Impact of Covid-19 on Digital Transformation

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Abstract : The COVID-19 pandemic has been commonly referred to as a 'black swan event'; it has changed the world, from how people live, learn, work and socialise. It is believed that the pandemic has fast-tracked the adoption of technology in many organisations to ensure business continuity and business sustainability; broadly said, the pandemic has fast-tracked digital transformation (DT) in different organisations. This paper aims to study the impact of the COVID-19 pandemic on DT in organisations in South Africa by focusing on the changes in IT capabilities in the DT framework. The research design is qualitative. The data collection was through semi-structured interviews with information communication technology (ICT) leaders representing different organisations in South Africa. The data were analysed using the thematic analysis process. The results from the study show that, in terms of ICT in the organisation, the pandemic had a direct and positive impact on ICT strategy and ICT operations. In terms of IT capability transformation, the pandemic resulted in the optimisation and expansion of existing IT capabilities in the organisation and the building of new IT capabilities to meet emerging business needs. In terms of the focus of activities during the pandemic, there seems to be a split in organisations between the primary focus being on 'digital IT' or 'traditional IT'. Overall, the findings of the study show that the pandemic had a positive and significant impact on DT in organisations. However, a definitive conclusion on this would require expanding the scope of the research to all the components of a comprehensive DT framework. This study is significant because it is one of the first studies to investigate the impact of the COVID-19 pandemic on organisations, on ICT in the organisation, on IT capability transformation and, to a greater extent, DT. The findings from the study show that in response to the pandemic, there is a need for: (i) agility in organisations; (ii) organisations to execute on their existing strategy; (iii) the future-proofing of IT capabilities; (iv) the adoption of a hybrid working model; and for (v) organisations to take risks and embrace new ideas.

Keywords : digital transformation, COVID-19, bimodal-IT, digital transformation framework

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