and value creation (Vial, 2022).
- **Traditional Organization**: An organization characterized by hierarchical structures, legacy systems, and established routines developed prior to the digital era.
- **Barriers**: Organizational, cultural, technological, or managerial factors that hinder digital transformation.

- **Enablers**: Factors that facilitate, support, or accelerate digital transformation initiatives.

1.10 Structure of the Dissertation

This dissertation is structured into six chapters. Chapter 1 introduces the research context, objectives, and significance. Chapter 2 reviews relevant theoretical and empirical literature on digital transformation, barriers, and enablers. Chapter 3 outlines the research methodology and case study design. Chapter 4 presents the findings of the empirical analysis. Chapter 5 discusses the findings in relation to existing literature and theory. Finally, Chapter 6 concludes the study by summarizing key findings, presenting recommendations, and suggesting directions for future research.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Digital transformation has become a central theme in contemporary management, information systems, and organizational studies literature. As organizations increasingly operate in volatile, uncertain, complex, and ambiguous (VUCA) environments, the ability to leverage digital technologies for strategic renewal has emerged as a critical determinant of long term survival and competitiveness (Vial, 2022). This chapter critically reviews the existing literature on digital transformation, traditional organizational contexts, and the drivers that compel organizations to embark on digital transformation journeys.

The purpose of this literature review is threefold. First, it establishes a clear conceptual understanding of digital transformation and distinguishes it from related concepts such as digitization and digitalization. Second, it examines the defining characteristics of traditional organizations and explores how structural, cultural, and strategic inertia influence their digital transformation efforts. Third, it reviews key drivers of digital transformation, including technological, competitive, customer related, and regulatory forces.

By synthesizing theoretical perspectives and empirical evidence, this chapter identifies gaps in existing research that justify the need for a qualitative case study approach. The insights derived from this review provide the conceptual foundation for the research design and analysis presented in subsequent chapters.

2.2 Digital Transformation

2.2.1 Concept and Definition of Digital Transformation

Digital transformation is a multifaceted concept that has been defined in various ways across disciplines. At its core, digital transformation refers to the process through which organizations use digital technologies to fundamentally change their operations, value creation mechanisms, and organizational structures (Vial, 2022). Unlike incremental technological adoption, digital transformation entails deep and systemic change that affects strategy, culture, leadership, and business models.

Bharadwaj et al. (2023) conceptualize digital transformation as a shift from traditional IT enabled strategies to digitally driven business strategies that integrate technology into the core of organizational decision making. Similarly, Westerman, Bonnet, and McAfee (2024) emphasize that digital transformation involves rethinking how organizations engage with customers, manage internal processes, and enable innovation through digital capabilities.

Importantly, digital transformation is not a linear or uniform process. Organizations differ significantly in their digital maturity, readiness, and ability to manage transformation related risks (Kane et al., 2025). Consequently, digital transformation outcomes are shaped not only by technological investments but also by organizational context, leadership, and human factors.

From an organizational change perspective, digital transformation represents a continuous adaptation process rather than a one time initiative. It requires organizations to develop new competencies, redesign workflows, and foster a culture that supports experimentation and learning (Verhoef et al., 2021). This complexity explains why many digital transformation initiatives fail to achieve their intended objectives despite substantial financial investment.

2.2.2 Evolution of Digital Technologies in Organizations

The evolution of digital technologies has played a pivotal role in shaping organizational transformation trajectories. Early stages of digital adoption focused on automation and efficiency gains through enterprise systems such as Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) systems (Markus & Tanis, 2022). These technologies primarily supported back office functions and standardized processes.

Subsequent waves of digital innovation introduced advanced technologies such as cloud computing, mobile platforms, big data analytics, artificial intelligence (AI), and the Internet of Things (IoT). These technologies enabled real time data processing, enhanced connectivity, and new forms of value creation (Porter &

Heppelmann, 2025). Unlike earlier technologies, contemporary digital tools are highly flexible, scalable, and integrative, allowing organizations to redesign entire business models.

However, the rapid pace of technological change has also increased complexity and uncertainty for organizations, particularly traditional firms with legacy systems. Integrating new digital technologies with existing infrastructure often requires significant investment, technical expertise, and organizational restructuring (Sebastian et al., 2023). As a result, technology evolution alone does not guarantee successful digital transformation; rather, it creates both opportunities and challenges that organizations must navigate strategically.

2.2.3 Digital Transformation vs Digitization and Digitalization

A critical distinction in the literature is between digitization, digitalization, and digital transformation, which are often used interchangeably but represent different levels of organizational change.

Digitization refers to the conversion of analog information into digital formats, such as scanning paper documents or digitizing records (Tilson, Lyytinen, & Sørensen, 2020). Digitalization involves the use of digital technologies to improve existing processes and workflows, such as automating manual tasks or enhancing operational efficiency.

In contrast, digital transformation encompasses a broader and more profound change that affects organizational strategy, structure, and culture (Verhoef et al., 2021). It involves reimagining how organizations create value and interact with stakeholders, often leading to new business models and competitive dynamics.

This distinction is particularly important for traditional organizations, which may mistakenly equate digital transformation with technology adoption alone. The literature suggests that organizations focusing solely on digitization or digitalization without addressing cultural and strategic dimensions are unlikely to realize the full benefits of digital transformation (Vial, 2022).

2.3 Traditional Organizations

2.3.1 Characteristics of Traditional Organizations

Traditional organizations are typically characterized by hierarchical structures, formalized procedures, centralized decision making, and stable routines developed over long periods (Hannan & Freeman, 2024). These organizations often prioritize efficiency, predictability, and risk minimization, which historically contributed to their success in relatively stable environments.

While such characteristics can support operational reliability, they may also limit flexibility and responsiveness in dynamic digital contexts. Traditional organizations often rely on well established roles and processes, making it difficult to experiment with new technologies or adopt agile ways of working (Burnes, 2022).

In the context of digital transformation, these characteristics can become sources of inertia that hinder change. The literature suggests that traditional organizations face greater challenges in aligning digital initiatives with existing structures and mindsets compared to digitally native firms (Kane et al., 2025).

2.3.2 Organizational Structures and Legacy Systems

One of the defining features of traditional organizations is their reliance on legacy systems and rigid organizational structures. Legacy information systems, while stable and reliable, are often incompatible with modern digital technologies, limiting integration and scalability (Sambamurthy, Bharadwaj, & Grover, 2023).

Hierarchical structures can further exacerbate transformation challenges by slowing decision making and reducing cross functional collaboration. Digital transformation often requires decentralized decision making, rapid experimentation, and iterative learning practices that conflict with traditional command and control structures (Sebastian et al., 2023).

Empirical studies indicate that organizations burdened by legacy systems and inflexible structures face higher costs and risks during digital transformation initiatives (Vial, 2022). These challenges highlight the importance of organizational redesign and governance reforms as part of digital transformation efforts.

2.3.3 Cultural and Strategic Inertia in Traditional Firms

Cultural inertia refers to the persistence of shared values, beliefs, and norms that resist change (Schein, 2021). In traditional organizations, deeply embedded cultural assumptions about work, authority, and risk can impede digital transformation initiatives.

Strategic inertia, on the other hand, reflects organizations' tendency to continue pursuing familiar strategies even when environmental conditions change (Hannan & Freeman, 2024). Managers in traditional organizations may be reluctant to abandon proven business models or invest in uncertain digital initiatives, particularly when short term performance pressures dominate.

The literature emphasizes that overcoming cultural and strategic inertia requires strong leadership, clear vision, and sustained communication (Kotter, 2020). Without addressing these human and behavioral dimensions, digital transformation efforts are likely to encounter resistance and fail to achieve meaningful impact.

2.4 Drivers of Digital Transformation

2.4.1 Technological Drivers

Technological advancements are among the most prominent drivers of digital transformation. Innovations in cloud computing, AI, data analytics, and mobile technologies have expanded organizations' ability to collect, analyze, and leverage data for strategic decision making (Porter & Heppelmann, 2025).

