MEST Journal
DOI: 10.12709/mest.14.14.01.10

ORIGINAL RESEARCH ARTICLE
MEST Journal

DIGITAL SELF-ASSESSMENT AS A FOUNDATION FOR THE DIGITAL TRANSFORMATION OF THE ENTERPRISE

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ARTICLE INFO

JEL Category:
D22, L21, M10, M15, O33

Keywords:

Digital Transformation

Management

Business and Organization

Self-assessment.

ABSTRACT

Changes in the socio-economic environment demand greater awareness of intensifying competition, which in turn stimulates efforts toward business improvement. One result of this drive is continuous improvement in the quality of operations and environmental management, leading to a stronger market position. Even the world's largest and most successful companies must, in the face of unpredictable market changes and rapid technological development, adopt flexible business principles — or risk being outpaced by more adaptive competitors. Business process management should be flexible and simple to adapt to market requirements, yet sufficiently complex and integrated to ensure operational coherence. The company defines its mission as enhancing its core business through the adoption of cutting-edge knowledge and technology in the field of digitization, whose quality derives from a commitment to excellence across all domains. To achieve this, the company aims to embed the principles of quality digital culture and excellence in daily corporate practice. This paper explores digital maturity self-assessment in companies, based on the Lipovec-Rozman-King Business Organizational Model. An example of self-assessment of a modern small enterprise is given.

1 INTRODUCTION

According to Kralj (2013), the concept of organization appears across various fields, primarily in human activity, but also more broadly. It is most used to describe purposeful action aimed at achieving goals in diverse domains of human endeavor. Rozman (1993) notes that organization is a phenomenon we are constantly confronted with citing Pfeffer (1982): “We live in a world of organizations.” He further emphasizes that phenomena that profoundly affect our lives must be understood so that we can use them to our advantage. Consequently, it is essential to examine the societal impact of organizations, including their role in environmental management.

In the literature, the term “organization” is defined in various ways. Kovač (1999) observes that the number of definitions reflects the diversity of schools, approaches, and perspectives. However, organizational science is not nearly as developed

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Received: 02.04.2025
Revised: 11.08.2025
Accepted: 26.08.2025
Available online: 28.08.2025

as economic science (Lipovec, 1987). Over the past 30–40 years, organizational science has undergone theoretical consolidation, highlighting the need to examine the concept of the group or organization more closely. This perspective enables us to understand how organizations manage and protect their internal and external environments, how they influence broader and narrower contexts, and how these interactions are reflected in performance metrics—such as the alignment between planned and actual sustainability objectives.

The notion of socially responsible behavior in organizations encompasses both a focus on organizational performance and a commitment to maintaining a healthy environment. Lipovec analyzed several dozen sources containing definitions of organizations and concluded that many can be classified into four groups (Kralj, 2013; Kavčič, 1991):

- Definitions that view organization as a formal process or technique for combining activities to increase efficiency.
- Definitions that describe organization as a process ensuring smooth cooperation among the various organs of an enterprise; in this sense, organization is a process between people.
- Definitions that understand organization as a group of people (social unit, association, human group) acting to achieve common goals.
- Definitions that see organization as a composition of parts in a mutual relationship.
- The management of an association or organization is a fundamental responsibility of directors. Their activities extend beyond economic regulation to governance across various operational domains. As Rozman (1993) notes, management is present in all spheres of life—from the family and the army to non-profit organizations and beyond. According to the author, management knowledge becomes more robust when its relevance is recognized during key phases of managerial development. He clarifies that this study complements—rather than replaces—earlier static approaches to organizational implementation, by expanding the understanding of management's role.

Companies demonstrate their digital credentials through several mechanisms, including mandatory compliance with legal requirements and voluntary digital self-declaration. In doing so, they affirm to the public and business partners their capacity to manage digital transformation and related services. Following established guidelines, they manage products and engage with the digital environment in a manner consistent with industry standards. The implementation of digital requirements and elements reflects the ability to introduce organizational and digital innovations yet does not fully represent the scope of digital impacts or the effectiveness of digital management (Kralj, 2013).

Given the ambitious goals of digital transformation across business organizations, as well as the current state of operations and the strategic challenges they face, it is necessary to take a more active role in advancing digitalization and integrating into the modern digital business ecosystem.

2 DEFINITION AND CHARACTERISTICS OF THE ORGANIZATION

A company is responsible for its activities that affect people, communities, and their natural environment, so it needs to research, identify, and measure its negative and positive impacts. This is largely shaped by the organization's internal structure and its management approach.

The concept of organization appears across various disciplines. It is most applied to human activity to achieve diverse objectives, though it also extends more broadly. Rozman (1993) notes that organization is a phenomenon we are constantly confronted with. He states: "We live in a world of organizations" (Pfeffer, 1982) and further argues that the very phenomena profoundly shaping our lives must be understood to harness their potential. It is therefore essential to examine the societal impact of organizations, particularly from the standpoint of environmental management.

