REDDAL

Digital transformation in asset-intensive businesses

Reddal Insights — 13 December 2019
Shan Gao

Digital transformation is fundamentally changing the business operations. Front-runners demonstrate how new business models and value creation opportunities are enabled by successful adoption of digital technologies, encouraging other firms to change too.

Success cases drive the common belief that digital transformation results in high returns. However, the observed industry-dependent challenges of digital transformation, for example in asset-intensive industries show that the reality is more complex. The challenges include firms' lack of capabilities to change, goal ambiguity, technological constraints and external constraints. The findings contribute to the discussion of digital transformation as a technology-enabled strategic change and provide suggestions for business practitioners about factors that can impede the realization of this transformation.

The article "Digital transformation in asset-intensive businesses: Lessons Learned from the Metals and Mining Industry", written by Shan Gao, Reddal Helsinki, and her colleagues at Aalto University, identifies lessons learned from industrial firms' digital transformation processes, and provides recommendations on how to overcome challenges.

References:

Gao, S., Hakanen, E., Töytäri, P., & Rajala, R. (2019). Digital Transformation in Asset-intensive Businesses: Lessons Learned from the Metals and Mining Industry. In Proceedings of the 52nd Hawaii International Conference on System Sciences (HICSS) (pp. 4927-4936). [1713]