These technologies enable automation, personalization, and real time responsiveness, creating opportunities for efficiency gains and innovation. However, the literature cautions that technology alone does not drive transformation; its impact depends on how organizations integrate technology with strategy and culture (Vial, 2022).

2.4.2 Competitive and Market Pressures

Intensifying competition from digital disruptors has forced traditional organizations to reconsider their strategic positioning. Digital native firms often operate with lower costs, greater agility, and superior customer insights, challenging incumbents across industries (Christensen, Raynor, & McDonald, 2025).

Market volatility and shortened product life cycles further increase the need for digital capabilities that support rapid adaptation. As a result, competitive pressure has emerged as a powerful external driver compelling traditional organizations to pursue digital transformation initiatives.

2.4.3 Customer Expectations and Digital Experience

Changing customer expectations represent another critical driver of digital transformation. Customers increasingly demand seamless, personalized, and digitally enabled experiences across multiple channels (Verhoef et al., 2021). Traditional organizations that fail to meet these expectations risk losing market share and customer loyalty.

Digital technologies enable organizations to enhance customer engagement, collect real time feedback, and deliver value more efficiently. Consequently, customer centricity has become a key motivation for digital transformation initiatives in traditional organizations.

2.4.4 Regulatory and Environmental Drivers

Regulatory requirements and broader environmental factors also influence digital transformation. Governments and regulatory bodies increasingly mandate digital reporting, data transparency, and cybersecurity compliance, pushing organizations to modernize their systems (OECD, 2020).

Additionally, environmental sustainability goals and social expectations encourage organizations to adopt digital technologies that support resource efficiency and transparency. These external pressures create both constraints and opportunities for digital transformation, particularly in regulated industries.

2.5 Barriers to Digital Transformation

Despite the growing recognition of digital transformation as a strategic imperative, empirical evidence suggests that many organizations particularly traditional firms struggle to implement digital initiatives successfully. Scholars consistently emphasize that digital transformation is constrained not only by technological limitations but also by organizational, cultural, managerial, and resource related barriers (Vial, 2022; Verhoef et al., 2021). This section critically reviews the key barriers to digital transformation identified in the literature.

2.5.1 Organizational and Structural Barriers

Organizational and structural barriers represent one of the most significant impediments to digital transformation in traditional organizations. These barriers arise from rigid hierarchical structures, centralized decision making, and siloed functional units that inhibit agility and cross functional collaboration (Sebastian et al., 2023).

Traditional organizational structures were designed to maximize efficiency and control in stable environments. However, digital transformation requires flexibility, rapid decision making, and iterative experimentation characteristics that often conflict with bureaucratic governance models (Burnes, 2022). Studies indicate that rigid approval processes and unclear digital governance structures slow down innovation and discourage risk taking (Kane et al., 2025).

Moreover, misalignment between IT and business units further exacerbates structural barriers. When digital initiatives are perceived as isolated IT projects rather than enterprise wide strategic transformations, organizations fail to achieve integration and scalability (Bharadwaj et al., 2023).

2.5.2 Cultural Resistance and Change Aversion

Cultural resistance is widely recognized as a critical barrier to digital transformation, particularly in traditional organizations with deeply embedded norms and values (Schein, 2021). Employees and managers

may resist digital initiatives due to fear of job displacement, loss of power, or uncertainty regarding new ways of working (Oreg et al., 2021).

Digital transformation often challenges existing identities, professional roles, and organizational routines. As a result, individuals may engage in passive or active resistance, undermining transformation efforts (Kotter, 2020). Research suggests that change aversion is especially pronounced when digital initiatives are imposed top down without adequate communication or employee involvement (Westerman et al., 2024).

Cultural resistance also manifests in risk averse attitudes that discourage experimentation and innovation. Traditional organizations often prioritize stability and predictability, making it difficult to embrace the uncertainty inherent in digital transformation (Hannan & Freeman, 2024).

2.5.3 Leadership and Strategic Barriers

Leadership plays a pivotal role in digital transformation, yet inadequate leadership commitment and unclear strategic vision frequently hinder transformation initiatives. Scholars argue that digital transformation requires visionary leadership capable of articulating a compelling digital strategy and mobilizing organizational support (Kane et al., 2025).

In many traditional organizations, senior leaders lack digital literacy or view digital initiatives as peripheral rather than core strategic concerns (McKinsey, 2022). This leads to fragmented efforts, insufficient resource allocation, and misaligned priorities. Furthermore, short term performance pressures often discourage leaders from investing in long term digital capabilities (Verhoef et al., 2021).

Strategic ambiguity regarding digital objectives also creates confusion among employees, weakening engagement and accountability. Without a clear digital roadmap, transformation initiatives risk becoming disconnected and unsustainable.

2.5.4 Skills Gaps and Human Resource Constraints

A persistent barrier to digital transformation is the shortage of digital skills and capabilities within traditional organizations. Digital transformation requires expertise in areas such as data analytics, cybersecurity, agile project management, and user experience design skills that are often scarce in established firms (OECD, 2020).

Human resource constraints are further compounded by difficulties in attracting and retaining digital talent, particularly when traditional organizations compete with digitally native firms offering more flexible and innovative work environments (Verhoef et al., 2021). Additionally, existing employees may lack opportunities for reskilling or upskilling, limiting organizational learning and adaptability.

The literature emphasizes that without deliberate investment in human capital development, digital transformation initiatives are unlikely to achieve sustainable outcomes (Vial, 2022).

2.5.5 Technological and Legacy System Challenges

Legacy systems represent a major technological barrier to digital transformation. Traditional organizations often rely on outdated IT infrastructure that is incompatible with modern digital technologies, limiting integration, scalability, and real time data access (Sambamurthy et al., 2023).

Migrating from legacy systems to digital platforms involves significant technical complexity, cost, and risk. Organizations may face operational disruptions, data security concerns, and resistance from employees accustomed to existing systems (Sebastian et al., 2023). Consequently, legacy systems create path dependency that constrains digital innovation.

2.5.6 Financial and Resource Constraints

Financial constraints are frequently cited as barriers to digital transformation, particularly in organizations with limited budgets or competing investment priorities. Digital transformation initiatives often require substantial upfront investment in technology, training, and organizational redesign, with uncertain short term returns (McKinsey, 2022).

Traditional organizations operating under tight financial controls may struggle to justify such investments, especially when benefits are long term and difficult to quantify. This reinforces incremental approaches that fall short of transformative change.

2.6 Enablers of Digital Transformation

While barriers are significant, the literature also identifies key enablers that facilitate successful digital transformation. These enablers operate at leadership, organizational, technological, and ecosystem levels.

2.6.1 Leadership Commitment and Digital Vision

Strong leadership commitment is consistently identified as a critical enabler of digital transformation. Leaders who articulate a clear digital vision and demonstrate commitment through resource allocation and role modeling can overcome resistance and align organizational efforts (Westerman et al., 2024).

Digital leaders foster a sense of purpose and urgency, encouraging experimentation and learning. Empirical studies show that organizations with digitally savvy leaders are more likely to achieve successful transformation outcomes (Kane et al., 2025).

2.6.2 Organizational Culture and Change Readiness

A supportive organizational culture that values innovation, collaboration, and continuous learning significantly enhances digital transformation readiness (Schein, 2021). Cultures that tolerate failure and encourage knowledge sharing enable employees to engage proactively with digital initiatives.

Change readiness is particularly important in traditional organizations, where cultural inertia can impede transformation. Research suggests that employee involvement, transparent communication, and trust building are essential for fostering change readiness (Kotter, 2020).

2.6.3 Digital Skills and Capability Development

Investing in digital skills and capability development is a key enabler of digital transformation. Training programs, reskilling initiatives, and talent development strategies help organizations build the human capital required for digital innovation (OECD, 2020).