The notion of an association or an organization is not unambiguous. The concept has been defined in markedly diverse ways by various authors across different periods and disciplinary perspectives. Considering the growing emphasis on socially responsible behavior toward nature, it

is increasingly necessary to broaden the definition of associations and organizations to include environmental management considerations. Although sustainability-related pollution is generated across various business functions, such as purchasing, human resources, production, sales, and finance, the key decisions that influence ecological performance are made within the organizational structure of the association. This is precisely why the following chapter focuses on the concept of the group and its organizational framework.

Common to the definitions is the understanding of an organization as a group of people working together to achieve goals. Rozman (1993) notes that all of these and several other similar definitions define organizations as “social units, aggregations of people formed to achieve a unit goal”; they consist of several people doing different jobs and fulfilling distinct roles, holding offices and positions, whose activities are coordinated in such a way that their efforts are united. Associations must reconcile the strategic objectives of the organization with the individual goals of its members. Achieving this balance is critical for fostering unity, operational efficiency, and long-term success.

Associations are examined through various scientific disciplines and perspectives. Rozman (1993) emphasizes that studying organizations and associations requires a multidisciplinary approach. Examining organizations through the lens of digital management and its associated objectives and indicators demands cross-disciplinary insight. In the resulting association, each person is linked by relationships with many other people, thus forming a simultaneous network or set of relationships, called an organizational structure.

Lipovec (1987) analyzed several dozen different sources containing definitions of organizations and concluded that many of the definitions can be classified into four groups:

- Definitions that understand an organization as a formal process or a technique of combining processes for the sake of greater efficiency.
- Definitions that understand organization as a process for ensuring the smooth cooperation of the various organs of the enterprise organism. Organization, in this sense, is a process between people.
- Definitions that understand an organization as an association of people (a social unit, a federation of people, a human group) acting in pursuit of common goals; and
- Definitions that understand an organization as a composition of parts that are in a mutual relationship.

Effective performance is ensured through the processes of planning (business and organization), implementation (organization), which consists of staffing and management in the broad sense (motivation, communication, management in the narrow sense), and control (business and organization). The essence of organizational processes is coordinated action (Lipovec, 1987). Lipovec has thus successfully brought together the relationship and processes, or structural and process aspects (Rozman, 1993).

3 DIGITAL TRANSFORMATION SELF-ASSESSMENT

The Digitalisation Self-Assessment enables the definition of maturity as a measure for evaluating an organization's capabilities across various domains. These models help identify the current level of maturity, guide improvement strategies, and monitor progress. They offer a comprehensive view of maturity stages, outlining the defining characteristics of each stage and the relationships between them.

Assessing transformation readiness plays a pivotal role in shaping a coherent digital strategy. Without a thorough situational analysis, strategic planning lacks a solid foundation. Effective planning depends on a multidimensional readiness assessment, which includes vision development, strategic objective formulation, alignment with broader development strategies, and the establishment of priorities and implementation frameworks.

Through periodic assessments along the digital transformation journey, organizations can track progress, reflected in their evolving levels of competence. Digital capability is evaluated across selected categories, each comprising foundational elements that support the measurement of digital

maturity. Various approaches exist for assessing the digital maturity of organizations.

Evaluating the current state of digitization allows maturity to serve as a benchmark for analyzing organizational capabilities across critical dimensions. The concept of process maturity gained prominence in the 1990s with the introduction of the Capability Maturity Model (CMM) by the Software Engineering Institute (SEI), which established a five-level framework for assessing the institutionalization and improvement of software development processes (Mislej, 2016). These five maturity levels are presented in Table 1.

***Table 1**. Example of the 5 CMM maturity levels*

Maturity level	Description
Level 5	Organizations that provide training to employees involved in their development to implement processes.
Level 4	Organizations that implement process management use performance factors to achieve their objectives, which are monitored, and objectives are broken down from core processes into sub-processes.
Level 3	Organizations in which most core processes are defined and partially controlled, but where data is not systematically collected and performance indicators are not used for monitoring.
Level 2	Organizations where some top-level processes are identified and implemented with a degree of consistency, yet many processes remain uncontrolled.
Level 1	Immature organizations with ad-hoc processes and no project planning.

