

U DIGITALIZE

U-Digitalize Model

Chapter 3. Obstacles/barriers of digitalization

Introduction

Innovation helps Europe to reinforce its technological leadership and to generate solutions to societal challenges. Such innovations bring digital transformations that are becoming essential for people to succeed in contemporary workplaces. The strategic move towards digital transformation enables organizations to improve their customer relationships, increase sales and company growth, and strengthen their competitive positions (Agrawal et al., 2020). Therefore, most organizations now emphasize active participation in digitalization (Schneider, 2019).

Digital transformation entailed significant changes in the organization's business model, which, in many cases, affect procedures, resources, operational methods, or culture. As a result, deciding how to implement digital transformation has long-term implications for the organization and requires a strategic approach (Henriette et al., 2016).

Poor infrastructure required for digitalization is a significant barrier that socio-health organizations in all countries must overcome. Due to this obstacle, organizations must deal with increased costs with new equipment, internet connection, software, fees for using online platforms with no time or user limit restrictions and other related tools.

Many beneficiaries need to improve their digital skills in order to reach at least the basic level. The lack of understanding and confidence in using ICT, which is especially prevalent among the elderly, imposes difficulties for organizations that provide care for this group.

Another significant barrier is the availability of technical support, as many organizations have no internal IT department and cannot get permanent technical support.

An additional challenge socio-health care organizations encounter in digitization is related to the process of turning existing paper-pencil content into digital form.

Obstacles & barriers

❖ Lack of financial resources

Significant funding is needed for technology and know-how for digital transformation. Investments in new digital technology come with high risk and an unclear return. Some socio-healthcare organisations will need help to raise money or to have access to more financial resources. One of the main barriers to digitization is the insufficient suitable financing sources for the related costs (Sumrit, 2021).

Moreover, important investment is needed for organisations to have access to digital technology, resources, a qualified workforce, and new organisational capabilities. Organisations must train their staff on working with digital technologies in order to make their efforts for digital transformation profitable. Such processes and investments require funding (Agrawal et al., 2019).

❖ Lack of trust in technology and mentality

Another obstacle to digitalization is the lack of trust in technology among both healthcare professionals and beneficiaries.

Employees often need to become more familiar with digital tools and the new working environment. Sometimes, they resist changes due to the fear of learning something new or to the belief of increased job requirements. Also, some workers could think that digital transition could threaten their position and lead to job loss (Sumrit, 2021).

Resistance towards digitalization is fueled by lack of creativity and strategy, fear of unpredictability, lack of adaptability and inadequate support for innovation, poor relevant competencies, and insufficient innovation culture (Vey et al., 2017).

Typical difficulties experienced by organisations facing transitions and changes usually include (Vey et al., 2017, apud. Oertig & Kels, 2014):

- Managers and staff are unsure of what innovation entails for their organisation.
- Lack of clear and inspiring objectives/goals.
- A lack of risk-taking and a wrong perception not to see failure as a learning opportunity.
- Inadequate knowledge sharing among employees and beneficiaries.
- Also, challenged people and elderly, the main beneficiaries of socio-health care services, tend to be more reluctant to change than others and not to accept digital solutions addressing their problems, as this is uncommon to them and raises uncertainty.

❖ Technical support

Very important needs of socio-health care organisations are related to the necessity for professionals and care workers to possess the required digital skills, as well as for available and effective digital resources and infrastructure.

According to Agrawal et al. (2020), the digital transition will be slowed down or delayed by the lack of digital competencies. The implications of new digital



technology for socio-health care organizations are significant, but without adequate human resources, the advantages of digitalization cannot be reached (Agrawal et al., 2020).

Many healthcare workers and professionals do not have on-site technical assistance to help them in setting up and everyday use of the equipment and additional applications, data processing and sharing or to provide digital support to beneficiaries. From this point of view, socio-healthcare organisations require an IT department to address problems, help users, organise protocols, and manage data security measures. Therefore, every healthcare organisation should have funds for at least one IT employee.

❖ Security risks and ethical considerations

The rising complexity of the IT networks that support today's socio-healthcare organisations and the large volume of data passing through them has made guaranteeing network and data security a challenge (Haggerty, 2017). According to a study carried out by Vaidya et al. (2018), many organizations initially rejected digital technologies because they were worried about security risks and lacked confidence in digitalization. Some socio-healthcare organizations may experience security problems, such as payment security, cyberattack, privacy, and data confidentiality (Colicchia et al., 2019).

These concerns are justifiable because, in general, service providers may experience transaction cancellations, delays, or personal data loss because of cyber-security breaches. However, the effects and losses in the healthcare sector could be much more severe (Haggerty, 2017). This situation is linked to low digital skills and limited knowledge about ICT, increasing security challenges etc.



Healthcare IT specialists should place a high priority on securing and monitoring networks. However, this task is challenging given the introduction of next-generation technologies and the frequent, ongoing updating of legacy systems to increase network efficiency, speed, and security (Haggerty, 2017).

Another problem related to digital transformation is the misunderstanding of copyright. There is a common misperception that anybody can use the contents of the internet without the original author's permission. However, these contents are protected by copyright law regardless of whether they are published on paper or the internet (Mahesh & Mittal, 2009).

Facing the challenges

As we saw in the previous part, there are a lot of obstacles and challenges for digital transition in socio-healthcare organizations. Thus, managers, healthcare professionals and workers must be well-informed while engaging in such transition. First, it is necessary to build a strategy of how the transition can become possible. This step could be fed by various resources guiding healthcare centres to navigate digital transition.

Second, there will be the need for healthcare professionals and care workers to understand the implications of digital transition, what are their advantages and disadvantages, and embrace this transition with positivity and have no doubts about it. Also, healthcare beneficiaries must be prepared with respect to digitalization and how this transition would help them in dealing with their difficulties and problems. So, this process will mostly be supported by healthcare professionals and care providers that work directly with them. This means that

healthcare beneficiaries have a certain trust in their healthcare providers and will accept the digitalization more easily.

Altogether, deep understanding of this process, adaptability, and trust that this is the best solution in keeping step with nowadays reality are highly needed in order to overcome the obstacles to digital transition.