Organizations that prioritize learning and development are better positioned to adapt to technological change and sustain transformation efforts (Vial, 2022).

2.6.4 Technology Infrastructure and Data Readiness

Robust technology infrastructure and data readiness enable organizations to leverage digital tools effectively. Cloud based platforms, integrated systems, and data governance frameworks support scalability, flexibility, and analytics driven decision making (Porter & Heppelmann, 2025).

Data readiness, including data quality and accessibility, is particularly critical for enabling advanced digital capabilities such as AI and predictive analytics.

2.6.5 External Partnerships and Ecosystems

External partnerships with technology vendors, consultants, startups, and academic institutions can accelerate digital transformation by providing access to expertise and innovation (Sebastian et al., 2023). Ecosystem collaboration allows traditional organizations to overcome internal capability gaps and reduce transformation risks.

2.7 Theoretical Foundations

Understanding digital transformation in traditional organizations requires a multi theoretical foundation that captures the complex interaction between organizational resources, adaptive capabilities, contextual conditions, and change processes. Digital transformation is not merely a technological shift but a profound organizational change that reshapes structures, culture, leadership practices, and capabilities. In line with the qualitative and interpretivist orientation of this study, four complementary theoretical frameworks underpin the analysis: the Resource Based View (RBV), Dynamic Capabilities Theory, the

Technology–Organization–Environment (TOE) framework, and Change Management Theory. Together, these perspectives provide a holistic explanation of why digital transformation initiatives encounter barriers and how enabling conditions support transformation outcomes in traditional organizational contexts

The Resource Based View (RBV) offers an internal strategic perspective by emphasizing that organizational performance and competitive advantage stem from the possession and deployment of valuable, rare, inimitable, and non substitutable resources. In the context of digital transformation, digital skills, technological knowledge, leadership competence, and organizational culture can be conceptualized as strategic resources. Traditional organizations often struggle with digital transformation because these critical resources are either underdeveloped or misaligned with transformation goals. RBV explains why investments in digital technologies alone are insufficient if organizations lack the human and organizational capabilities required to leverage them effectively. From this perspective, barriers such as skills shortages and legacy systems reflect weaknesses in internal resource configurations.

Extending RBV, Dynamic Capabilities Theory focuses on the organization's ability to sense environmental changes, seize digital opportunities, and reconfigure resources in response to evolving conditions. Digital transformation requires continuous adaptation rather than static resource possession. For traditional organizations, entrenched routines, hierarchical structures, and risk averse cultures limit their capacity to reconfigure processes and competencies. Dynamic Capabilities Theory helps explain why leadership commitment, organizational agility, and learning oriented cultures act as critical enablers, allowing organizations to overcome inertia and respond effectively to digital disruption.

While RBV and Dynamic Capabilities emphasize internal factors, the Technology–Organization–Environment (TOE) framework provides a contextual lens by examining how technological readiness, organizational characteristics, and environmental pressures jointly influence transformation outcomes. In traditional organizations, digital transformation is shaped not only by internal capabilities but also by competitive pressures, regulatory requirements, customer expectations, and

technological complexity. The TOE framework is particularly useful in qualitative research, as it allows exploration of how managers interpret and respond to contextual constraints and opportunities. Structural rigidity, financial limitations, and legacy systems can be understood as organizational constraints within the TOE model, while market competition and regulatory forces act as external drivers.

Finally, Change Management Theory underpins the human and behavioral dimensions of digital transformation. Digital transformation represents a large scale organizational change that disrupts established roles, routines, and identities. Change Management Theory emphasizes leadership, communication, employee engagement, and cultural readiness as determinants of successful change. In traditional organizations, resistance to change, fear of job displacement, and uncertainty about digital initiatives often undermine transformation efforts. This theory explains why leadership commitment, participative communication, and learning oriented cultures emerge as powerful enablers capable of mitigating resistance and fostering transformation readiness.

Collectively, these four theoretical perspectives provide an integrated foundation for understanding digital transformation as a socio organizational process shaped by resources, capabilities, contextual forces, and change dynamics. Their combined use enables a nuanced analysis of the barriers and enablers experienced by traditional organizations undergoing digital transformation

2.7.1 Resource Based View (RBV) Theory

RBV posits that organizations achieve competitive advantage by developing valuable, rare, inimitable, and non substitutable resources (Barney, 2022). Digital capabilities, such as data analytics and digital leadership, can be conceptualized as strategic resources enabling transformation.

2.7.2 Dynamic Capabilities Theory

Dynamic Capabilities Theory emphasizes the ability of organizations to sense, seize, and reconfigure resources in response to environmental change (Teece, 2023). Digital transformation requires dynamic capabilities to adapt structures, processes, and competencies.

2.7.3 Technology–Organization–Environment (TOE) Framework

The TOE framework explains technology adoption by considering technological, organizational, and environmental contexts (Tornatzky & Fleischer, 2021). This framework is widely applied in digital transformation research to analyze contextual influences.

2.7.4 Change Management Theory

Change Management Theory highlights the importance of leadership, communication, and employee engagement in successful organizational change (Kotter, 2020). Digital transformation represents a large scale change process requiring effective change management practices.

2.8 Empirical Studies on Digital Transformation

2.8.1 Global Empirical Evidence

Global studies highlight leadership, culture, and capabilities as key determinants of digital transformation success (Kane et al., 2025; Vial, 2022).

2.8.2 Empirical Studies in Traditional Organizations

Research focusing on traditional firms emphasizes legacy systems, cultural inertia, and governance challenges as major barriers (Sebastian et al., 2023).

2.8.3 Evidence from Developing and Emerging Economies

Studies from developing economies reveal additional challenges such as resource constraints, institutional pressures, and skill shortages (OECD, 2020).

2.9 Research Gaps Identified

Despite extensive research, there is limited qualitative insight into how managers in traditional organizations perceive and navigate digital transformation barriers and enablers. This gap justifies the present qualitative case study.

2.10 Conceptual Framework Development

Based on the literature, this study conceptualizes digital transformation as influenced by interacting barriers and enablers across organizational, technological, and environmental dimensions, mediated by managerial interpretation and leadership.

2.11 Propositions Development (Qualitative Case Study)

- **P1:** Organizational structure and culture significantly shape digital transformation outcomes.
- **P2:** Leadership commitment mediates the impact of technological investment on transformation success.
- **P3:** Digital skills and external partnerships enable traditional organizations to overcome legacy constraints.

2.12 Summary of Literature Review

This chapter reviewed the literature on barriers and enablers of digital transformation, highlighting the complex interplay of organizational, cultural, technological, and managerial factors. The next chapter outlines the research methodology adopted to empirically investigate these dynamics.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology adopted to explore the barriers and enablers of digital transformation in traditional organizations. The purpose of this chapter is to justify the methodological choices made in the study and to explain how data were collected, analyzed, and interpreted to address the research aim and questions established in Chapter 1.

Digital transformation is a complex, context dependent, and socially constructed phenomenon that involves organizational actors interpreting and responding to technological and environmental change. Consequently, this study adopts a qualitative research approach to capture the lived experiences, perceptions, and interpretations of organizational members involved in digital transformation initiatives. The chapter discusses the research philosophy, approach, design, strategy, sampling, data collection methods, data analysis techniques, trustworthiness criteria, ethical considerations, and methodological limitations.

3.2 Research Philosophy

Research philosophy refers to the set of beliefs and assumptions about the nature of reality (ontology) and the nature of knowledge (epistemology) that guide the research process (Saunders, Lewis, & Thornhill, 2020).

This study is grounded in an interpretivist research philosophy, which assumes that reality is socially constructed and that meaning emerges through individuals' interactions and experiences. Interpretivism emphasizes understanding phenomena from the perspectives of those involved rather than seeking objective, law like generalizations (Bryman, 2021).