Source: (Mislej, 2016)

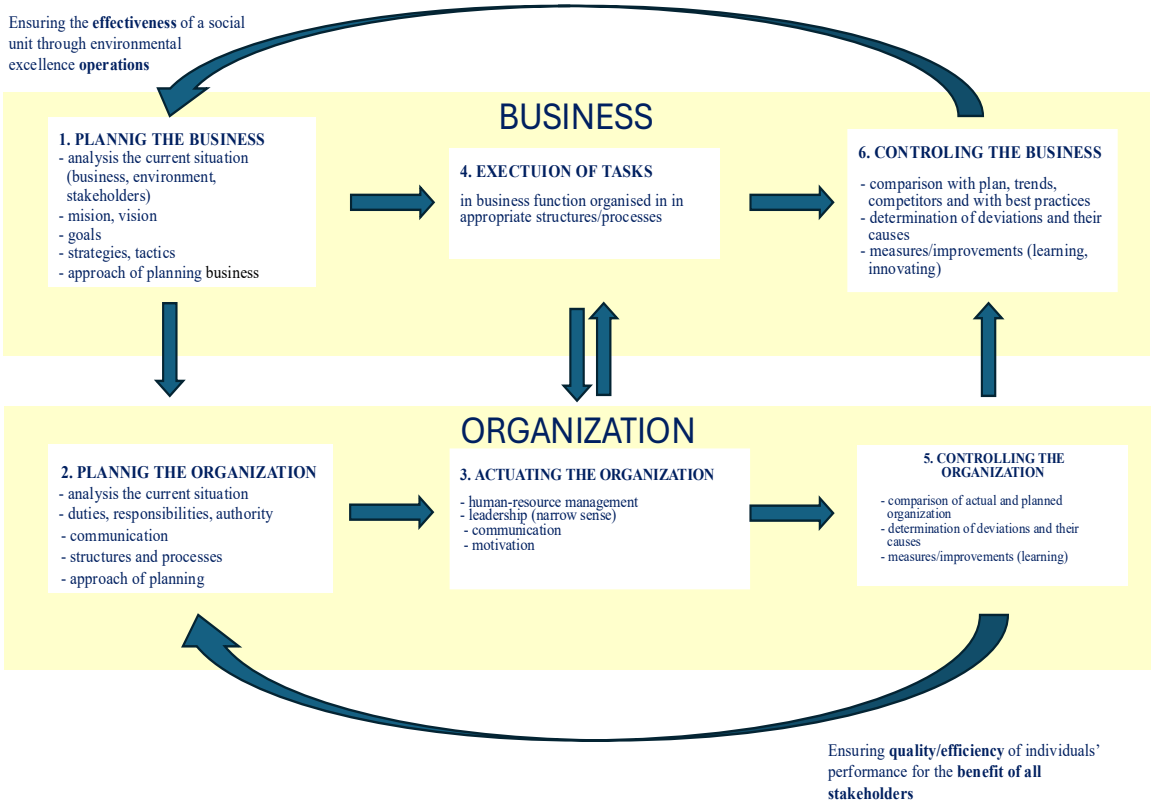

***Figure 1** Business and Organization*

Source: (Kralj, 2013)

Transformation readiness assessment is essential for developing a digital strategy. Strategic planning requires both detailed analysis and critical evaluation. It is based on scoping

readiness through multiple perspectives, developing a vision, setting strategic objectives, aligning them with organizational development strategies, and defining priorities and concrete implementation programs.

Consulting firms employ various methodologies to evaluate digital maturity. For example, MIT Sloan Management and Capgemini Consulting (Mislej, 2016) define digital maturity as a combination of two interrelated dimensions:

- Digital intensity, which refers to investments in technology-driven initiatives that transform how a company operates — including integration, internal operations, and business models.
- Transformation management intensity, which involves developing the management capabilities needed to lead digital transformation. Its components include: a vision to shape the future, engagement and leadership to maintain strategic direction, and close integration between IT and business to drive technological change.

These dimensions are illustrated in Figure 2.

