

Integrating Artificial Intelligence and Digital Technology in Contemporary Project Management: Evolution of Data-Based Decision-Making Systems

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ABSTRACT

This study examines the integration of artificial intelligence (AI) and digital technology in contemporary project management practices, focusing on the evolution of data-based decision-making systems. The rapid digital transformation has shifted project management paradigms from traditional approaches toward more adaptive and predictive data-driven models. This article employs a systematic literature review method, analyzing 45 international journal articles published between 2015–2024 from Scopus, Web of Science, and Google Scholar databases. The findings reveal that AI implementation in project management significantly improves cost and schedule estimation accuracy by up to 34%, reduces project delay risk by 28%, and enhances resource allocation efficiency by 41%. Machine learning and predictive analytics prove to be the most critical components in supporting more accurate and real-time decision-making. Nevertheless, the adoption of these technologies still faces challenges including limited digital infrastructure, organizational resistance, and human resource competency gaps. This research contributes a conceptual framework for AI integration in the project lifecycle that can serve as a reference for practitioners and academics.

Keywords: Artificial Intelligence (AI), Project Management; Digital Transformation; Data-Driven Decision Making; Machine Learning; Predictive Analytics

INTRODUCTION

The rapid development of information and communication technology (ICT) has triggered a fundamental shift in how organizations manage their projects. Artificial intelligence (AI), machine learning, big data, and the Internet of Things (IoT) are now integral parts of the modern project management ecosystem. Digital transformation is no longer simply a strategic option, but rather an urgent necessity that determines organizational competitiveness in the VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) era. Traditional project management, which relies on experience-based approaches and managerial intuition, is beginning to show its limitations in dealing with the complexity of contemporary projects. Data shows that approximately 70% of global projects experience cost overruns or schedule delays (PMI, 2023). This situation drives the urgent need for more accurate, rapid, and empirically data-driven decision-making systems.

Beyond improving operational efficiency, artificial intelligence has emerged as a strategic instrument for enhancing organizational adaptability in increasingly dynamic project environments. Contemporary projects continuously generate large volumes of structured and unstructured data originating from project schedules, financial reports, stakeholder communication, and digital collaboration platforms. When effectively analyzed, these data resources provide valuable insights that support proactive managerial actions and evidence based on decision making. Unlike conventional approaches that primarily depend on managerial experience and retrospective evaluations, AI powered systems continuously learn from historical and real time information to detect emerging patterns, appropriate corrective actions. As result, organizations can strengthen project governance, improve operational transparency, and enhance their ability to respond to changing project conditions.

The integration of AI into project management offers significant transformative potential. Machine learning algorithms can process massive volumes of data to identify risk patterns, predict schedule deviations, and optimize resource allocation in real time. Natural Language Processing (NLP) enables team and stakeholder sentiment analysis, while computer vision can be used to automatically monitor the physical progress of construction projects.

Despite its significant potential, the adoption of AI in project management still faces various challenges. The Digitalization in Project Management Survey (2023)(1) shows that only 23% of organizations in developing countries have fully implemented AI throughout their project lifecycle. This gap highlights the need for a more comprehensive understanding of the factors influencing AI adoption and effectiveness in the project management context.

However, existing studies tend to examine AI applications from a fragmented perspective, focusing primarily on individual functions such as cost estimation, risk assessment, or schedule optimization. Limited attention has been devoted to understanding how various AI technologies collectively support data driven decision making across the entire project lifecycle. As a result, a comprehensive synthesis of current evidence is necessary to identify emerging trends, implementation challenges, and the broader implications of AI integration in contemporary project management.

This research aims to: (1) identify trends and patterns of AI integration in contemporary project management practices; (2) analyze the impact of AI technology implementation on the efficiency and effectiveness of project decision-making; (3) identify challenges and barriers in AI adoption; and (4) formulate a comprehensive AI integration conceptual framework to support data-driven decision-making

LITERATURE REVIEW

Evolution of Project Management in the Digital Era

Project management has undergone significant evolution since the introduction of formal methodologies by the Project Management Institute (PMI) in 1969. From the rigid waterfall approach, the industry shifted to more flexible agile and hybrid methodologies. Now, with the advent of AI and big data, project management is entering a new phase often referred to as "Project Management 4.0" (Nieto-Rodriguez & Evrard, 2023).

Digitalization has transformed the three key dimensions of project management: planning, monitoring, and controlling. The use of Building Information Modeling (BIM) in construction projects, AI-integrated Enterprise Resource Planning (ERP), and digital collaboration platforms like Microsoft Project and Asana mark a new chapter in the global project management ecosystem.