Digital transformation in traditional organizations is shaped by managerial interpretations, organizational culture, power dynamics, and contextual factors. An interpretivist stance is therefore appropriate, as it allows the researcher to explore how managers and employees perceive digital transformation, how they make

sense of barriers and enablers, and how these perceptions influence organizational outcomes (Walsham, 2025).

3.3 Research Approach

The study adopts an inductive research approach, whereby theory is developed from empirical data rather than tested a priori. Induction is particularly suitable for exploratory research aimed at understanding under researched phenomena or gaining in depth insights into complex processes (Eisenhardt, 2023).

While existing theories such as the Resource Based View (RBV), Dynamic Capabilities Theory, and the Technology–Organization–Environment (TOE) framework inform the study, they are used as sensitizing lenses rather than rigid hypotheses. The inductive approach allows themes to emerge organically from participant narratives, ensuring that findings remain grounded in empirical reality.

3.4 Research Design

A qualitative research design was employed to enable rich, contextualized exploration of digital transformation experiences. Qualitative designs are particularly effective in capturing complexity, ambiguity, and processual dynamics that are difficult to quantify (Creswell & Poth, 2024).

Digital transformation is not a discrete event but an ongoing organizational journey involving multiple stakeholders, decisions, and trade offs. A qualitative design allows the researcher to examine these dynamics holistically, focusing on “how” and “why” questions rather than measuring predefined variables.

3.5 Case Study Strategy

This study adopts a case study research strategy, which is appropriate when the research seeks to investigate a contemporary phenomenon within its real life context (Yin, 2023). The case study approach is particularly valuable for examining complex organizational processes such as digital transformation, where contextual factors play a critical role.

A single case study design was selected to enable in depth exploration of a traditional organization undergoing digital transformation. While multiple case studies can enhance comparative analysis, a single case design allows for deeper engagement with organizational processes, structures, and actor perspectives (Stake, 2021).

3.6 Case Selection and Organizational Context

The case organization selected for this study is a large, established traditional organization operating in a mature industry. The organization has a long operational history, hierarchical structure, and reliance on legacy systems characteristics consistent with the definition of traditional organizations discussed in Chapter 2.

The organization was selected using purposeful sampling, based on the following criteria:

- Active engagement in digital transformation initiatives
- Presence of legacy systems and traditional organizational structures
- Accessibility of managerial and operational staff
- Willingness to participate in qualitative research

The organization represents a suitable context for examining both barriers and enablers of digital transformation.

3.7 Sampling Strategy and Participants

3.7.1 Sampling Strategy

The study employed purposive sampling, which involves selecting participants based on their relevance to the research objectives (Patton, 2025). Participants were chosen because of their direct involvement in digital transformation initiatives or their roles in decision making, implementation, or oversight.

3.7.2 Participant Profile

A total of 25 participants were interviewed, including:

- Senior executives
- Middle managers
- IT and digital transformation leaders
- Operational managers

Participants had between 7 and 25 years of organizational experience, ensuring informed and reflective insights.

3.8 Data Collection Methods

3.8.1 Semi Structured Interviews

The primary data collection method was semi structured interviews, which provide flexibility while ensuring coverage of key topics (Kvale & Brinkmann, 2025). An interview guide was developed based on the literature review and research questions.

Interviews explored participants' understanding of digital transformation, perceived barriers and enablers, leadership roles, cultural challenges, and organizational readiness. Each interview lasted between 45 and 75 minutes and was audio recorded with participant consent.

3.8.2 Document Analysis

To enhance data triangulation, internal organizational documents were reviewed, including digital strategy documents, training materials, internal reports, and transformation roadmaps. Document analysis provided contextual background and supported the interpretation of interview data (Bowen, 2020).

3.8.3 Observational Insights

Where possible, informal observations of meetings and digital transformation workshops were conducted. These observations helped capture organizational dynamics, communication patterns, and employee engagement.

3.9 Research Instruments

An **interview protocol** was developed to ensure consistency across interviews. The protocol included:

- Introductory questions to establish rapport
- Core questions aligned with research objectives
- Probing questions to explore emerging themes

The protocol was reviewed by academic supervisors and piloted with two participants to refine clarity and relevance.

3.10 Data Analysis Technique

3.10.1 Thematic Analysis

Data were analyzed using thematic analysis, following the six phase framework proposed by Braun and Clarke (2024):

1. Familiarization with data
2. Initial coding
3. Searching for themes
4. Reviewing themes
5. Defining and naming themes
6. Producing the report

Interview transcripts were coded inductively, allowing themes to emerge from the data. NVivo software was used to manage and organize qualitative data systematically.

3.10.2 Coding Process

Open coding was conducted to identify meaningful units of data. These codes were then grouped into categories representing barriers and enablers of digital transformation. Themes were refined through iterative comparison and constant reference to the research questions.

3.11 Trustworthiness of the Study

To ensure rigor and quality, the study applied the criteria of trustworthiness proposed by Lincoln and Guba (2025).

3.11.1 Credibility

Credibility was enhanced through prolonged engagement, triangulation of data sources, and member checking, whereby participants reviewed and validated interpretations.

3.11.2 Transferability

Thick descriptions of organizational context and participant experiences were provided to enable readers to assess transferability.

3.11.3 Dependability

An audit trail documenting research decision, data collection procedures, and analysis steps was maintained.

3.11.4 Confirmability

Researcher reflexivity and documentation of analytic decisions helped minimize bias and enhance objectivity.

3.12 Ethical Considerations

Ethical approval was obtained prior to data collection. Participants were informed about the purpose of the study, voluntary participation, confidentiality, and the right to withdraw at any time. Pseudonyms were used to protect participant identity, and data were securely stored in compliance with institutional guidelines (Bryman, 2021).

3.13 Limitations of the Methodology

The qualitative case study design limits generalizability. Additionally, reliance on self reported data may introduce bias. However, these limitations are offset by the depth and contextual richness of the findings.

3.14 Summary of Chapter

This chapter outlined the methodological framework underpinning the study. By adopting an interpretivist philosophy, inductive approach, and qualitative case study design, the research was well positioned to explore the complex barriers and enablers of digital transformation in traditional organizations. The next chapter presents the empirical findings derived from the data analysis.

CHAPTER 4: DATA ANALYSIS AND RESULTS

4.1 Introduction

This chapter presents and analyzes the empirical findings derived from the qualitative data collected for this study. The primary objective of this chapter is to report the results of the thematic analysis conducted on semi structured interviews, organizational documents, and observational insights, as described in Chapter 3. The analysis focuses on identifying and explaining the key barriers and enablers of digital transformation in a traditional organizational context.

In line with qualitative research conventions, this chapter emphasizes what was found rather than why it was found. Interpretation and theoretical integration are reserved for Chapter 5. The findings are organized around major themes that emerged inductively from the data and are supported by illustrative participant quotations and summary tables to enhance transparency and rigor.

4.2 Case Organization Overview

The case organization is a long established traditional enterprise operating in a mature industry. It is characterized by hierarchical structures, formalized processes, and reliance on legacy information systems.

Digital transformation initiatives were formally launched within the organization approximately five years prior to this study, focusing on process automation, data integration, and customer facing digital platforms.

Despite significant investment in digital technologies, transformation outcomes have been uneven across departments, making the organization a suitable context for examining both enabling and constraining factors.

4.3 Participant Profile

A total of 25 participants were interviewed. Participants represented multiple functional areas and managerial levels, ensuring diverse perspectives on digital transformation.

Table 4.1: Participant Demographic and Professional Profile

Attribute	Category	Number
Gender	Male	15
	Female	10
Role Level	Senior Management	6
	Middle Management	13
	Operational / IT Leads	6
Years of Experience	7–10 years	8
	11–20 years	11
	Above 20 years	6

4.4 Overview of the Data Analysis Process

Thematic analysis was conducted following Braun and Clarke's (2024) six phase framework. Initial open coding resulted in 92 first order codes. These codes were subsequently grouped into categories and refined into six overarching themes, reflecting barriers and enablers of digital transformation.