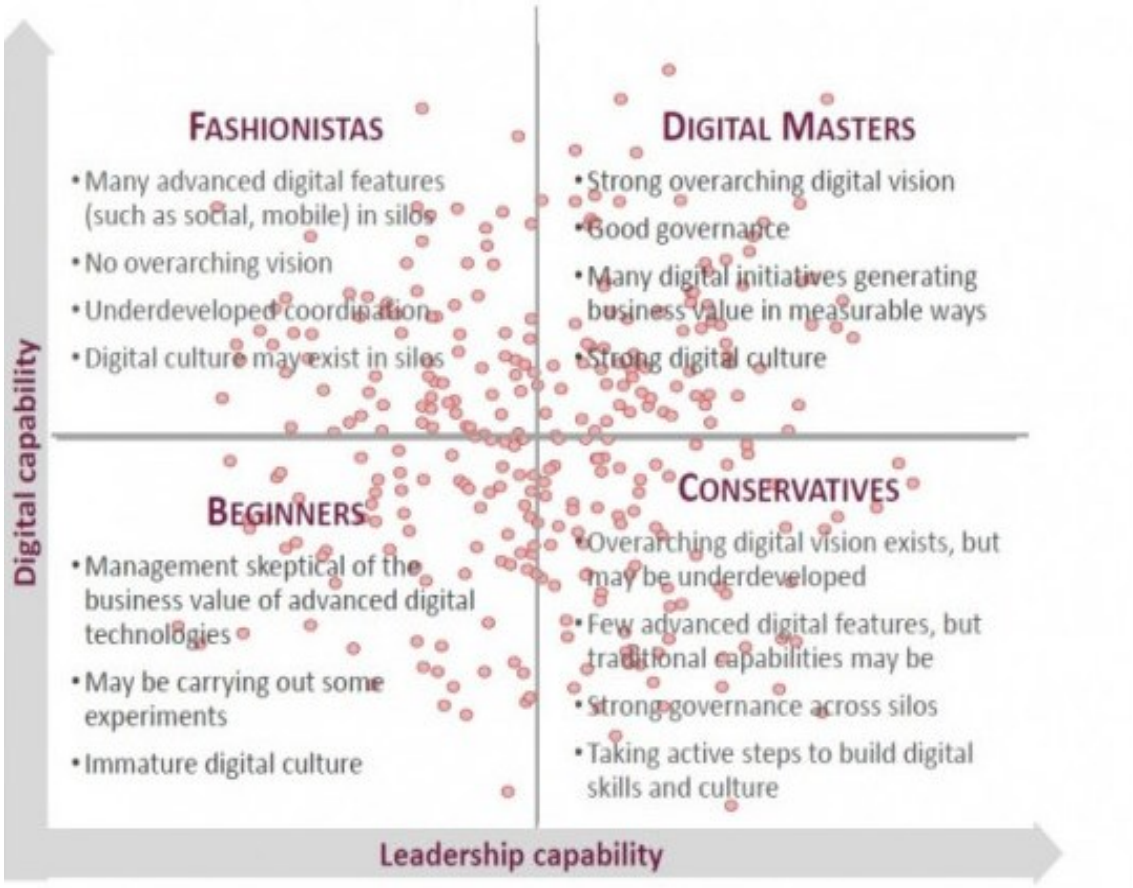

Figure 2 *Four levels of Digital Mastery*

Source: (Croucher, 2013)

4 KRALJ'S MODEL OF SELF-ASSESSMENT

A digital maturity assessment evaluates how technology can support business improvement. Often, companies continue with familiar practices until rising expectations from customers or employees prompt change. Manual processes, outdated systems, and entrenched habits can hinder growth—especially in today's digital landscape, where innovation drives success.

With the vast array of business technology solutions available, organizations can address numerous challenges through digital tools, including process automation and advanced software functionalities. A digital maturity assessment helps pinpoint areas where technology can resolve organizational issues and foster growth (Wiseman, 2025).

These self-assessments are widely used to gauge an organization's current digital capabilities and

readiness. However, they come with notable limitations:

- *Subjectivity:* Results may be skewed by personal biases. Employees might rate digital capabilities based on individual experiences, leading to inconsistent outcomes.
- *Limited Scope:* Many assessments focus narrowly on specific aspects, overlooking dimensions like cultural readiness or customer experience.
- *Lack of Benchmarking:* Without comparison to industry standards or competitors, organizations may struggle to understand their relative position.
- *Static Evaluation:* Digital maturity evolves rapidly. Assessments can quickly become outdated, missing ongoing developments.
- *Overemphasis on Technology:* Some tools prioritize infrastructure while neglecting culture, talent, and processes—resulting in a skewed view.
- *Limited Actionability:* Without clear guidance, translating results into strategies can be difficult.
- *Resource Intensity:* Comprehensive assessments demand time and resources, which may be challenging for smaller organizations.
- *Inadequate Follow-up:* Without structured re-evaluation, organizations risk stagnation and missed opportunities.

While self-assessments offer valuable insights, organizations should be mindful of these limitations and consider supplementing them with external evaluations, benchmarking, or expert consultations for a more holistic understanding.

DIH Slovenia (DIH, 2025) recommends using both international and Slovenian tools and methodologies to assess digital maturity. The digital strategy should incorporate key findings and recommendations from this assessment, including:

- A SWOT analysis of the company's overall business and the eight strategic areas: Customer experience, Processes and digital solutions, Data strategy, Digital business models/products/services, Digital workforce and jobs strategy, Digital culture strategy, Cybersecurity, and Industry 4.0.
- A digital stocktaking analysis of the company's competitive position, focusing on the same strategic areas, based on available data. These guidelines do not strictly follow business-organizational theory.

In our case, we apply a hybrid approach that integrates business and Slovenian organizational theory and practice. The digital maturity assessment combines Kralj's indicator model, the Lipovec-Rozman organizational framework, and the Business Excellence Evaluation Model. This integrated approach covers all key components of the digital strategy.