Artificial Intelligence in the Context of Project Management

The application of AI in project management can be categorized into four main domains: (1) intelligent planning and estimation, (2) predictive risk management, (3) algorithm-based resource optimization, and (4) automated communication and reporting. Each of these domains leverages a different branch of AI, ranging from supervised learning for cost estimation, reinforcement learning for adaptive scheduling, to NLP for project communication analysis.

Research by Khan et al. (2022) (3) found that applying machine learning to construction project cost estimation reduced the margin of error from an average of 18.3% to 5.7%. Meanwhile, a study by Zhang & Li (2023) (4) showed that AI-based optimization algorithms can improve complex project scheduling efficiency by up to 37% compared to the conventional Critical Path Method (CPM).

Data-Based Decision Making System

Data-Driven Decision Making (DDDM) is a decision-making approach that relies on systematic quantitative and qualitative data analysis rather than intuition alone. In the context of project management, DDDM is supported by three technology pillars: Business Intelligence (BI) for historical reporting, Advanced Analytics for predictive analysis, and AI/ML for prescriptive analysis that provides optimal action recommendations.

The DDDM theoretical framework in project management integrates concepts from several key theories: the Technology Acceptance Model (TAM), the Resource-Based View (RBV), and Dynamic Capabilities Theory. The integration of these three frameworks explains how organizations can build dynamic capabilities by leveraging data as a strategic resource for competitive advantage (5)

In addition to supporting operational decision, data driven decision making systems contribute to the development of organizational learning and continuous improvement. Through the systematic collection and analysis of project data, organizations can identify recurring patterns, evaluate project performance, and establish evidence based best practices for future initiatives. This approach enables project managers to make more informed decisions while reducing the influence of subjective judgment and cognitive bias. As project environments become increasingly complex and data intensive, the ability to transform information into actionable knowledge has become a critical capability for achieving project success and sustaining organizational competitiveness.

RESEARCH METHOD

This study used a Systematic Literature Review (SLR) approach according to the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines. The literature selection process involved four stages: identification, screening, eligibility, and inclusion.

The search strategy used a combination of keywords: ("artificial intelligence" OR "machine learning" OR "deep learning") and ("project management" OR "project planning") AND ("decision making" OR "data-driven"). The search was conducted on the Scopus, Web of Science, IEEE Xplore, and Google Scholar databases with a time span of 2015–2024.(6)

Table 1. Literature Inclusion and Exclusion Criteria

Aspect	Inclusion Criteria	Exclusion Criteria
Period	2015–2024	Before 2015
Language	English and Indonesian	Other languages
Type	Peer-reviewed journal articles	Proceedings, books, theses
Topics	AI and project management	Irrelevant topic
Accessibility	Full text available	Just an abstract

Of the 1,247 identified articles, after a screening process based on the above criteria, 45 articles qualified for in-depth analysis. The analysis was conducted using a thematic approach to identify patterns, trends, and key findings across studies.

Following the screening and selection stages, the retained articles were examined in greater detail to ensure alignment with the objectives of this study. Each articles was reviewed to identify its primary focus, methodological approach, reported findings, and contribution to the understanding of artificial intelligence in project management. Particular attention was given to studies discussing decision making support, project planning, resource management, and risk mitigation through AI technologies.

The collected information was then categorized into thematic areas to facilitate a structured analysis of the literature. This thematic approach enabled the identification of recurring patterns, emerging research direction, and common implementation challenges across different industrial sectors. By synthesizing findings from multiple sources, the study provides a comprehensive overview of current developments in AI enabled project management practices

RESULTS

AI Integration Trends in Project Management

Bibliometric analysis of 45 articles shows a significant upward trend in research. The number of publications increased from an average of 4 articles per year (2015–2018) to 11 articles per year (2019–2024), reflecting growing academic and practical attention to this topic. Construction and information technology are the sectors with the highest AI adoption, accounting for 34% and 28% of the total studies, respectively.

Table 2. Impact of AI Implementation on Project Management Performance

Performance Dimensions	Before AI (%)	After AI (%)	Delta
Cost Estimation Accuracy	63.4	84.7	+34%
Project Schedule Accuracy	58.2	74.5	+28%
Resource Allocation Efficiency	54.8	77.3	+41%
Risk Identification Accuracy	61.1	82.9	+36%
Stakeholder Satisfaction	67.3	84.1	+25%

Source: Synthesis of 45 articles (2015–2024)

The increasing number of publication identified in this review indicates that artificial intelligence has become one of the most important emerging topics in project management research. This trend reflects growing recognition among academics and practitioners that conventional project management approaches may be insufficient to address the complexity of modern projects. As organizations generate larger volumes of project-related data, there is a greater need for technologies capable of transforming information into actionable insight. Consequently, AI is increasingly viewed as a strategic resource that supports project planning, monitoring, and performance evaluation activities.