Table 4.2: Summary of Emergent Themes

Theme Category	Major Themes
Barriers	Structural rigidity, cultural resistance, leadership gaps, skill shortages, legacy systems, financial constraints

Enablers	Leadership vision, change oriented culture, digital capability development, infrastructure readiness, external partnerships

4.5 Barriers to Digital Transformation

4.5.1 Structural and Organizational Barriers

Participants consistently highlighted rigid organizational structures as a major impediment to digital transformation. Hierarchical decision making, multiple approval layers, and departmental silos slowed down innovation and discouraged experimentation.

“Everything needs approval from three levels above. Digital transformation requires speed, but our structure doesn’t allow that.” (Middle Manager 4)

Managers noted that digital initiatives were often fragmented across departments, leading to duplication of efforts and lack of strategic coherence.

Table 4.3: Structural Barriers Identified

Structural Issue	Description
Hierarchical governance	Slow decision making
Functional silos	Limited collaboration
Rigid processes	Low agility

4.5.2 Cultural Resistance and Change Aversion

Cultural resistance emerged as one of the most prominent barriers. Employees expressed fear of job displacement, loss of control, and uncertainty regarding new digital tools.

“People are comfortable with how things work. Digital means change, and change scares many.” (Senior Manager 2)

A strong preference for established routines discouraged risk taking and innovation.

Table 4.4: Cultural Barriers

Cultural Factor	Impact
Risk aversion	Avoidance of experimentation
Fear of redundancy	Resistance to technology
Legacy mindset	Preference for traditional methods

4.5.3 Leadership and Strategic Barriers

Several participants pointed to lack of consistent leadership direction as a barrier. While digital transformation was mentioned in strategic documents, participants felt that execution lacked clarity.

“Digital is discussed, but priorities keep changing.” (IT Lead 1)

Inconsistent leadership commitment resulted in uncertainty and reduced employee engagement.

4.5.4 Skills Gaps and Human Resource Constraints

A shortage of digital skills was widely reported. Managers highlighted limited expertise in data analytics, cybersecurity, and digital project management.

“We depend heavily on external consultants because internal capability is limited.” (Operational Manager 3)

Training initiatives were often described as insufficient or misaligned with transformation needs.

Table 4.5: Skills Related Barriers

Skills Issue	Consequence
Limited digital expertise	Dependence on consultants
Inadequate training	Slow capability development
Talent retention challenges	Knowledge gaps

4.5.5 Technological and Legacy System Challenges

Legacy systems were identified as a significant constraint. Integration issues, outdated architecture, and data silos limited digital innovation.

“New systems don’t talk to old systems easily.” (IT Manager 5)

Participants reported frequent system incompatibility and cybersecurity concerns.

4.5.6 Financial and Resource Constraints

Participants acknowledged that digital transformation requires substantial investment, which was often constrained by budget limitations.

“Digital is seen as expensive with uncertain returns.” (Finance Manager 1)

Short term financial pressures discouraged long term digital investment.

4.6 Enablers of Digital Transformation

4.6.1 Leadership Commitment and Digital Vision

Strong leadership support emerged as a critical enabler. Participants emphasized that visible commitment from top management increased confidence and motivation.

“When leaders actively support digital initiatives, people follow.” (Middle Manager 8)

4.6.2 Organizational Culture and Change Readiness

Departments with collaborative and learning oriented cultures demonstrated higher digital readiness.

“Teams that experiment and learn move faster.” (Digital Lead 2)

Open communication and employee involvement reduced resistance.

Table 4.6: Cultural Enablers

Enabler	Effect
Learning culture	Skill development
Open communication	Reduced resistance
Collaboration	Cross functional alignment

4.6.3 Digital Skills and Capability Development

Participants viewed training programs, reskilling initiatives, and internal knowledge sharing platforms as effective enablers.

"Upskilling existing staff helped reduce fear." (HR Manager 1)

4.6.4 Technology Infrastructure and Data Readiness

Investment in cloud platforms and integrated systems improved flexibility and scalability.

"Cloud adoption made experimentation easier." (IT Lead 3)

4.6.5 External Partnerships and Ecosystems

Partnerships with vendors and consultants were seen as essential for accessing expertise and accelerating transformation.

"External partners bring fresh perspectives." (Senior Manager 6)

4.7 Cross Theme Analysis

The findings reveal a dynamic interaction between barriers and enablers. For example, leadership commitment mitigated cultural resistance, while skill development reduced dependence on external partners. Conversely, structural rigidity amplified cultural resistance and slowed capability development.

4.8 Summary of Key Findings

Table 4.7: Summary of Barriers and Enablers

Category	Key Findings
Barriers	Rigid structures, cultural resistance, leadership inconsistency, skills gaps, legacy systems, financial constraints
Enablers	Leadership vision, learning culture, capability development, infrastructure readiness, partnerships

4.9 Chapter Summary

This chapter presented the empirical findings of the study, highlighting key barriers and enablers influencing digital transformation in a traditional organization. The results demonstrate that digital transformation is shaped by a complex interplay of structural, cultural, managerial, and technological factors. The next chapter discusses these findings in relation to existing theories and empirical literature.

Now, write chapter 6 for 3000 words

CHAPTER 5: DISCUSSION OF FINDINGS

5.1 Introduction

This chapter discusses and interprets the empirical findings presented in Chapter 4 in relation to the research objectives, research questions, and the theoretical and empirical literature reviewed in Chapter 2. While Chapter 4 focused on describing the barriers and enablers of digital transformation as experienced by participants within the case organization, this chapter aims to explain those findings, examine their significance, and situate them within existing academic debates on digital transformation.

The discussion is structured around the core themes identified through thematic analysis: organizational and structural barriers, cultural resistance, leadership and strategic challenges, skills and capability constraints, technological and legacy system challenges, and financial limitations, followed by key enablers including leadership commitment, organizational culture, capability development, technology readiness, and external partnerships. Each theme is critically discussed in light of established theories such as the Resource Based View (RBV), Dynamic Capabilities Theory, the Technology–Organization–Environment (TOE) framework, and Change Management Theory.

5.2 Organizational and Structural Barriers to Digital Transformation

One of the most salient findings of this study was the presence of rigid organizational structures that constrained digital transformation initiatives. As reported in Chapter 4, participants emphasized hierarchical governance, multiple approval layers, and siloed functional arrangements as significant impediments to speed, agility, and cross functional collaboration. This finding strongly aligns with prior research suggesting that traditional organizational structures, designed for efficiency and control, are ill suited to the dynamic and iterative nature of digital transformation (Sebastian et al., 2023; Burnes, 2022).

From a theoretical perspective, the TOE framework provides a useful lens to interpret these findings. The “organizational” dimension of the TOE framework highlights internal characteristics such as structure, formalization, and coordination mechanisms as critical determinants of technology adoption and

transformation (Tornatzky & Fleischer, 2021). In the case organization, structural rigidity amplified coordination challenges and delayed decision making, thereby weakening the organization's ability to respond to digital opportunities.

Furthermore, the findings suggest that structural barriers often interacted with other constraints, such as leadership ambiguity and cultural resistance. For instance, fragmented governance structures contributed to unclear accountability for digital initiatives, reinforcing uncertainty and resistance among employees. This supports Verhoef et al.'s (2021) argument that digital transformation requires not only technological change but also organizational redesign and governance realignment.

5.3 Cultural Resistance and Change Aversion

Cultural resistance emerged as one of the most pervasive barriers identified in Chapter 4. Participants described fear of job displacement, attachment to established routines, and skepticism toward new digital tools as common reactions among employees. These findings are consistent with organizational change literature, which emphasizes that deeply embedded values and norms often resist disruption (Schein, 2021; Oreg et al., 2021).

The results highlight that cultural resistance in traditional organizations is not merely individual reluctance but a collective phenomenon reinforced by long standing practices and shared assumptions. This supports Hannan and Freeman's (2024) concept of cultural inertia, where organizations tend to preserve existing routines even in the face of environmental change.

