Change Management in the Digital Economy: Model Proposal

Nuno Geada, Polytechnic Institute of Setúbal, Portugal

https://orcid.org/0000-0003-3755-0711

ABSTRACT

The digital economy shows a great potential of growth, in the scope of the individuals and in transactions between companies. The internet is the great driving force behind this transition. Therefore, the impacts of change have on the economic environment of organizations can only be balanced when implementing good practices and control mechanisms, considering the critical factors for the success of implementation of change using methodologies versus technology versus resources. The control of digital change focuses on the constant need to adapt methodologies in the most varied application scenarios, and in its control in a structured way, namely a simple way to succinct this concept, so it is possible to affirm that the digital economy correlates directly with the constant need for change. Therefore, the objective is through a model proposal to support for the change management that allows managing the processes and associated impacts.

KEYWORDS

Change, Digital, Economy, Efficiency, Innovation, IT, ITIL, Management, Methodology, Model

INTRODUCTION

The term “digital economy” refers to an economic model and society in which it is driven by computer technology (Alaerds, Grove, Besteman, & Bilderbeek, 2017). The Digital Economy shows great potential for growth within individuals in business-to-business transactions. Consumers today have a huge impact on the economy as we are in a society that is always online and well informed.

Achieving the desired growth requires Digital Transformation that generates new business, digital business models, industries and subsectors.

According to (Kling & Lamb, 1999), it is possible to identify four sectors:

- **Highly Digital goods and services**: those goods that are delivered digitally and services where a substantial portion of the service is delivered digital is these include interbank fund transfers, online information services, electronic journals, some software sales, and so on;
- **Mixed digital goods and services**: These include music, books and flowers via the Internet, as well as services such as travel reservations. While a significant fraction of some of these products, such as pop music, may be sold in purely digital form within the next decade, there is a durable market for tangible goods;

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• **IT intensive services or goods production:** Include services that depend critically upon IT to be provided, for an example the computerized control plant production software;

• **The Segments of the IT industry that support of these three segments of the Digital Economy:** The goods and services of the IT industry that most directly support these three segments include a large fraction of the computer networking sub-industry, PC manufacturing, and some of the IT consulting organizations.

A digital component is added to existing sector/business activities and as the Digital Economy Model (Figure 1). This model takes the form of a layered chain or cycle and draws a distinction between sectors and components that deliver digital infrastructure, create digital services, and consume digital services/infrastructure (see Figure 1). Digital infrastructure (digital delivery) consists of data as the raw material, the network sector, the data centre sector, and the cloud & hosting sector. Digital services are created by software and digital companies (digital creation). Digital data, infrastructure and services are purchased by businesses, consumers and the government (digital consumption), facilitated among other ways by linking on-premises IT infrastructure and devices such as smartphones, tablets. (Alaerds, Grove, Besteman, & Bilderbeek, 2017)

The Internet is the great driving force off all, that is behind this transition, since it is through its connectivity, transparency and inclusion that it allows the gradual rise of disruptive business models, as well as the emergence of companies and organizations that until very recently have been very difficult would be able to have an expression in the market to compete with the main owners of the different markets. Therefore, the impacts of change have on the economic environment of organizations, can only be balanced when implementing good practices and control mechanisms, considering the critical factors for the success of implementation of change using methodologies versus technology versus resources. The control of digital change, focuses on the constant need to adapt methodologies like the ITIL (Cartlidge et al., 2007) way in the most varied application scenarios, and in its control in a structured way, namely a simple way to succinct this concept is the coordination between costs and resources and has as a control focus, of the use of technological methodologies and asset tools to increase the quality and credibility of the services to be delivered, so it is possible to affirm that the digital economy correlates directly with the constant need for change. Being that most of the time lies the biggest problem in the change is triggered by the people included in the process, rather than the complexity of the implementation of the methodology.

**ITIL in a World of Digital Economy: Role of ITIL in a Digital Transformation**

What is digital transformation and how are companies going, about accomplishing it and what does that mean? Everyone has a different definition of digital transformation, but could it be another rebranding of enterprise service management or extending the services mind-set. Transforming customer experience across mobile and social media channels for greater customer engagement and helping them learn more about products and services.

Best practice guidance such as ITIL is there to guide organizations rather than compelling them to do something in a prescribed way. At the end, the most important element about ITIL is the continual improvement focus with empowerment of how people behave, doing the changing for the better.

**Can ITIL Manage Change Digital Transformation?**

To paraphrase, “Digital transformation introduces new types and levels of risk in organizations and ITSM is essential to managing risk,” said Margo Leach, Chief Product Officer of AXELOS. ITIL is a process control tool so it is possible to say that it can manage the digital transformation in an organization because it is process based, and since any change or transformation must be controlled and managed, since it always presents risks. The management of change focuses on the constant need for adaptation in the most varied application scenarios, as well as its control in a structured way. There are personal, organizational or project changes. The change is present in several methodologies,
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