

2022 Risk Radar: Technology Sector

February 2022

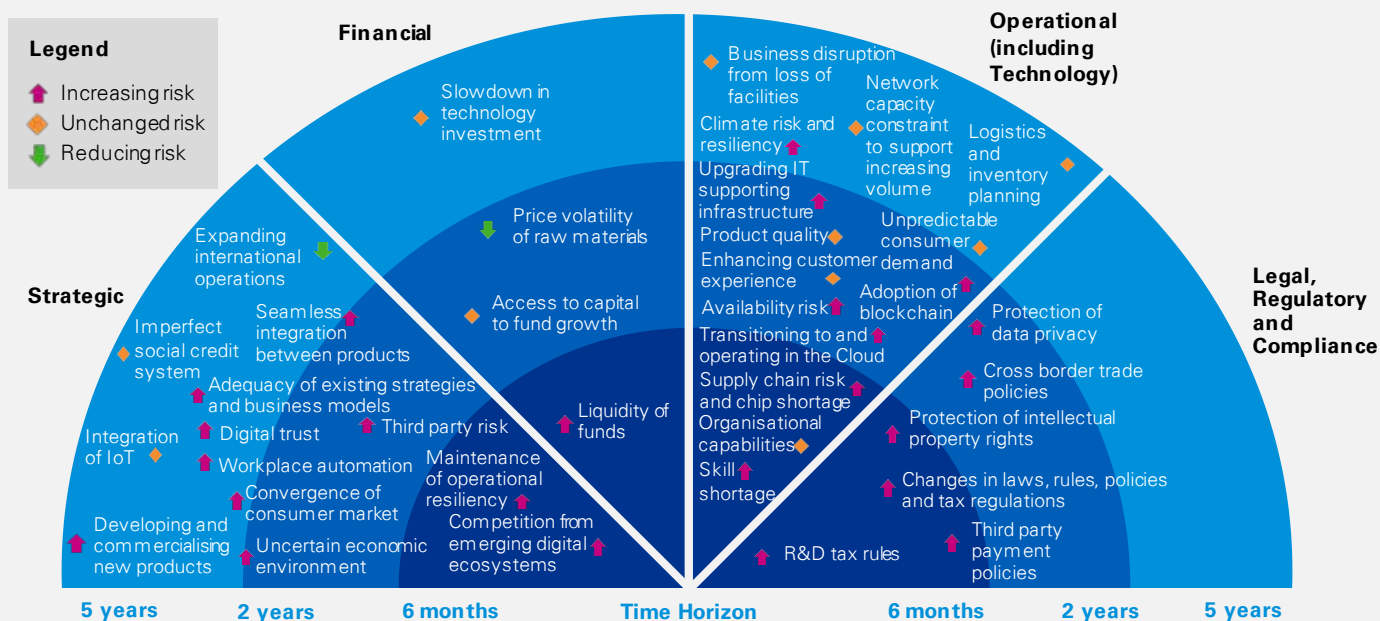


As organisations adapt to the “new normal” under the COVID-19 pandemic, it prompts further review of their IT infrastructure to ensure proper alignment with new ways of working and enhance agility and operational resiliency. To outperform competitors, it is vital to invest in advanced technologies to heighten efficiency and digital commerce capabilities to enhance customers’ experience. Furthermore, availability risk and third party relationships have become key focus points for organisations to ensure information readiness, minimise operational disruption and maintain competitiveness in an increasingly complex global economy.



Key trends observed in the market impacting the industry in the Greater China region:

- Challenges related to transformation of organisations’ IT systems to adapt to new ways of working and enhance agility, e.g. technology implications of partial return-to-office strategies such as updates to Business Continuity Planning and operating models;
- Enhancement to IT systems to ensure operational resiliency when faced with unexpected events, while meeting stakeholder expectations for system functionality;
- Growing investment in technologies for adoption of workplace automation and other functions (e.g. blockchain) presents a wide range of uncertainties, potential operational disruption and supply chain risks;
- More extensive adoption of blockchain technology highlights the underlying inherent risks, e.g. value transfer risks and smart contract risks;
- With the surge of expectations around functionality and convenience of digital commerce, it is crucial to strike a balance between fulfilling stakeholders’ expectations and maintaining digital trust;
- Increasing need for remote data and information availability and avoidance of loss of communication and processing capability in remote working situations, to ensure operational efficiency and effectiveness and business continuity;
- Heavier reliance on third party relationships as the global economy grows more complex and competitive, leading to greater emphasis of an effective third-party risk management;
- Accelerated data migration to cloud across industries to drive greater efficiency, control, and automation.



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