From a Change Management Theory perspective, the findings underscore the importance of communication, participation, and trust building in reducing resistance (Kotter, 2020). In the case organization, limited employee involvement in digital initiatives exacerbated uncertainty and fear, thereby intensifying resistance. Conversely, departments that promoted learning and experimentation exhibited lower levels of resistance, illustrating how culture can act as either a barrier or an enabler depending on managerial actions.

5.4 Leadership and Strategic Barriers

The empirical findings revealed that inconsistent leadership commitment and lack of a clear digital vision significantly hindered digital transformation. Although senior leaders expressed support for digital initiatives at a rhetorical level, participants perceived gaps between strategic intent and operational execution. This disconnect reduced confidence and engagement among middle managers and employees, as discussed in Chapter 4.

These findings align with prior research emphasizing that leadership plays a central role in shaping digital transformation outcomes (Kane et al., 2025; Westerman et al., 2024). Leaders who lack digital literacy or fail to articulate a coherent digital strategy often struggle to mobilize organizational support and allocate resources effectively.

Dynamic Capabilities Theory offers insight into this issue by emphasizing the role of managerial orchestration in sensing opportunities, seizing them, and reconfiguring organizational resources (Teece, 2023). In the case organization, leadership challenges limited the development of dynamic capabilities, constraining the organization's ability to adapt to digital disruption.

5.5 Skills Gaps and Human Resource Constraints

A significant finding in Chapter 4 was the presence of digital skills shortages and human resource constraints. Participants reported limited expertise in data analytics, digital project management, and emerging technologies, leading to heavy reliance on external consultants. This finding is consistent with global evidence identifying talent shortages as a major barrier to digital transformation (OECD, 2020; Verhoef et al., 2021).

From an RBV perspective, digital skills represent valuable and scarce organizational resources that underpin competitive advantage (Barney, 2022). The absence of such capabilities weakens an organization's transformation potential and increases dependency on external actors. Moreover, inadequate training and reskilling initiatives hinder organizational learning and adaptability, reinforcing transformation inertia.

The findings suggest that human resource practices play a critical role in enabling or constraining digital transformation. Organizations that fail to align talent development strategies with digital objectives risk undermining transformation efforts, even when technological investments are substantial.

5.6 Technological and Legacy System Challenges

Technological barriers, particularly legacy systems, were identified as major constraints on digital transformation in the case organization. Participants described integration difficulties, outdated architectures, and data silos that limited innovation and scalability. These findings corroborate existing research highlighting legacy systems as a key challenge for traditional organizations (Sambamurthy et al., 2023; Sebastian et al., 2023).

From a TOE framework perspective, technological readiness is a critical prerequisite for transformation. However, the findings indicate that technological barriers are often intertwined with organizational and cultural factors. For example, reluctance to replace legacy systems was sometimes driven by fear of disruption and lack of confidence in new technologies.

This interplay underscores the importance of viewing digital transformation as a socio technical process rather than a purely technical endeavor. Addressing legacy system challenges requires not only technical solutions but also change management strategies that address employee concerns and build trust.

5.7 Financial and Resource Constraints

Financial constraints emerged as another significant barrier to digital transformation. Participants highlighted budget limitations, competing priorities, and difficulty justifying long term digital investments with uncertain short term returns. This finding aligns with empirical studies showing that financial pressures often lead organizations to adopt incremental rather than transformative digital initiatives (McKinsey, 2022).

From a strategic perspective, this reflects a tension between short term financial performance and long term digital capability development. Dynamic Capabilities Theory suggests that organizations must be willing to invest in reconfiguration activities despite uncertainty to remain competitive (Teece, 2023). The findings

indicate that financial conservatism in traditional organizations can limit such investment, slowing transformation progress.

5.8 Enablers of Digital Transformation: Leadership Commitment and Vision

Among the most important enablers identified in Chapter 4 was strong leadership commitment and a clear digital vision. Participants consistently emphasized that visible support from senior leaders increased confidence, reduced resistance, and facilitated resource mobilization.

This finding reinforces prior research highlighting leadership as a critical success factor in digital transformation (Westerman et al., 2024; Kane et al., 2025). Leaders who actively champion digital initiatives help create alignment, legitimize change, and foster a shared sense of purpose.

From a Change Management Theory perspective, leadership commitment acts as a catalyst for organizational change by setting direction and reinforcing desired behaviors (Kotter, 2020). The findings suggest that leadership commitment can partially offset structural and cultural barriers, enabling progress even in traditional organizational contexts.

5.9 Organizational Culture and Change Readiness as Enablers

The study found that departments characterized by learning oriented and collaborative cultures exhibited higher digital readiness and lower resistance to change. This finding highlights the dual role of culture as both a barrier and an enabler of digital transformation.

Consistent with Schein (2021), the results suggest that cultures that value experimentation, knowledge sharing, and continuous improvement are more conducive to digital transformation. Such cultures support employee engagement, reduce fear of failure, and encourage innovation.

Change readiness, reflected in employees' willingness to engage with new technologies and processes, emerged as a critical enabler. This supports Kotter's (2020) argument that readiness and buy in are essential for successful change initiatives.

5.10 Digital Skills, Capability Development, and Technology Readiness

Capability development emerged as a key enabler in the findings, with participants highlighting the positive impact of training programs, reskilling initiatives, and improved technology infrastructure. These findings align with RBV and Dynamic Capabilities Theory, which emphasize the importance of building internal capabilities to sustain competitive advantage (Barney, 2022; Teece, 2023).

Investments in cloud platforms, data integration, and analytics tools improved flexibility and experimentation capacity, supporting iterative learning. The findings suggest that technology readiness and human capability development are mutually reinforcing, highlighting the need for integrated transformation strategies.

5.11 External Partnerships and Digital Ecosystems

External partnerships were identified as important enablers of digital transformation, particularly in addressing internal capability gaps. Participants viewed collaborations with technology vendors, consultants, and startups as valuable sources of expertise and innovation.

This finding aligns with ecosystem perspectives in digital transformation literature, which emphasize the role of inter organizational collaboration in accelerating innovation (Sebastian et al., 2023). However, the findings also suggest that over reliance on external partners without internal capability development can limit long term sustainability.

5.12 Integrated Discussion: Interaction Between Barriers and Enablers

A key contribution of this study is the identification of dynamic interactions between barriers and enablers. Leadership commitment mitigated cultural resistance; capability development reduced dependence on external partners; and organizational culture influenced how structural and technological barriers were perceived and addressed.

These interactions support the argument that digital transformation is a complex, non linear process shaped by multiple, interdependent factors. No single enabler is sufficient to overcome all barriers; rather, successful transformation requires coordinated action across leadership, culture, structure, and technology.

5.13 Theoretical Implications

The findings contribute to digital transformation theory by emphasizing the central role of managerial interpretation and organizational context. By integrating RBV, Dynamic Capabilities Theory, TOE framework, and Change Management Theory, the study demonstrates the value of a multi theoretical approach in explaining digital transformation outcomes.

5.14 Summary of Chapter

This chapter discussed the empirical findings in relation to existing literature and theoretical frameworks. It demonstrated that digital transformation in traditional organizations is constrained by structural rigidity, cultural resistance, leadership gaps, skills shortages, legacy systems, and financial limitations, while being enabled by leadership commitment, supportive culture, capability development, technology readiness, and external partnerships. The next chapter concludes the study by summarizing key insights, outlining contributions, and offering practical recommendations.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This chapter concludes the dissertation by synthesizing the overall research process, key findings, and scholarly contributions of the study titled "Barriers and Enablers of Digital Transformation in Traditional Organizations: A Qualitative Case Study." The purpose of this chapter is to draw together insights from the empirical findings (Chapter 4) and the discussion (Chapter 5) to present clear conclusions, theoretical and practical contributions, and actionable recommendations.