Below is a brief overview of the Business Excellence Model (EFQM, 2012) criteria:

- *Leadership: How leaders shape mission and vision, foster values for long-term success, and demonstrate personal commitment to governance.*
- *Employees: How the organization develops and utilizes employee potential at all levels to support strategy and process effectiveness.*
- *Strategy: How mission and vision are achieved through stakeholder-focused strategies, supported by policies, plans, and objectives.*
- *Partnerships and Resources: How external partnerships and internal resources are managed to support strategy and process execution.*
- *Processes, Products, and Services: How processes are designed, managed, and improved to deliver value to customers and stakeholders.*
- *Results – Employees: Outcomes delivered to employees, including perception measures from surveys, interviews, and evaluations.*
- *Outcomes – Customers: Results delivered to external customers.*
- *Societal Outcomes: How the organization is perceived by society, based on public feedback and institutional reports.*
- *Performance Results: Key outcomes—financial and non-financial—aligned with strategic goals.*

High-performing organizations continually push boundaries. REMEA d.o.o. exemplifies a commitment to performance, well-being, and sustainability. A tailored self-assessment was conducted to evaluate its digital maturity, aligned with organizational performance principles. Table 2 summarizes the results.

Table 2. Level of Digital Maturity of the Organization

Scope \ Maturity level	1	2	3	4	5
	Early		Developing		Mature
Management	Lack of awareness and knowledge		They are aware of digital potential		Digitally sophisticated
Policy, strategy, organization, and organizational (digital) culture	Focus on cost reduction No accepting risk		Focus on customer experience and decision support Tolerate risk, innovate, and collaborate		Focus on fundamental process transformation They take risks and encourage innovation and collaboration
Managing employee knowledge and capabilities	Insufficient investment		Moderate investments		Suitable investments
Partnerships and resources	None		Is gaining in importance		At the heart of digital transformation
Processes (Technical capability, digital operations...)	None		Is gaining in importance		At the heart of digital transformation
Data strategy - results	None		Is gaining in importance		At the heart of digital transformation

Source: Author

5 AIM OF THE STUDY

This study explores the intersection of digital transformation and sustainable eco-management within contemporary business operations. It begins by clarifying key concepts such as digitalisation, digital transformation, and sustainable environmental management, emphasizing how digital technologies enable innovative sustainability solutions.

Technologies like Artificial Intelligence (AI) and machine learning support data-driven strategies for environmental improvement, while Internet of Things (IoT) tools optimize energy consumption. Blockchain enhances transparency in eco-friendly supply chains, and emerging technologies contribute to carbon capture and climate mitigation. These innovations empower businesses to meet Environmental, Social, and Governance (ESG) targets, develop sustainable products and services, and align with global environmental objectives (Homopolitikus, 2022).

The research centers on the preliminary development of a questionnaire designed to assess digital maturity in small and medium-sized enterprises (SMEs), with potential applicability to larger organizations. The startup REMEA was used as a case study, focusing on the creation of a research instrument for objective analysis and evaluation of digital maturity. Such assessment enables companies to formulate digital strategies that gradually lead to organizational transformation and support environmentally responsible business excellence.

To successfully scale digital business models, companies must enhance their capabilities in stages. A lack of necessary competencies may hinder strategic progress. Before leaders launch their initiatives, they should take three essential steps to determine whether their organization has the capabilities it needs (Westerman et al., 2014):

1. Evaluate the maturity of the organization's digital business.
2. Define what digital business acceleration means for the enterprise.
3. Identify the new capabilities required for transformation.

While various authors approach digital strategy from different angles, many overlook the foundational principles of business and organizational theory. Regardless of the tools employed—be it AI, automation, or digital platforms—the core processes of planning, execution, and control remain essential. This study aims to reaffirm the importance of

integrating digital tools within a structured business-organizational framework.

6 METHODOLOGY

The empirical research presented in this chapter underscores the importance of developing an objective instrument for analyzing and evaluating digital maturity within the framework of environmental business excellence and digital transformation, particularly in the context of small enterprises.

The methodology includes the design of a preliminary questionnaire, its initial evaluation through a case study of a small start-up (REMEA), and the interpretation of participant responses. The research tool is original and seeks to integrate the Lipovec–Rozman–Kralj business-organizational model into practical entrepreneurial application. The central aim is to explore how digital maturity can be assessed objectively, and how such assessment contributes to the development of environmentally responsible business practices.

The questionnaire was designed for self-evaluation of digital maturity in SMEs, grounded in the Lipovec–Rozman–Kralj model of business environmental excellence. It was further enriched with items related to digital business and organizational structure, reflecting an interdisciplinary approach to understanding and managing the digital transformation process in SMEs.

Assuming compliance with environmental legislation, the study examined which indicators and measures—pertaining to both environmental performance and digital transformation—support continuous improvement in the context of sustainable development. The goal was to create a preliminary instrument suitable for SME self-assessment and future refinement through broader research.

The research adopted a null hypothesis (H_0), positing no significant differences between the observed variables. Data collection was conducted through a collaborative brainstorming session within a small company of four employees. The final assessment was reached through group consensus, following detailed discussion, analysis, and reasoned deliberation.

The results of the survey are valid exclusively for the start-up REMEA and serve as a pilot example for future studies involving a larger sample of SMEs. The survey was conducted on March 2nd, 2025.

