

## **Task 'Peer Response 1 Collaborative Security Implications of the Digital Economy' Unit 1**

### **'Peer Response 1'**

This is a strong and thoughtful post, and you do a great job of moving beyond the common excessive use of software and digital misconception, by framing how digital enterprises shift trust, assets and value creation; however, I would mention that I do not necessarily see the CAPEX and OPEX topic of framing the digital transformation you mentioned as a replacement of CAPEX with OPEX. In contrast, while this distinction is frequently used in discussions of cloud adoption, it may risk oversimplifying the nature of the transformation and reducing what is fundamentally an architectural, organizational and governance shift to an accounting narrative. Essentially, cloud-based and digital-first organizations continue to rely on both CAPEX and OPEX, it is the balance between the two that changes.

(Rage, 2025).

Digital architecture tends to increase cost flexibility and reduce dependence on location-bound physical infrastructure, rather than eliminating capital investment altogether. Your points about data sovereignty, GDPR and inherited risk bring some very relevant privacy concerns. Cloud adoption is too often framed as a simple transfer of responsibility, and your emphasis on vendor governance and accountability helps reframe it as a transformation of risk that remains with the organization, naturally, this varies from one cloud model to another.

(Doroiman and Sîrghi, 2024).

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The identity-focused perspective in the SME section is another highlight, and the points about the importance of protecting identities are both accurate and important.

(George et al. 2024)

In addition, I agree with the idea of practical mitigation side for SMEs. The challenges come through clearly; one could be adding a quick example of how IAM could be rolled out in a phased or scalable way that might help ground it in practice? Overall, the post details and context are well-argued and balanced, this highlights digital transformation as a cultural and governance matter, not just a technical one.

### **References**

- Doroiman, M.M. and Sîrghi, N. (2024) ‘The digital enterprise landscape: *How DESI metrics shape economic growth in the EU*’, Oradea Journal of Business and Economics, 9(2), pp. 36–46.
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- Rage, A.N., (2025). The Cloud Computing: A Review Paper. Architecture Image Studies, 6(3), pp.980-989.