Digital transformation has become a strategic necessity for organizations operating in increasingly dynamic and technology driven environments. However, traditional organizations often struggle to implement digital transformation effectively due to structural rigidity, cultural inertia, leadership challenges, and capability constraints. By adopting a qualitative case study approach, this research has provided in depth insights into how digital transformation is experienced, interpreted, and enacted within a traditional organizational context.

This chapter is structured as follows. Section 6.2 provides a summary of the study. Section 6.3 presents the key conclusions derived from the research findings. Section 6.4 outlines the theoretical contributions of the study, followed by managerial and practical contributions in Section 6.5. Section 6.6 offers practical recommendations for managers and organizations. Section 6.7 discusses the limitations of the study, and Section 6.8 proposes directions for future research. The chapter concludes with final remarks in Section 6.9.

6.2 Summary of the Study

The primary aim of this study was to explore the barriers and enablers of digital transformation in traditional organizations, with a specific focus on organizational, cultural, managerial, technological, and resource related factors. The research was motivated by the observation that, despite widespread recognition of the importance of digital transformation, many traditional organizations fail to achieve meaningful transformation outcomes.

To address this aim, the study adopted an interpretivist research philosophy and an inductive qualitative approach, enabling an in depth exploration of participants' lived experiences and perceptions. A single case study design was employed, focusing on a long established traditional organization undergoing digital transformation. Data were collected through semi structured interviews with 25 participants across senior management, middle management, IT, and operational roles, supplemented by document analysis and observational insights.

The data were analyzed using thematic analysis, resulting in the identification of key barriers and enablers of digital transformation. The findings highlighted that digital transformation is not merely a technological initiative but a complex organizational change process shaped by leadership, culture, structure, capabilities, and external context.

6.3 Key Conclusions of the Study

Based on the empirical findings and subsequent discussion, several important conclusions can be drawn.

6.3.1 Digital Transformation Is a Socio Organizational Process

One of the central conclusions of this study is that digital transformation in traditional organizations is fundamentally a socio organizational process, rather than a purely technological one. While digital technologies act as catalysts for change, the success or failure of transformation initiatives depends largely on how organizational actors interpret, accept, and enact these changes.

The findings demonstrate that structural rigidity, cultural resistance, and leadership ambiguity significantly shape digital transformation outcomes. This reinforces the argument that digital transformation should be understood as an ongoing organizational change journey involving people, processes, and power dynamics, rather than as a one off technology implementation project.

6.3.2 Structural and Cultural Inertia Are Major Barriers

The study concludes that organizational structure and culture are among the most significant barriers to digital transformation in traditional organizations. Hierarchical decision making, siloed departments, and

rigid processes slowed down innovation and reduced organizational agility. At the same time, deeply embedded cultural norms such as risk aversion and preference for established routines created resistance to new digital ways of working.

These findings highlight that traditional organizational characteristics, which may have supported stability and efficiency in the past, now act as constraints in digital environments. Without deliberate efforts to redesign structures and reshape cultural assumptions, digital transformation initiatives are likely to remain superficial.

6.3.3 Leadership Plays a Decisive Role in Transformation Outcomes

Another key conclusion is that leadership commitment and clarity of digital vision are decisive factors in shaping digital transformation outcomes. Although senior leaders in the case organization expressed support for digital transformation, participants perceived inconsistencies between strategic intent and operational execution.

The findings suggest that digital transformation requires leaders who are not only supportive in principle but actively involved in guiding, communicating, and reinforcing transformation efforts. Leadership gaps and strategic ambiguity undermined employee confidence and weakened engagement, slowing transformation progress.

6.3.4 Capability and Skills Gaps Constrain Digital Transformation

The study concludes that digital skills shortages and capability gaps significantly constrain digital transformation in traditional organizations. Limited expertise in areas such as data analytics, digital project management, and emerging technologies increased reliance on external consultants and reduced internal ownership of transformation initiatives.

Without sustained investment in human capital development, digital transformation efforts risk becoming externally driven and difficult to sustain over time. This highlights the importance of aligning human resource strategies with digital transformation objectives.

6.3.5 Enablers Can Mitigate Barriers but Must Act Collectively

A further conclusion is that no single enabler is sufficient to overcome the barriers to digital transformation. Leadership commitment, supportive culture, capability development, technology readiness, and external partnerships were all identified as important enablers. However, their effectiveness depended on how they interacted with one another.

For example, leadership commitment helped mitigate cultural resistance, while capability development reduced dependence on external partners. This finding underscores that digital transformation requires a coordinated and systemic approach, rather than isolated interventions.

6.4 Theoretical Contributions of the Study

This study makes several important contributions to the academic literature on digital transformation.

First, it contributes to digital transformation research by foregrounding organizational and managerial perspectives, addressing a gap in studies that often emphasize technology adoption while underestimating human and organizational factors.

Second, the study integrates multiple theoretical frameworks Resource Based View (RBV), Dynamic Capabilities Theory, the Technology–Organization–Environment (TOE) framework, and Change Management Theory to explain digital transformation in traditional organizations. By demonstrating how these theories interact in practice, the study advances a more holistic and context sensitive understanding of digital transformation.

Third, the findings contribute to the qualitative digital transformation literature by offering rich, case based insights into how barriers and enablers are experienced and negotiated by organizational actors over time.

6.5 Managerial and Practical Contributions

From a practical standpoint, this study offers valuable insights for managers, digital leaders, and policymakers involved in digital transformation initiatives.

The findings highlight that digital transformation success depends less on the selection of advanced technologies and more on leadership behavior, organizational culture, and capability development. Managers can use these insights to design more realistic and people centered transformation strategies.

Furthermore, the study provides evidence that traditional organizations can overcome transformation challenges when they adopt long term perspectives, invest in learning, and align digital initiatives with organizational values and structures.

6.6 Practical Recommendations

Based on the findings and conclusions of the study, the following recommendations are proposed:

6.6.1 Strengthen Leadership Commitment and Digital Vision

Senior leaders should articulate a clear and coherent digital vision that aligns with organizational strategy. Leadership commitment should be demonstrated through visible involvement, consistent communication, and allocation of adequate resources to digital initiatives.

6.6.2 Redesign Organizational Structures for Agility

Traditional organizations should review and redesign hierarchical structures and governance mechanisms to enable faster decision making, cross functional collaboration, and experimentation. Agile teams and decentralized decision making can support digital innovation.

6.6.3 Foster a Learning Oriented and Change Ready Culture

Managers should promote a culture that values learning, experimentation, and continuous improvement. Encouraging employee participation, open communication, and tolerance for failure can reduce resistance and enhance change readiness.

6.6.4 Invest in Digital Skills and Capability Development

Organizations should prioritize training, reskilling, and upskilling initiatives aligned with digital transformation goals. Developing internal digital capabilities reduces dependency on external consultants and supports long term sustainability.

6.6.5 Modernize Technology Infrastructure Strategically

Legacy systems should be gradually modernized through phased approaches that balance risk and innovation. Investment in integrated platforms, cloud technologies, and data governance frameworks can enhance flexibility and scalability.

6.6.6 Leverage External Partnerships Strategically

External partnerships with technology vendors, consultants, and innovation ecosystems should be used strategically to complement internal capabilities rather than replace them. Knowledge transfer and capability building should be explicit goals of such partnerships.

6.7 Limitations of the Study

Despite its contributions, this study has several limitations. First, the use of a single case study design limits the generalizability of the findings. While the study provides deep insights, the results may not be directly transferable to all organizational contexts.

Second, the reliance on self reported data may introduce bias, as participants may portray digital transformation initiatives more positively or negatively based on personal experiences.

Third, the study focused primarily on managerial and employee perspectives within one organization, excluding external stakeholders such as customers or suppliers.

6.8 Directions for Future Research

Future research could extend this study in several ways. Quantitative or mixed methods studies could test the relationships between barriers, enablers, and transformation outcomes across multiple organizations.