7 SMALL ENTERPRISE DIGITAL SELF-ASSESSMENT RESEARCH RESULTS

The small enterprise and its partners operate as a comprehensive provider of e-mobility services, offering consulting, implementation of charging infrastructure, and management of corporate charging stations.

According to EUROSTAT (2025), 59% of EU enterprises reached at least a basic level of digital intensity in 2023. Among small and medium-sized enterprises (SMEs), the share was 58%, while 91% of large enterprises achieved this level. The Digital Intensity Index (DII) defines “at least basic level of digital intensity” as the use of at least 4 out of 12 selected digital technologies, including AI, social media, cloud computing, Customer Relationship Management (CRM), or having e-commerce sales accounting for at least 1% of total turnover.

The assessment includes partial results from the survey questionnaire and interviews conducted with participants at the national level. The insights derived from these findings are used to shape a digital strategy and are presented through a SWOT analysis. The evaluation summarizes the results of the digital maturity test, alongside other company assessments, particularly a review of the firm’s competitive position.

The focus of this paper is on management, which plays a central role in defining the mission and vision and ensuring their implementation. Management integrates digital transformation components across key strategic domains. To assess the current state of a company’s digital transformation strategy, a structured set of 50 questions was developed—comprising 30 core and 20 supplementary items. These questions address critical dimensions such as management and leadership, policy, strategy, organizational structure, and organizational (digital) culture (see Tables 3 and 4).

Activities reflecting the characteristics of management and leadership were evaluated using a five-point scale:

- 1 not at all (no awareness),
- 2 very little (lack of awareness and knowledge),
- 3 medium (gaining importance),
- 4 good (awareness of digital capabilities),
- 5 very good (focus on fundamental process transformation).

Table 3 presents the survey findings related to the domain of Management, while Table 4 covers Policy, Strategy, Organizational Structure, and Organizational (Digital) Culture. These domains are essential for evaluating a company's digital transformation strategy, as they represent its foundational components.

The design and implementation of a new organization with digital transformation elements depend heavily on management's role in developing the mission, vision, policy, strategy, and digital culture. Organizations fulfill their mission and vision by cultivating a strategy and organizational culture—particularly digital culture, which encompasses the values, assumptions, and beliefs shared by employees and is primarily expressed through management actions.

Digital culture, as a subset of corporate culture in the digital economy, is crucial for delivering positive employee experience and customer experience. It is a key factor influencing every strategic initiative, especially those related to digital transformation.

Rating descriptions emphasize:

- 5 very good (focus on fundamental process transformation)
- 4 good (aware of the importance of digital capabilities).

Table 3 *Survey Results on Management*

Questions	Rating description
1. The organization's management has a clearly defined mission, vision, strategy, and goals, as well as values and ethics, and they set an example of a culture of excellence.	**5**
2. The organization's management has a clearly outlined vision, strategy, and goals regarding the digital transformation of the business and organization.	**4**
3. Management is personally involved in the development, implementation, and continuous improvement of the organization's management system.	**5**
4. Management constantly informs employees in the organization about the organization's strategy and goals (including the company's digital transformation) and encourages employees to engage in digital transformation.	**5**
5. Management collaborates with clients, partners, and company representatives in the digital transformation of the company	**4**
6. Management strengthens the culture of excellence and digital culture among employees in the organization.	**4**
7. Directors recognize the need for changes related to the digital transformation of business and organization and are the first to advocate for them.	**4**
8. Digital transformation affects changes in the structure of an organization.	**4**
9. If a management representative is appointed to implement the digital transformation of a business and organization, is he/she a member of executive management?	**4**
10. Management is an example of creative problem-solving in the digital transformation of business and organizations and in achieving set goals.	**4**
11. Management effectively informs employees about the digital transformation of the business and organization, as well as problems for which new solutions need to be sought.	**4**
12. The goals of digital business and organizational transformation are an integral part of the business plan.	**5**
13. Indicators of digital transformation of business and organization have become an integral part of the business report.	**4**
14. The topic of digital transformation of business and organization is often discussed at top management meetings.	**4**

Questions	Rating description
15. Management encourages taking initiatives, finding new opportunities, and finding new solutions to solve problems of digital transformation of business and organization.	4
16. Management encourages and enables the acquisition of new knowledge and experience in the digital transformation of business and organization.	4
17. Management encourages and enables employees to participate in decision-making during digital transformation.	4
18. Management values creative work, new ideas, risk-taking, and responsibility in the digital transformation of business and organization.	4
19. Management encourages and enables independence in the digital transformation of business and organization.	4
20. Management encourages and enables independence in work and allows for mistakes in the implementation of digital transformation.	4
21. Management rewards creative and innovative work (praises, awards).	4
22. Management determines the efficiency and success of the digital transformation of the business.	5
23. Measures for the digital transformation of business and organization are planned, implemented, monitored, and continuously improved.	5
24. It is known what the target state is that the company wants to reach in each area/element of the digital strategy.	4
25. The initial state of each area in the field of digitalization is known.	5
26. The strategic goals in the field of digitalization are known.	5
27. The strategic directions for achieving the strategic goals of digitalization are known.	5
28. The metrics for monitoring the implementation of the digital strategy (KPIs) are known.	5
29. The company's digital capabilities development plan is known.	5
30. The list of initiatives and projects for implementing the digital strategy is known.	5