The literature also reveals that the benefits of AI implementation vary according to organizational maturity and technological readiness. Organizations with established digital infrastructures tend to experience greater improvements in project performance because they can integrate AI technologies more effectively into existing workflows. In contrast, organizations at earlier stages of digital transformation often encounter implementation difficulties related to data management, system integration, and employee readiness. These findings suggest that the successful adoption of AI depends not only on organizational preparedness and long-term strategic commitment.

Furthermore, several studies emphasize that AI technologies contribute to enhanced collaborations among project stakeholders. By providing access to real-time information and automated reporting systems, AI supports greater transparency and improves communication across project teams. This capability is particularly valuable in large scale projects involving multiple stakeholders, where effective information sharing plays a critical role in achieving project objectives. Therefore, the growing adoption of AI reflects both technological advancement and the increasing demand for more collaborative and data oriented project management practices.

Conceptual Framework of AI Integration in the Project Life Cycle

Based on a literature synthesis, this study proposes a conceptual framework for AI integration in the project life cycle, encompassing five main phases. In the initiation phase, AI plays a role in feasibility analysis and initial risk identification through processing historical data from similar projects. The planning phase utilizes optimization algorithms for more accurate scheduling, cost estimation, and resource planning.

During the execution phase, the AI system provides real-time monitoring and early warnings of deviations that could potentially disrupt project targets. In the monitoring and control phase, AI-based dashboards provide predictive analytics that enable project managers to take proactive corrective actions. Finally, in the closing phase, AI facilitates the automated extraction of lessons learned, enriching the organization's knowledge base for future projects.

The proposed framework highlights the importance of continuous data utilization throughout the project lifecycle. Unlike conventional project management approaches that often rely on periodic evaluations, AI enable systems support ongoing analysis of project information and provide decision makers with timely insights. This capability allows project teams to identify emerging issues at an earlier stage, improve coordination among stakeholders, and implement corrective actions more effectively. Consequently, the framework demonstrates how AI can strengthen data driven decision making practices and contribute to improved project performed in dynamic and complex project enviroments.

Furthermore, the framework emphasizes the complementary relationship between artificial intelligence and human expertise. Although AI technologes can generate predictions, recommendations, and analytical insights, final decision remain dpendent on the judgment ad experience of project managers. Human involvement is essential fot evaluating contextual factors, stakeholder expectaions, and organizational objectives that may not be fully represented in available datasets. Therefore, succssful AI intgrtion requires a balanced approavh that combines technological capabilites with managerial knowledge and professional expertise.

Overall, the result demonstrate that AI technologies are gradually transforming project management from a reactive approach toward a more predictive and proactive model. The ability to analyze historical and real time data enables organizations to anticipate challenges, optimize resource utilization, and improve decision quality. This transformation highlights the growing importance of intellegent technologies in supporting sustainable project performance and organizational competitiveness in the digital era.

Challenges and Barriers to AI Adoption

Despite its significant potential benefits, the adoption of AI in project management faces a variety of interrelated barriers. Thematic analysis identified four main categories of challenges: (1) technical infrastructure and data quality limitations; (2) organizational cultural resistance and digital competency gaps; (3) integration complexity with existing systems; and (4) ethical and data privacy concerns.

In developing countries like Indonesia, infrastructure challenges are a major inhibiting factor. A survey of 127 project managers in Indonesia (Rachman & Pratama, 2023)(7) found that 68% of respondents identified limited ICT infrastructure and 54% cited a lack of AI expertise as the biggest barriers to adoptisng this technology. These findings underscore the need for an adaptive approach that takes local context into account when implementing AI.

Beyond infrastructure limitations, organizational readiness also plays a critical role in determining the success of AI adoption. Many organizations encounter difficulties in integrating AI technologies into existing project management processes due to resistance to change and limited employee acceptance. The introduction of AI often requires new workflows, revised decision making procedures, and additional training programs. Without adequate change management strategies, employees may perceive AI as a threat rather than a tool that supports their work. Consequently, organizations need to invest not only in technological infrastructure but also in developing digital competencies and fostering a culture that encourages innovation and continuous learning.

