

Thank you very much, Matjaz, for your post concerning industry 4.0 and the risks involved in adapting to this norm. You have presented significant risks, such as needing more appropriate experts and investment limitations, especially for SMEs.

Firms that intend to implement industry 4.0 standards in their businesses have to factor in an investment plan increase by 50% (Raj, A. et al., 2020, p.107459). This capital increase can be a massive burden for Small and Medium Enterprises with limited and smaller budgets compared to their larger counterparts. The larger budget brings lots of uncertainty, thus creating more significant losses in case of failure. Due to this reason, many SMEs do not possess advanced and specialized products (Mittal S. et al., 2018, p.195).

Industry 4.0 technologies are advanced and new for many companies, making the transfer to them more challenging as more experts are needed for maintenance and implementation (Da Silva et al., 2020, p.333).

Therefore, especially SMEs must do a proper risk analysis so the business is aware of all the threats and ready to act accordingly.

References

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