**5 Digital Transformation Challenges to Know**

Evolving technologies and cutting-edge software solutions can help organisations automate tasks, achieve efficiencies and increase output. According to internet service provider Beaming, more than half (55%) of manufacturing organisations have adopted multiple technologies, such as 3D printing, artificial intelligence and cloud computing. A further 35% are currently introducing new technologies to improve operational performance. Although digital tools are becoming commonplace, their implementation isn’t always straightforward. Organisations going through digital transformation should be mindful of the following challenges:

1. **Financial concerns**—The initial financial outlay can be significant when investing in technologies, especially end-to-end software solutions. Employers should act with caution when selecting new technology tools and consider which will return the largest return on investment.
2. **Risk-averse culture**—Employees may be wary of change, so new technologies may be met with scepticism. If employees don’t embrace new working methods, organisations could be left with outdated systems and inefficient processes. To combat risk-averse behaviour, managers should champion new technologies, highlight their benefits and train staff on their use.
3. **Lack of digital skills**—Labour shortages and other factors have led to a digital skills gap, defined as the discrepancy between the knowledge employees require to harness new technologies and their current expertise. Employers should upskill existing employees through career development and training pathways and review recruitment practices to attract candidates with digital skills.
4. **Overwhelming choices**—Knowing which new tools to choose can be complicated; business technologies evolve rapidly. Employers should consider factors such as scalability, flexibility and ease of integration when selecting technologies.
5. **Cyber-risks**—The more technologies an organisation uses, the more it could be exposed to cyber-risks. Employers must scrutinise the cyber-risks associated with new technologies and implement robust cyber-security best practices, such as data encryption, strong passwords and patch management.

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