Furthermore, the long term sustainability of AI adoption depends on the ability of organizations to establish effective data governance practices. AI systems require accurate, consistent, and up to date data generate reliable insights and recommendations. Poor data quality may reduce systems performance and limit the effectiveness of decision making processes. Therefore, organizations should develop clear policies regarding data management, security, and accessibility to ensure that AI technologies can support project management activities in a reliable and responsible manner

DISCUSSION

The findings of this study indicate that artificial intelligence has become an increasingly important component in contemporary project management practices. The growing adoption of AI technologies across various industries demonstrates a shift from conventional project management approaches toward more data oriented and technology supported decision making processes. The improvements identified in cost estimation, project scheduling, risk management, and resource allocation suggest that AI provide organization with greater capabilities to manage project complexity and uncertainty. This transformation reflects the broader trend of digitalization that is reshaping organizational strategies and operational practices worldwide.

The result further suggest that predictive analytic and machine learning play a critical analytics and machine learning play a critical role in enhancing project performance. Through the analysis of historical and real time project data, AI systems are able to identify patterns that may not be easily recognized through traditional managerial observation. This capability enables project managers to anticipate potential risks, evaluate alternative scenarios, and make more informed decision. As projects become increasingly complex and dynamic, the ability to generate timely and accurate insights represents a significant advantage for achieving project objectives.

From a theoretical perspective, the findings support the concept of data driven decision making (DDDM), which emphasizes the importance of utilizing data as foundation for managerial decisions. The study demonstrates that organizations can improve project outcomes when decision are supported by analytical evidence rather than relying on experience and intuition. In addition, the findings are consistent with Dynamic Capability Theory, which argues that organizational success depend on the ability to adapt resources and capabilities to changing environmental conditions. The integration of AI contributes to access to relevant information and decision support mechanisms.

Despite the potential benefits, the study also highlights several challenges associated with AI implementation. Limited digital infrastructure, inadequate data quality, organizational resistance, and competency gaps remain significant barriers, particularly in developing countries. These challenges indicate that successful AI adoption requires more than technological investment alone. Organizations must also strengthen digital literacy, develop data governance practices, and foster a culture that supports innovation and technology driven decision making. Without these supporting factors, the effectiveness of AI implementation may be significantly reduced.

The practical implications of this study are particularly relevant for project managers and organizational leaders. AI should not be viewed as a replacement for human expertise but rather as a complementary tool that enhances managerial capabilities. Human judgment remains essential for interpreting analytical outputs, considering contextual factors, and making strategic decision that cannot be fully automated. Therefore, the most effective project management practices are likely to emerge from a balanced collaboration between intelligence technologies and human decision makers.

Overall, the findings confirm that artificial intelligence has substantial potential to improve project management effectiveness and support sustainable organizational performance. As digital transformation continues to accelerate, their project management processes will be better positioned to improve competitiveness, increase operational efficiency, and respond more effectively to future challenges

CONCLUSION

This research confirms that the integration of AI and digital technologies in project management has a significant positive impact on the efficiency and effectiveness of decision-making. A 34% increase in cost estimation accuracy, a 28% reduction in delay risk, and a 41% increase in resource allocation efficiency are empirical evidence supporting the urgency of adopting AI in contemporary project management practices. The conceptual framework proposed in this study provides systematic guidance for organizations in integrating AI throughout the project lifecycle. The practical implications of this study include: (1) the need for strategic investment in developing the digital capacity of human resources; (2) building a robust data infrastructure as a prerequisite for AI implementation; and (3) developing AI governance policies that accommodate ethical and data security needs.

The findings of this study demonstrate that artificial intelligence has evolved into an important enabler of modern project management practices. The integration of AI technologies allows organizations to improve the quality of project planning, monitoring, and decision making processes through more effective utilization of data and analytical capabilities. As projects become increasingly complex and uncertain, the ability to generate timely insight and identify potential challenges at an early stage becomes a valuable organizational asset. Consequently, AI adoption is not only associated with operational improvements but also with the development of more adaptive and resilient projects management capabilities.

This study also offers important implications for organizations seeking to strengthen their project management performance. Successful implementation of artificial intelligence requires a combination of technology readiness, effective data management, and continuous employee development. Rather than replacing human expertise, AI should be viewed as a complementary resource that supports managerial judgment and strategic decision making. Organization that are able to balance technological innovation with human capabilities are more likely to archive sustainable project outcomes and maintain competitiveness in an increasingly digital business environment.

Future research is recommended to explore the effectiveness of AI implementation in MSME-scale projects in eastern Indonesia, given the limited data specific to that context. Longitudinal studies are also needed to measure the long-term impact of AI adoption on organizational performance and innovation capabilities

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DECLARATION OF CONFLICTING INTERESTS

The authors have declared no potential conflicts of interest concerning the study, authorship, and/or publication of this article.

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