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by Oi Lam Siu - Wednesday, 8 May 2024, 12:41 PM

There are three stages of digital: Digitization, Digitalization, and Digital Transformation. Currently, many enterprises are in the digitization stage (Bloomberg, 2018). Digitization involves converting information into a digital format, making it accessible and available. Digitalization focuses on utilizing digitized data for business purposes. Digital Transformation entails developing new business applications that integrate digitized data and digitalized applications.

According to Wei et al. (2019), 95% of respondents in the power sector view Digital Transformation as a top strategic priority. However, many organizations struggle with continuously implementing individual digital projects without achieving complete transformation. Becoming a fully digital enterprise requires more than just converting from paper-based to digital processes; it also involves comprehensive changes, including cultural shifts.A fully digital enterprise faces several cybersecurity challenges. These challenges include dealing with digital si

gnatures, cyber attacks, data breaches, and unauthorized access. Digital signatures and documents need to be recognized by local legal authorities. With a greater reliance on digital systems, fully digital enterprises face the risk of data breaches, where sensitive information can be stolen or exposed. Unauthorized access to systems and networks can result in financial losses, harm to reputation, and legal consequences. Fully digital enterprises are vulnerable to malware and ransomware attacks, which can disrupt operations and compromise data integrity.

For a bricks and mortar SME aiming to become a digital enterprise, limited resources and expertise are often significant hurdles. SMEs typically have restricted financial and human resources allocated to cybersecurity. While they may not be attractive targets for cybercriminals, implementing innovation and technology can be challenging. For example, the implementation of a Document Management System (DMS) can be costly and time-consuming. SMEs also lack incentives to provide proper training and education to employees regarding cybersecurity risks and best practices, despite the fact that human error often serves as a common entry point for cyber attacks.

Reference

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