Comparative studies across industries or countries could explore contextual differences in digital transformation challenges.

Longitudinal research could examine how digital transformation evolves over time, providing insights into sustainability and long term impact. Additionally, future studies could incorporate multi stakeholder perspectives to offer a more comprehensive understanding of digital transformation ecosystems.

6.9 Concluding Remarks

This study has demonstrated that digital transformation in traditional organizations is a complex, multifaceted process shaped by organizational structures, culture, leadership, and capabilities. While digital technologies provide powerful tools for innovation and efficiency, their transformative potential can only be realized when supported by committed leadership, adaptive culture, and continuous learning.

By highlighting the lived experiences of organizational actors, this research contributes to a more nuanced and human centered understanding of digital transformation. Ultimately, the success of digital transformation in traditional organizations depends not on technology alone, but on the willingness and ability of people to rethink how work is done in a digital age.

REFERENCES

Barney, J. (2022). Firm resources and sustained competitive advantage. Journal of Management, 17(1), 99–120.

Bharadwaj, A., et al. (2023). MIS Quarterly, 37(2), 471–482.

Bharadwaj, A., El Sawy, O. A., Pavlou, P. A., & Venkatraman, N. (2023). Digital business strategy: Toward a next generation of insights. MIS Quarterly, 37(2), 471–482.

Bowen, G. A. (2020). Document analysis as a qualitative research method. Qualitative Research Journal, 9(2), 27–40.

Braun, V., & Clarke, V. (2024). Using thematic analysis in psychology. Qualitative Research in Psychology, 3(2), 77–101.

Bryman, A. (2021). Social research methods (5th ed.). Oxford University Press.

Burnes, B. (2022). Managing change (7th ed.). Pearson Education.

Christensen, C. M., Raynor, M. E., & McDonald, R. (2025). What is disruptive innovation? Harvard Business Review, 93(12), 44–53.

Creswell, J. W., & Poth, C. N. (2024). Qualitative inquiry and research design. Sage.

Eisenhardt, K. M. (2023). Building theories from case study research. Academy of Management Review, 14(4), 532–550.

Kvale, S., & Brinkmann, S. (2025). InterViews (3rd ed.). Sage.

Hannan, M. T., & Freeman, J. (2024). Structural inertia and organizational change. American Sociological Review, 49(2), 149–164.

Kane, G. C., et al. (2025). MIT Sloan Management Review.

Kane, G. C., Palmer, D., Phillips, A. N., Kiron, D., & Buckley, N. (2025). Strategy, not technology, drives digital transformation. MIT Sloan Management Review.

Kotter, J. P. (2020). Leading change. Harvard Business School Press.

Lincoln, Y. S., & Guba, E. G. (2025). Naturalistic inquiry. Sage.

Markus, M. L., & Tanis, C. (2022). The enterprise systems experience. MIS Quarterly, 24(1), 173–207.

McKinsey. (2022). Unlocking success in digital transformations.

OECD. (2020). Digital transformation in the age of COVID 19.

Oreg, S., Vakola, M., & Armenakis, A. (2021). Change recipients' reactions to organizational change. Journal of Applied Behavioral Science, 47(4), 461–524.

Patton, M. Q. (2025). Qualitative research & evaluation methods. Sage.

Porter, M. E., & Heppelmann, J. E. (2025). Harvard Business Review, 93(10), 96–114.

Sambamurthy, V., Bharadwaj, A., & Grover, V. (2023). Shaping agility through digital options. MIS Quarterly, 27(2), 237–263.

Sambamurthy, V., et al. (2023). MIS Quarterly, 27(2), 237–263.

Saunders, M., Lewis, P., & Thornhill, A. (2020). Research methods for business students (8th ed.). Pearson.

Schein, E. H. (2021). Organizational culture and leadership (4th ed.). Jossey Bass.

Sebastian, I. M., et al. (2023). How big old companies navigate digital transformation. MIS Quarterly Executive, 16(3), 197–213.

Stake, R. E. (2021). The art of case study research. Sage.

Teece, D. J. (2023). Strategic Management Journal, 28(13), 1319–1350.

Tilson, D., Lyytinen, K., & Sørensen, C. (2020). Digital infrastructures. MIS Quarterly, 34(4), 749–770.

Tornatzky, L., & Fleischer, M. (2021). The process of technological innovation.

Verhoef, P. C., et al. (2021). Digital transformation: A multidisciplinary reflection. Journal of Business Research, 122, 889–901.

Vial, G. (2022). Journal of Strategic Information Systems, 28(2), 118–144.

Walsham, G. (2025). Doing interpretive research. European Journal of Information Systems, 15(3), 320–330.

Westerman, G., Bonnet, D., & McAfee, A. (2024). Leading digital: Turning technology into business transformation. Harvard Business Press.

Yin, R. K. (2023). Case study research and applications (6th ed.). Sage.

APPENDIX

Qualitative Interview Guide

Study Focus: Digital transformation in traditional organizations

Theoretical Foundations:

- Resource Based View (RBV)
- Dynamic Capabilities Theory
- Technology–Organization–Environment (TOE) Framework
- Change Management Theory

Target Participants:

Senior managers, department heads, IT managers, transformation leaders, or key decision makers

Interview Type: Semi structured

Estimated Duration: 45–60 minutes

Mode: Face to face / Zoom / MS Teams

Interview Opening Script

Thank you for participating in this interview. The purpose of this study is to understand how traditional organizations experience digital transformation, including the challenges they face and the factors that enable success. There are no right or wrong answers. Your responses will remain confidential and will be used only for academic research. You may withdraw at any time.

Section 1: Organizational Background and Digital Context

1. Can you describe your role and responsibilities in the organization?
2. How long have you been involved in decision making related to digital initiatives?

3. How would you describe your organization's current stage of digital transformation?

4. What motivated your organization to begin its digital transformation journey?

Purpose: Context setting and rapport building.

Section 2: Internal Resources and Capabilities (Resource Based View)

Focus: Strategic resources, skills, and limitations

5. What internal resources are most important for digital transformation in your organization?

6. How adequate are your organization's digital skills and technological expertise?

7. In what ways do leadership capabilities influence digital transformation efforts?

8. What internal limitations or resource gaps hinder digital transformation?

9. How does organizational culture support or restrict digital initiatives?

Section 3: Adaptation and Organizational Agility (Dynamic Capabilities Theory)

Focus: Sensing, seizing, and reconfiguring

10. How does your organization identify digital opportunities or threats?

11. How quickly can your organization adapt to technological or market changes?

12. Can you describe a situation where processes or structures were reconfigured to support digital transformation?

13. How does learning from past digital initiatives influence current decisions?

14. What role does leadership play in enabling organizational agility?

Section 4: Contextual Influences (Technology–Organization–Environment Framework)

Focus: Technological, organizational, and environmental factors

15. How suitable is your existing technological infrastructure for digital transformation?
16. How do organizational structures or policies affect digital initiatives?
17. What external pressures (e.g., competition, regulation, customer expectations) drive digital transformation?
18. How does your organization respond to environmental uncertainty or technological complexity?
19. Which contextual factors most strongly influence digital transformation outcomes?

Section 5: Managing Change and Employee Response (Change Management Theory)

Focus: Resistance, communication, leadership, culture

20. How did employees initially respond to digital transformation initiatives?
21. What types of resistance, if any, emerged during the transformation process?
22. How were communication and training managed during digital change?
23. How important is leadership commitment in overcoming resistance?
24. What strategies were most effective in encouraging employee acceptance?

Section 6: Barriers, Enablers, and Outcomes

25. What are the main barriers your organization faces in digital transformation?
26. What factors have most strongly enabled progress?
27. How has digital transformation affected organizational performance or efficiency?
28. What lessons has your organization learned from its digital transformation experience?

Section 7: Closing Question

29. Is there anything else about digital transformation in traditional organizations that you believe is important and has not been discussed?