**Case Study: Collaborative Discussion Preparation**

Read Kovaitė and Stankevičienė (2019) as the basis of the case study.

This case study illustrates some of the risks around applying digitalisation to more traditional business processes, as well as providing a methodology for carrying out the risk assessment of the digitalisation process. This acts as preparation for the first collaborative discussion.

Based on your reading of the case study listed above (Kovaitė and Stankevičienė, 2019) answer the following questions in the discussion forum:

**What do the authors mean by the term ‘Industry 4.0’ - give two examples**.

The term ‘Industry 4.0’ refers to various technologies, such as the Internet of Things (IoT), Big Data, cloud computing, Artificial Intelligence and robotics, focused on decentralising the communication between people and machines (Schwab, Davis, & Nadella, 2018; Kovaitė & Stankevičienė, 2019). Two examples of applications of ‘Industry 4.0’ are smart homes (Hui, Sherratt, & Sánchez, 2017), and intelligent factories (Zhong, Xu, Klotz, & Newman, 2017; Kovaitė & Stankevičienė, 2019).

**Give two real-world examples of risks that fit into the authors categories**.

Risks associated with the ‘Industry 4.0’ can be of the following types: technical, competence, behavioural, data security and financial risks (Kovaitė & Stankevičienė, 2019). A technical risk related to intelligent factories lies in the need for acquiring numerous new capabilities and resources to offer such innovative solutions (Kovaitė & Stankevičienė, 2019). A competence-related risk involved in this application lies in the lack of competent human resources to deliver such an innovative change (Kovaitė & Stankevičienė, 2019).

**Find another journal article that either supports or contradicts the points made in the cited study**.

Hecklau *et al*. (2016) supports the above-mentioned argument of Kovaitė & Stankevičienė (2019), as they discuss the need for a holistic approach to human resource management in the ‘Industry 4.0’, whilst considering the requirement for businesses to create an environment where the required resources to adopt change and stay competitive are provided and kept up to date.

**References**

Hecklau, F., Galeitzke, M., Flachs, S., & Kohl, H. (2016) Holistic approach for human resource management in Industry 4.0. *Procedia Cirp* 54: 1-6.

Hui, T. K. L., Sherratt, R. S., & Sánchez, D. D. (2017) Major requirements for building Smart Homes in Smart Cities based on Internet of Things technologies. *Future Generation Computer Systems* 76: 358-369. https://doi.org/10.1016/j.future.2016.10.026

Kovaitė, K. & Stankevičienė, J. (2019) Risks of digitalisation of business models. *Proceedings of 6th International Scientific Conference Contemporary Issues in Business, Management and Economics Engineering* 2019. DOI: 10.3846/cibmee.2019.039.

Schwab, K., Davis, N., & Nadella, S. (2018) Shaping the fourth industrial revolution. *Currency*.

Zhong, R. Y., Xu, X., Klotz, E., & Newman, S. T. (2017) Intelligent manufacturing in the context of Industry 4.0: a review. *Engineering* 3(5): 616-630. https://doi.org/10.1016/J.ENG.2017.05.015