Source: Author

Table 4. *Policy, Strategy, Organization, and Organizational (Digital) Culture)*

Questions	Rating description
1. Policy and strategy (including digitalization strategy) are based on the current and future needs and expectations of all stakeholders.	4
2. The digital transformation policy and strategy are well understood and supported by top management.	4
3. The digital transformation strategy is aligned with the organization's strategy.	4
4. The organization develops, reviews, and updates its digital business transformation policy and strategy (including digitalization strategies).	4
5. In business and organizations, customers represent a key element of orientation (customer focus).	4
6. We are convinced that an organization's competitive advantage is based on digital transformation.	4
7. There is a framework for a plan to promote customer orientation.	4
8. The organization has defined the necessary elements of a digital culture.	4
9. There is a business agility development plan framework.	4

Questions	Rating description
10. Management is focused on business excellence, including components of digital transformation.	**4**
11. I trust the organization's mission, the set digital transformation policy, the strategy (including the digitalization strategy, and the goals (including digital transformation) of the organization, business units, or departments.	**4**
12. Employees have the opportunity to use IT (computers, internet), which enables effective communication and rapid exchange of ideas and information in the digital transformation of business and organization.	**4**
13. Mutual relationships in the organization are characterized by trust, respect for diversity, and openness to new ideas.	**4**
14. Any errors or mistakes in the digital transformation of business and organization are addressed, and corrective and preventive measures are then implemented with the aim of continuous improvement.	**4**
15. Suggestions from individuals for improving the digital transformation of business and organizations are evaluated.	**4**
16. There is a framework for a plan to promote innovation and experimentation concepts (a plan to introduce Design Thinking).	**4**
17. There is a plan to support co-creation and collaborative work.	**4**
18. In general, we in the organization are willing to take risks when introducing digital innovations and changes.	**4**
19. In an organization, the organizational structure places the overall customer experience ahead of the efficiency of individual organizational units.	**5**
20. There is a digital leadership development plan.	**4**

Source: Author

The average score of responses is 4.20, indicating that the company is at an advanced stage of digital transformation in terms of business operations and organizational development. This result reflects the company's long-term evolution in commercial activities, as well as the strategic integration of key management components such as mission, vision, policy, strategy, and digital culture.

The highest-rated indicators of leadership quality in the context of environmental and digital management include:

- Clear vision, strategy, and goals
- Careful planning, implementation, and continuous improvement
- Assessment of efficiency and effectiveness
- Encouraging initiative and seeking innovative solutions to environmental and digital challenges
- Communicating business excellence and addressing environmental and digital issue (Kralj, 2013).

The general Leadership Quality dimension was further defined by:

- Promoting autonomy in the workplace
- Encouraging employee participation in decision-making and identifying organizational change needs.

The indicator Leaders encourage and enable employees to participate in decision-making showed a lower factor loading, suggesting a weaker contribution to this dimension.

Based on reliability coefficients, the selected items were used to calculate the average value of each indicator within its respective dimension, as presented in Table 5.

The following indicators were defined and tested using the same methodology as the first two dimensions:

- Managing employee knowledge and capabilities
- Partnerships and resources
- Processes (technical capability, digital operations, etc.)
- Data strategy
- Management and policy, strategy, organization, and organizational (digital) culture.

Table 5. *Overall assessment of the company's digitalization performance*

Maturity level / Scope	1	2	3	4	5	Score
	Early		Developing		Mature	
Management	A lack of awareness and knowledge		Aware of digital capabilities		Digitally sophisticated	**4.36**
Policy, strategy, organization, and organizational (digital) culture	Focus on cost reduction Risk-averse		Focus on customer experience and decision support Tolerate risk, innovate, and collaborate		Focus on fundamental process transformation Risk-taking, fostering innovation and collaboration	**4.05**
Managing employee knowledge and capabilities	Too small investments		Moderate investments		Adequate investments	**4.20**
Partnerships and resources	Does not exist		Is gaining in importance		At the heart of digital transformation	**4.00**
Processes (Technical capability, digital operations...)	Does not exist		Is gaining in importance		At the heart of digital transformation	**4.00**
Data strategy - results	Does not exist		Is gaining in importance		At the heart of digital transformation	**4.20**
Overall Score						**4.14**

Source: Author

The average score across all responses for the Business Excellence Model is 4.14, placing the company at an evolving level of maturity in its digital transformation of business operations and organizational structure. This score reflects substantial potential for enhancing digital capabilities in alignment with strategic objectives and the overall direction of digital transformation.

The RADAR logic, applied at the Attribute level in conjunction with the EFQM Model (Al Balushi, 2025), can be used:

- To identify current organizational strengths and areas for improvement
- To define future goals by outlining desired outcomes and the actions required to achieve them (EFQM, 2012).
- Figure 3 provides a comprehensive visual assessment of the company's digitalization performance, illustrating its current position within the evolving stage of transformation. Organizations that rate general leadership positively tend to also rate digital leadership favorably. This suggests a strong correlation between traditional leadership qualities and digital management effectiveness.

Companies plan, implement, and monitor processes to meet stakeholder expectations, thereby creating greater value. The management of digital systems is integrated into broader business processes, particularly in organizations committed to sustainable development (Kralj, 2013),

Based on the digital maturity assessment results, it is crucial to develop targeted digital strategies for individual business components. The success of these strategies depends on the presence of a robust and adaptive digital culture. Such a culture fosters innovation by encouraging employees to experiment, take risks, and embrace new ideas. Leaders play a key role in cultivating an environment that values creativity, collaboration, and continuous learning (Devensis_team, 2024).

Applying this model to additional companies would enhance the analytical robustness of the developed tool. It is suitable for large enterprises as well as other private and public organizations. Future research is essential to improve both the practical relevance and theoretical depth of business and organizational analysis.

Developing a standardized model for assessing digital maturity is vital for enabling consistent and comparable research across organizations. The results from the small startup case should be interpreted primarily as reflections of employee perceptions rather than objective organizational conditions. Therefore, expanding the sample to include more companies and employees is necessary for refining future models.

Figure 3 *Overall assessment of the company's digitalisation performance*

Source: Author

8 CONCLUSIONS

The science of principalship can be understood as the study of leadership roles and the provision of guidance on how to regulate organizational groupings to achieve overall effectiveness—or at least the effectiveness of individual components. This foundation is essential for understanding environmental management, which requires applied scientific approaches to achieving goals efficiently and effectively.

In this context, the development of human capabilities and the behavior of individuals and groups within organizations must be considered. This involves studying people and the relationships between them. The author advocates for a systemic and situational approach to management, recognizing that management science is inherently multidisciplinary. It integrates and adapts knowledge from various fields. This perspective is equally valid for digital management and the management of digital transformation.

Drawing from management theory, the study aimed to identify and structure the most influential indicators of success in digital transformation. Focus was placed on components such as digital governance, policy and strategic orientation, and the continuous education and awareness-raising of stakeholders, including owners, employees, customers, suppliers, and the broader community.

The development of these indicators is an ongoing process, continuously refined through consultation with relevant literature and established sources. The proposed model contributes to a more holistic understanding of environmental management indicators and is structured around key phases of the management and governance process:

- Business planning
- Organizational planning
- Organizational implementation
- Business control
- Organizational control

These phases represent core organizational processes designed to ensure operational effectiveness. Achieving excellence requires that these processes be executed systematically, with a focus on delivering planned outcomes and measurable performance.

The model also incorporates criteria of business excellence widely recognized in corporate practice. For further development, mechanisms for more objective assessment should include the involvement of experts from diverse fields. However, the foundation remains rooted in business-organizational theory and behavior, as established both in academic literature and everyday practice.

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How to cite this article?

Style – **APA** *Seventh Edition:*

Kralj, D. (2026, January 15). Digital self-assessment as a foundation for the digital transformation of the enterprise. *MEST Journal, 14*(1), 148-162. https://doi.org/10.12709/mest.14.14.01.10

Style – **Chicago** *17th Edition:*

Kralj, Davorin. "Digital self-assessment as a foundation for the digital transformation of the enterprise." *MEST Journal (MESTE) 14*, no. 1 (January 2026): 148-162. https://doi.org/10.12709/mest.14.14.01.10.

Style – **GOST** *R 7.0.100-2018, Name Sort:*

Kralj D. Digital self-assessment as a foundation for the digital transformation of the enterprise // *MEST Journal* / ed. Z. Čekerevac. – Belgrade – Toronto : MESTE, 15 Jan. 2026. – Vol. 14, No. 1. – pp. 148-162. – DOI: https://doi.org/10.12709/mest.14.14.01.10.

Style – **Harvard** *Anglia Ruskin:*

Kralj, D., 2026. Digital self-assessment as a foundation for the digital transformation of the enterprise. *MEST Journal*, 14(1), pp. 148-162. Available at: https://doi.org/10.12709/mest.14.14.01.10 [Accessed dd Month yyyy].

Style – **ISO 690** *Numerical Reference:*

Kralj, D. Digital self-assessment as a foundation for the digital transformation of the enterprise. *MEST Journal.* 2026 Jan 15;14(1): 148-162. DOI: 10.12709/mest.14.14.01.10